

SUMMONS

To the Members of the County Council

You are hereby summoned to attend the County Council to be held at The Castle, Winchester at 10.00 am on Thursday, 18th July, 2019 to consider and resolve upon the business set out in the Agenda below.

[Please note that there will be a short service of prayer at 10.00 am prior to the start of the formal business of the meeting].

Enquiries to: Debbie Vaughan: members.services@hants.gov.uk

This agenda can be provided on request in large print or Braille or on disk. This meeting will be recorded and broadcast live on the County Council's website. The meeting may also be recorded and broadcast by the press and members of the public – please see the Filming Protocol available on the County Council's website.

AGENDA

1. **APOLOGIES FOR ABSENCE**

To receive any apologies for absence.

2. **DECLARATIONS OF INTEREST**

All Members who believe they have a Disclosable Pecuniary Interest in any matter to be considered at the meeting must declare that interest and, having regard to Part 3 Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore all Members with a Personal Interest in a matter being considered at the meeting should consider, having regard to Part 5, Paragraph 4 of the Code, whether such interest should be declared, and having regard to Part 5, Paragraph 5 of the Code, consider whether it is appropriate to leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with the Code.

3. **MINUTES** (Pages 7 - 22)

To confirm the Minutes of the Special County Council Meeting and the Annual General Meeting of the County Council held on 17 May 2019.

4. **DEPUTATIONS**

To receive the following deputations:

- a) Professor Joy Carter CBE DL, University of Winchester, regarding a climate emergency.
- b) Sara Timossi regarding climate change.
- c) Kathie Knell, Extinction Rebellion, regarding climate change.
- d) John Hubbard, Energy Alton, regarding the climate emergency.
- e) Alison Skillen, Winchester Action on Climate Change, regarding the climate emergency.

5. **CHAIRMAN'S ANNOUNCEMENTS**

To receive such announcements as the Chairman may wish to make to the Council.

6. **LEADER'S REPORT**

To receive such reports as the Leader of the Council may wish to bring before the Council.

7. **QUESTIONS UNDER STANDING ORDER 16.1.1**

To deal with questions pursuant to Standing Order 16.1.1. Where a member has submitted more than one question, their second and subsequent questions will not be answered until all members' first questions have been dealt with.

Part I: Matters for Decision

8. **APPOINTMENTS** (Pages 23 - 24)

To consider a report of the Chief Executive to make any Member appointments or alterations as required to the membership of committees and standing panels of the County Council, to statutory joint committees, to other proportional bodies the County Council is represented on, or to any other bodies which are not subject to proportionality rules.

9. **2018/19 – END OF YEAR FINANCIAL REPORT** (Pages 25 - 74)

To consider report of the Cabinet setting out the end of year position for the financial period 2018/19 seeking approval of the County Council's treasury management activities and prudential indicators.

10. **OUTCOME OF APRIL 2019 INSPECTION OF LOCAL AUTHORITY CHILDREN'S SERVICES (ILACS) CARRIED OUT BY OFSTED AND DETAILS OF THE IMPROVEMENT SUPPORT WORK BEING OFFERED TO THE REGION** (Pages 75 - 98)

To consider a Report of the Chief Executive regarding the outcome of the recent inspection of the County Council's Children's Services.

11. **CONSIDERATION OF MOTION REFERRED BY COUNTY COUNCIL:
CLIMATE CHANGE** (Pages 99 - 136)

To consider a report of the Cabinet detailing the outcome of their deliberation of a Motion referred by the County Council on 17 May 2019.

12. **NOTICE OF MOTION**

To consider the following Notice of Motion, submitted in accordance with Standing Order 18.1:

Notice of Motion submitted by Councillor Simpson, seconded by Councillor Andrew Joy:

'This Council recognises the extreme circumstances which can arise in military operations, and asks Her Majesty's Government to ensure the fair and proportionate treatment of Her Majesty's Forces who served in Operation Banner from 1969 to 2007 in relation to any allegations of criminal acts while undertaking their duties.

It further requests that the Director of Public Prosecutions urgently reviews any current or pending prosecutions of present or former members of Her Majesty's Forces regarding Operation Banner to ensure that members of Her Majesty's Forces are not inequitably subjected to the trauma of investigation and prosecution.

Finally, this Council asks Her Majesty's Government to ensure that proper protection is put in place for all those who serve, have served or will serve in Her Majesty's Forces from inappropriate prosecution for doing their duty under extremely difficult circumstances.'

Part II: Matters for Information

13. **HAMPSHIRE FIRE AND RESCUE AUTHORITY**

a) HFRA Questions

To deal with any questions which have been submitted pursuant to Standing Order 16.3 concerning the discharge of the Hampshire Fire and Rescue Authority's functions.

b) HFRA Report (Pages 137 - 138)

To receive a report of the Authority.

14. **CHANGES IN RESPONSIBILITY FOR EXECUTIVE FUNCTIONS**
(Pages 139 - 148)

To receive a report of the Chief Executive notifying changes to the allocation of Executive Functions.

15. **CONSTITUTIONAL ARRANGEMENTS: APPOINTMENTS TO THE HEALTH AND WELLBEING BOARD FOR HAMPSHIRE** (Pages 149 - 150)

To consider a report of the Health and Wellbeing Board updating the Council on membership changes to the Board taken under delegated authority.

16. **ANNUAL REPORT OF THE POLICY AND RESOURCES SELECT COMMITTEE** (Pages 151 - 158)

To receive the annual report of the Policy and Resources Select Committee summarising the work carried out by the County Council's Select Committees during 2018/19.

17. **ANNUAL REPORT OF THE HEALTH AND ADULT SOCIAL CARE SELECT COMMITTEE** (Pages 159 - 164)

To receive the annual report of the Health and Adult Social Care Select Committee summarising the health scrutiny work carried out by the Committee during 2018/19.

18. **EXECUTIVE AND COMMITTEE REPORTS**

To receive for information the reports of the following:

- a) The Leader/Cabinet (Pages 165 - 168)
- b) Executive Member for Recreation and Heritage (Pages 169 - 170)
- c) Executive Member for Adult Social Care and Health (Pages 171 - 172)
- d) Executive Member for Countryside and Rural Affairs (Pages 173 - 174)

John Coughlan CBE
Chief Executive
The Castle
Winchester

Wednesday, 10 July 2019

Agenda Item 3

AT A MEETING of the Special County Council of HAMPSHIRE COUNTY
COUNCIL held at The Castle, Winchester on Friday, 17th May, 2019

Chairman:

* Councillor Elaine Still

Vice-Chairman:

* Councillor Charles Choudhary

- | | |
|---------------------------------|---------------------------------------|
| * Councillor John Bennison | * Councillor Wayne Irish |
| Councillor Fred Birkett | * Councillor Gavin James |
| Councillor Martin Boiles | * Councillor Andrew Joy |
| * Councillor Ray Bolton | * Councillor David Keast |
| * Councillor Jackie Branson | Councillor Mark Kemp-Gee |
| * Councillor Ann Briggs | * Councillor Mel Kendal |
| * Councillor Zilliah Brooks | * Councillor Rupert Kyrle |
| * Councillor Graham Burgess | * Councillor Peter Latham |
| * Councillor Adam Carew | * Councillor Keith Mans |
| * Councillor Fran Carpenter | * Councillor Alexis McEvoy |
| * Councillor Christopher Carter | * Councillor Anna McNair Scott |
| * Councillor Roz Chadd | * Councillor Derek Mellor |
| * Councillor Peter Chegwyn | Councillor Floss Mitchell |
| * Councillor Daniel Clarke | * Councillor Rob Mocatta |
| * Councillor Adrian Collett | * Councillor Kirsty North |
| * Councillor Mark Cooper | * Councillor Russell Oppenheimer |
| Councillor Rod Cooper | * Councillor Neville Penman |
| * Councillor Tonia Craig | * Councillor Roy Perry |
| * Councillor Roland Dibbs | * Councillor Stephen Philpott |
| * Councillor Alan Dowden | * Councillor Jackie Porter |
| * Councillor Peter Edgar MBE | * Councillor Roger Price |
| * Councillor Keith Evans | * Councillor Lance Quantrill |
| * Councillor Liz Fairhurst | * Councillor Stephen Reid |
| * Councillor Steve Forster | * Councillor David Simpson |
| * Councillor Jane Frankum | * Councillor Patricia Stallard |
| * Councillor Andrew Gibson | * Councillor Robert Taylor |
| * Councillor Jonathan Glen | * Councillor Bruce Tennent |
| * Councillor Judith Grajewski | * Councillor Tom Thacker |
| * Councillor David Harrison | * Councillor Michael Thierry |
| * Councillor Marge Harvey | * Councillor Mike Thornton |
| * Councillor Pal Hayre | * Councillor Martin Tod |
| * Councillor Edward Heron | * Councillor Rhydian Vaughan MBE |
| * Councillor Dominic Hiscock | * Councillor Malcolm Wade |
| * Councillor Geoffrey Hockley | * Councillor Jan Warwick |
| * Councillor Keith House | * Councillor Michael Westbrook |
| * Councillor Rob Humby | * Councillor Michael White |
| * Councillor Gary Hughes | Councillor Bill Withers Lt Col (Retd) |
| * Councillor Roger Huxstep | * Councillor Seán Woodward |

*Present

Honorary Aldermen Patricia Banks, Keith Chapman MBE, Phrynnette Dickens, Tim Knight, Sharyn Wheale and Michael Woodhall were also present.

8. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Fred Birkett, Martin Boiles, Rod Cooper, Mark Kemp-Gee, Floss Mitchell and Bill Withers.

Apologies were also received from Honorary Aldermen Roger Kimber, Marilyn Tucker and Alex Varden.

9. 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 1, 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.

10. MINUTES

There were no Minutes to confirm on this occasion.

11. HONORARY ALDERMAN

The Council considered the report of the Chief Executive (Item 3 in the Minute Book), as presented by the Leader, proposing to confer the title of Honorary Alderman on former County Councillor Robin McIntosh in recognition of his many years of dedicated service to the County Council and the communities he represented.

RESOLVED:

That the County Council confer the title of Honorary Alderman on former County Councillor Robin McIntosh.

The meeting closed at 10.15am.

Chairman

Public Document Pack

AT A MEETING of the County Council of HAMPSHIRE COUNTY COUNCIL held
at The Castle, Winchester on Friday, 17th May, 2019

Chairman:

* Councillor Charles Choudhary

Vice-Chairman:

* Councillor Mel Kendal

- * Councillor John Bennison
- Councillor Fred Birkett
- Councillor Martin Boiles
- * Councillor Ray Bolton
- * Councillor Jackie Branson
- * Councillor Ann Briggs
- * Councillor Zilliah Brooks
- * Councillor Graham Burgess
- * Councillor Adam Carew
- * Councillor Fran Carpenter
- * Councillor Christopher Carter
- * Councillor Roz Chadd
- * Councillor Peter Chegwyn
- * Councillor Daniel Clarke
- * Councillor Adrian Collett
- * Councillor Mark Cooper
- Councillor Rod Cooper
- * Councillor Tonia Craig
- * Councillor Roland Dibbs
- * Councillor Alan Dowden
- * Councillor Peter Edgar MBE
- * Councillor Keith Evans
- * Councillor Liz Fairhurst
- * Councillor Steve Forster
- * Councillor Jane Frankum
- * Councillor Andrew Gibson
- * Councillor Jonathan Glen
- * Councillor Judith Grajewski
- * Councillor David Harrison
- * Councillor Marge Harvey
- * Councillor Pal Hayre
- * Councillor Edward Heron
- * Councillor Dominic Hiscock
- * Councillor Geoffrey Hockley
- * Councillor Keith House
- * Councillor Rob Humby
- * Councillor Gary Hughes
- * Councillor Roger Huxstep
- * Councillor Wayne Irish
- * Councillor Gavin James
- * Councillor Andrew Joy
- * Councillor David Keast
- Councillor Mark Kemp-Gee
- * Councillor Rupert Kyrle
- * Councillor Peter Latham
- * Councillor Keith Mans
- * Councillor Alexis McEvoy
- * Councillor Anna McNair Scott
- * Councillor Derek Mellor
- Councillor Floss Mitchell
- * Councillor Rob Mocatta
- * Councillor Kirsty North
- * Councillor Russell Oppenheimer
- * Councillor Neville Penman
- * Councillor Roy Perry
- * Councillor Stephen Philpott
- * Councillor Jackie Porter
- * Councillor Roger Price
- * Councillor Lance Quantrill
- * Councillor Stephen Reid
- * Councillor David Simpson
- * Councillor Patricia Stallard
- * Councillor Elaine Still
- * Councillor Robert Taylor
- * Councillor Bruce Tennent
- * Councillor Tom Thacker
- * Councillor Michael Thierry
- * Councillor Mike Thornton
- * Councillor Martin Tod
- * Councillor Rhydian Vaughan MBE
- * Councillor Malcolm Wade
- * Councillor Jan Warwick
- * Councillor Michael Westbrook
- * Councillor Michael White
- Councillor Bill Withers Lt Col (Retd)
- * Councillor Seán Woodward

*Present

Honorary Aldermen Patricia Banks, Keith Chapman MBE, Phrynne Dickens, Tim Knight, Sharyn Wheale and Michael Woodhall were also present.

136. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Fred Birkett, Martin Boiles, Rod Cooper, Mark Kemp-Gee, Floss Mitchell and Bill Withers.

Apologies were also received from Honorary Aldermen Roger Kimber, Marilyn Tucker and Alex Varden.

137. 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 1, 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.

Councillor Michael Westbrook declared a personal interest in respect of Item 12 a) on the agenda being that the Motion affects his wife and therefore would not take part in the debate when that item was reached.

138. ELECTION OF CHAIRMAN

The Chief Executive, as the Proper Officer, called for nominations. Councillor Roger Huxstep, seconded by Councillor Roland Dibbs proposed that Charles Choudhary be elected Chairman of the Council until the Annual General Meeting of the Council in 2020.

No other nominations were received therefore the proposition was put to the vote and carried.

ORDERED:

That Councillor Charles Choudhary be elected Chairman of the County Council until the Annual General Meeting in 2020. Councillor Choudhary made the Declaration of Acceptance of Office and took the chair.

139. **APPOINTMENT OF VICE-CHAIRMAN**

The Chairman invited nominations for the position of Vice-Chairman of the Council. Councillor Roy Perry, seconded by Councillor Rob Humby proposed Councillor Mel Kendal be appointed Vice-Chairman of the Council until the Annual General Meeting of the Council in 2020.

No other nominations were received therefore the proposition was put to the vote and carried.

ORDERED:

That Councillor Mel Kendal be appointed as Vice-Chairman of the County Council until the Annual General Meeting in 2019. Councillor Choudhary made the Declaration of Acceptance of Office.

140. **INCOMING CHAIRMAN'S ANNOUNCEMENTS**

The Incoming Chairman thanked Councillor Still for her outstanding service as Chairman over the past year; gave special thanks to Councillor Roy Perry as retiring Leader of Hampshire County Council and gave a warm welcome to the Incoming Leader of the Council, Councillor Keith Mans and to Councillor Rob Humby as Deputy Leader of the Council.

It was with sadness that the Chairman reported the passing of a long serving officer of the County Council, Edward Mason who passed away on 14 April this year. Ted's local government career spanned 42 years and at the time of his retirement in 1999, he held the position of Assistant County Secretary, responsible for the Recreation Committee. A service of thanksgiving for his life was held on 25 April at Romsey Abbey.

The Chairman confirmed that his theme during his year in office would be health and wellbeing, specifically mental health. The Chairman highlighted the County Council's commitment to providing accessible, timely services which enable people to manage their mental health in a way that offers choice and control through working with key partners, stakeholders and people using mental health and substance misuse services to continuously improve the provision.

The Chairman's full announcements are appended to these Minutes.

141. **MINUTES**

The Minutes of the meeting held on 14 February 2019 were agreed subject to a correction to Minute 129 to record that the date of the Budget Speech of the Executive Member for Economic Development should read 14 February 2019. The Minutes were signed by the Chairman.

142. **OUTGOING LEADER'S REPORT**

The Outgoing Leader, Councillor Roy Perry, congratulated Councillor Choudhary on his election as Chairman of the Council for the next municipal year and thanked Councillor Still for her year of Chairmanship.

Councillor Perry had pleasure in confirming that The Lookout at Lepe Country Park had been one of the shortlisted projects for the Royal Institute of Chartered Surveyors Regional Awards for Buildings of Merit. Also of note was that Quebec Park housing development at Whitehill, Bordon was recognised in the residential development category and won that award.

Councillor Perry reported that he had announced to the Council in February that it was his intention to stand down as Leader of the County Council at the Annual General Meeting, at mid-point of the current term which would give his successor two years before the County Council's next Election in 2021 to deal with the many issues including budgetary pressures.

Councillor Perry reported he had first stood for election in 1969 and in 2020 will have cumulatively held office for 50 years – 40 years as a County, Borough and Parish Councillor and 10 years as a Member of the European Parliament. 13 of those years had been as a Council Leader. He confirmed it had been a privilege, an honour and a pleasure to serve.

Councillor Perry reported on the work of the Hampshire Commission 2050 which he had chaired, which aimed to bring a report to Members at an Extraordinary Meeting of the Council to be held on Monday 23 September 2019. Councillor Perry commented that looking back 50 years was easy – looking forward 30 years was not and the task is to protect the environment, quality of life and the economy of Hampshire which required a partnership approach.

Councillor Perry reported that he would be continuing as a County Councillor working for the Romsey Rural Division. He would also continue to Chair South East England Councils (SEEC), a grouping of over 70 councils across the south east region to encourage them to work with other south east consortia such as South East Strategic Leaders' (SESL) and the South East 7 Board.

In conclusion, Councillor Perry thanked everyone for the messages and gestures of appreciation he had received for his time as Leader of Hampshire County Council.

143. **LEADER AND CABINET**

In accordance with Part 1 Chapter 11 of the County Council's Constitution, Councillor Roy Perry proposed Councillor Keith Mans as Leader of the Council. Councillor Rob Humby seconded the proposal. There were no other nominations. The proposal was put to the vote and carried.

Councillor Keith Mans was duly elected as Leader of Hampshire County Council until the Annual General Meeting of the County Council following the Elections in 2021.

The Leader congratulated Councillor Choudhary on his election as Chairman of the Council and thanked Members for electing him to the position of Leader of the Council.

The Leader announced his Cabinet as follows:

Councillor Rob Humby – Deputy Leader and Executive Member for Environment and Transport

Councillor Roz Chadd – Executive Member for Education and Skills

Councillor Liz Fairhurst – Executive Member for Adult Social Care and Health

Councillor Judith Grajewski – Executive Member for Public Health (to include Supporting Families)

Councillor Edward Heron – Executive Member for Countryside and Rural Affairs

Councillor Andrew Joy – Executive Member for Communities, Partnerships and External Affairs including Brexit (will also include Emergency Planning and Resilience)

Councillor Stephen Reid – Executive Member for Economic Development, Human Resources and Performance

Councillor Patricia Stallard – Executive Lead Member for Children’s Services

Councillor Seán Woodward – Executive Member for Recreation and Heritage

The Leader paid tribute to Councillor Roy Perry for his leadership and achievements during his time as Leader of the Council during what had been very challenging times.

In terms of his vision for the future, the Leader confirmed that he wants to see Hampshire remain as one County Council. He highlighted the importance of getting a fair funding settlement from central government. In this regard, he would be meeting with Ministers at a forthcoming County Network event to put forward the County Council’s position; to highlight the pressures it faces in meeting its responsibility to provide statutory services against the backdrop of reducing Revenue Support Grant. Being able to evidence robust financial control and continuing to work closely with district and borough partners to deliver services would be important, as was working closely with the County Council’s unitary partners and the two Hampshire Local Enterprise Partnerships. The Leader supported the continuance of the County Council’s sound financial policies and sensible use of reserves to invest in innovative projects for the benefit of communities in Hampshire.

The Leader referred to the Extraordinary Council Meeting on 23 September at which the findings of the Hampshire Commission 2050 would be discussed. A very important area of would be the environment and climate change which would be challenging but also provides an opportunity for the County Council to lead the

way in clean technology. Finding a way to balance between economic development and prosperity and protecting the countryside would be key.

In conclusion Councillor Mans thanked Members for electing him to take on the role of Leader of Hampshire County Council.

144. **DEPUTATIONS**

The Chairman invited deputations.

In accordance with Standing Order 20.6 Councillor House moved to suspend Standing Order 12.2.2 to allow the opportunity for some children from Crestwood School to take part in the deputation at Item 9b) on the Agenda in the interests of encouraging young people to get involved in the Council's processes and promoting participatory democracy. Councillor Irish seconded the Proposal.

During the course of the ensuing debate, attention was drawn to the information circulated to all Councillors by the Chief Executive in this regard which confirmed that the deputation process is a very specific local approach to hearing views from the community. Standing Orders have to be carefully constructed and adhered to, to ensure the process is not subject to confusion or abuse. Furthermore, the Chief Executive highlighted that the question of a child's informed consent is not straightforward.

The Leader confirmed that he would be happy to review the Council's deputation process set out in Standing Orders in regard to engaging with children and young people. He highlighted that the deputation process is not the sole route for children and young people to express their views to the Council and early comments from the recent Ofsted inspection indicates the strength of the Council's approaches to listening to children and young people. The Leader emphasised that any revisions to the current deputation procedure, which would be brought back to the Council, would require careful consideration to ensure it contains appropriate safeguards and continues to maintain good governance.

The Chairman confirmed that written permission that the schoolchildren could speak as part of the deputation and be filmed had not been obtained.

The Proposal was put to the vote and was not carried. In accordance with Standing Order 20.4, Councillor House moved a further Proposal that the meeting be adjourned for a short period to hear from the schoolchildren off-camera. The Chairman did not consider the Proposal to be appropriate.

The deputations were received as listed on the Summons subject to noting that the deputation at 9a) on the agenda was presented by Carolyne Jacobs.

145. **QUESTIONS UNDER STANDING ORDER 16.1.1**

Executive Members responded to questions submitted in accordance with Standing Order 16.1.1 as published.

146. **PROPORTIONALITY AND APPOINTMENTS**

The Council considered an updated report of the Chief Executive as presented by the Leader, to review the Council's Proportionality Table and to make any Member appointments or alterations as required to the membership of the County Council's committees and standing panels, to statutory joint committees, to other proportional bodies the County Council is represented on, or to any other bodies which are not subject to proportionality rules.

RESOLVED:

That the County Council:

- a) Approves the Proportionality Table at Appendix 1 to the report.
- b) Approves the appointment of Chairmen and Vice-Chairmen of committees and panels at Appendix 2 to the report.
- c) Approves the appointment of the County Council's representatives on the Hampshire Fire and Rescue Authority as set out in paragraph 3.2 of the report.
- d) Approves other Member appointments as set out in paragraph 3.3 of the report.

147. **NOTICES OF MOTION**

- a) Notice of Motion

The Council considered the Motion set out at Item 12a), which was submitted in accordance with Standing Order 18.1, as proposed by Councillor Malcolm Wade and seconded by Councillor David Harrison regarding State Pension arrangements for women born in the 1950s.

Councillor Jackie Porter declared a personal interest in this matter.

Councillor Stephen Reid, seconded by Councillor Keith Mans proposed that in the first line of the Motion:

"This Council calls on the Government to make fair transitional State Pension Arrangements....."

the word "make" be replaced with "consider" and in the first line of the final paragraph of the Motion:

"The Council calls upon the Government to provide fair transitional State...."

The word "provide" be replaced with "consider."

The Amendment was put to the vote and carried..

RESOLVED:

"The Council calls upon the Government to **consider** fair transitional State Pension arrangements for all women born in the 1950s, who have unfairly borne the burden of the increase to the State Pension Age (SPA) with lack of appropriate notification.

3.8 million women had significant pension changes imposed on them by the Pensions Acts of 1995 and 2011 with little or no personal notification of the changes. Some women had only two years notice of a six-year increase to their state pension age. Many had no notification at all. Many women born in the 1950's are living in hardship. Retirement plans have been shattered with devastating consequences. Many of these women are already out of the labour market, caring for elderly relatives, and/or providing childcare for grandchildren, or suffer discrimination in the workplace and struggle to find employment.

Women born in this decade are suffering financially. These women have worked hard, raised families and paid their tax and national insurance with the expectation that they would be financially secure when reaching 60. It is not the pension age itself that is in dispute - it is widely accepted that women and men should retire at the same time. The issue is that the rise in the women's state pension age has been too rapid and has happened without sufficient notice being given to the women affected, leaving them with no time to make alternative arrangements.

The Council calls upon the Government to **consider** fair transitional State Pension arrangements for all women affected by the changes. This translates into a 'bridging' pension to provide an income from age 60 until State Pension Age. An income that is not means-tested and also includes recompense for losses incurred, for those women who have already reached their SPA, so that women do not live in hardship due to pension changes they were not told about until it was too late to make alternative arrangements."

b) Notice of Motion

The Council considered the Motion set out at Item 12b), which was submitted in accordance with Standing Order 18.1, as proposed by Councillor Wayne Irish and seconded by Councillor Bruce Tennent calling for the provision of additional powers for local Highway Authorities to ensure the timely adoption of, and completion of construction works of roads for new developments.

A number of Members spoke in support of the Motion.

The Executive Member for Environment and Transport reported on the work that had been done over many months which included meeting with over 100 developers in an effort to get agreement for more effective arrangements. This work will be continuing and the Executive Member will keep Members informed of developments.

In the absence of any Amendments, the Motion was put to the vote and carried.

RESOLVED:

This Council calls on the Government to provide additional powers for local Highway Authorities to ensure that roads on new developments are brought forward for adoption and construction works are completed to a satisfactory standard in a timely manner, to ensure residents, such as those living on new developments at Lakeside and Sirroco Park in Eastleigh, are not disadvantaged by extended delays in the adoption of estate roads.

c) Notice of Motion

The Council considered the Motion set out at Item 12c), which was submitted in accordance with Standing Order 18.1, as proposed by Councillor Martin Tod and seconded by Councillor Adrian Collett regarding Climate Change.

Councillor Rob Humby proposed that in accordance with Standing Order 18.4 this Motion be referred to Cabinet to allow the Cabinet the opportunity to consider the findings of the Hampshire Commission 2050. In accordance with Standing Order 18.5 Councillor Tod, as the Proposer of the Motion, will have the opportunity to attend the Cabinet meeting at which this matter is considered to explain the Motion.

The Amendment was put to the vote and carried.

148. HAMPSHIRE FIRE AND RESCUE AUTHORITY

a) HFRA Questions

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

b) HFRA Report

The Council received and noted the report of the Hampshire Fire and Rescue Authority as presented by Councillor Chris Carter in his capacity as Chairman of the Fire Authority.

The Leader Confirmed that Dr. Sallie Bacon, Director of Public Health was retiring and thanked her for the work she had done.

The Meeting closed at 12.50pm.

Chairman,

This page is intentionally left blank

OUTGOING CHAIRMAN'S ANNOUNCEMENTS 17 MAY 2019

May I welcome on your behalf those Honorary Aldermen who have graced us with their presence today.

Thank you for your support, not just today but throughout the past year.

Before I proceed with my "**thank-you's**", I am sure you would all like to join me in congratulating the Duke and Duchess of Sussex on the arrival of their son, Archie Harrison Mountbatten Windsor.

I would like to thank the Vice-Dean, Canon Roly Reim for saying prayers at our AGM today. I would also like to place on record my thanks to The Reverend Linda Scard and The Revd Karen Kousseff for saying prayers at previous County Council meetings.

Thank you to our Vice Chairman, Cllr Charles Choudhary, who has deputised for me on occasions and has been a great assistance throughout my year.

A big thank you to Natalie Jones, the Chairman's PA. And to Penny Mills, Sue Butler and everyone else in Democratic and Members Services for their help and support.

As you will be aware my Chairman's theme this year was 'All things Healthy and Green, all Creatures Great and Small'. I would like to say a huge thank you to John Tickle, Jo Heath and Amanda Hull in Countryside Service for helping me to achieve my goal. We are so fortunate to have Officers at HCC who go the extra mile.

I must also express my public thanks to my consort, James Still, my son, and all of my family and friends who stepped in to be there for me on other occasions. I could not have done this without your support, thank you.

I have met many amazing people from all walks of life whilst carrying out my duties and this has been a huge eye-opener for me in seeing, at first hand, the great work carried out by volunteers from every sector.

You have all been sent my list of engagements throughout my term of office.

There are some key highlights that I wish to mention:

- Laying a wreath in Queen Eleanor's Garden to commemorate the 100-year anniversary when women finally won the right to vote and Emmeline Pankhurst's 160 year birthday.
- My Wear It Pink Tea Party for Breast Cancer Awareness month where we raised £400 for the charity
- Last year's Staff Act of Remembrance was a particularly special event commemorating the Centenary of the end of the First World War. It was a memorable and moving service with the Winchester Military Wives Choir, the Peter Symonds College Chamber Choir and the Hampshire Music Service Brass Quartet, all of whom performed brilliantly and helped make this such a special occasion.

- It was a pleasure to host a reception at The Great Hall to honour staff that completed their 25 years of dedicated service to the people of Hampshire.
- Volunteers Celebration Event at The Great Hall – a fantastic evening to recognize the amazing work that our army of willing and dedicated Countryside volunteers undertake to ensure our special places are accessible for everyone to enjoy.
- I thoroughly enjoyed a day volunteering at Lepe Country Park, cutting back undergrowth and large thorn bushes. It was hard work but so rewarding. Needless to say I slept well that night!

I have attended many concerts throughout my term of office, some of which include

- The Anvil's 25th Birthday Gala Concert given by the Philharmonia Orchestra with soloist Sheku Kanneh-Mason
- HMS concert at the refurbished chapel at the Netley Military Hospital with music through the ages of WW1 and WW2. This was the vision of Cllr Peter Edgar.
- The Hampshire Music Service Staff concert at The Anvil. A fabulous concert. At my request the staff performed the theme tune from the Game of Thrones - this was such an honour for me.
- The ultimate evening was my Chairman's Concert at Winchester Cathedral on Saturday 27 April. It was truly spectacular and one that I will never forget. Hampshire County Youth Orchestra and Basingstoke Area Youth Orchestra performed a rich and varied programme and I would like to thank Philips Solicitors in Basingstoke for their sponsorship.

Hampshire Music Service is one of the best in the country. It offers so many wonderful opportunities to our young people across the County. 25,000 children learn to sing and play every week and over 65 ensembles, such as those performing at my Chairman's concert.

Please, Members, continue to support the Hampshire Music Service.

This past year has been extraordinary. It has been an enormous privilege for me to represent you at events around the County and it has been an honour to broadcast the Hampshire message.

These are just a few of the events I attended during my year of office and many, if not all, were amazing in various ways but what stood out most of all was the dedication and commitment of all the people involved, many of whom are volunteers.

I will treasure my memories of these events for a long time to come.

COUNTY COUNCIL ANNUAL GENERAL MEETING 17 MAY 2019

INCOMING CHAIRMAN'S ANNOUNCEMENTS

Members, Honorary Aldermen, Ladies and Gentleman, Officers of the Council and colleagues. May I start by thanking you all for setting your alarms to arrive in time for the Annual meeting this morning!

It is with a deep sense of responsibility, humility, honour and, of course, pleasure that I accept your nomination to serve as Chairman of Hampshire County Council.

Thank you for the support you have given me and for the trust you have placed in me.

May I thank Cllr Roger Huxstep and Cllr Roland Dibbs for proposing and seconding my nomination and for their kind words.

I would now like to take the opportunity to congratulate and thank Councillor Still for her outstanding service as Chairman over the past year. Elaine, it was a pleasure to have had the opportunity to support you as Vice-Chairman and to witness first hand your energy and commitment. Thank you for your distinguished contribution to the County and congratulations on the success of your theme of "All things Healthy and Green, All Creatures Great and Small". I trust you are all now, at least, eating your brussel sprouts in support! Elaine, you have much to be proud of as you reflect on the success of your term as Chairman.

Can I also give a special thanks to Roy Perry as retiring Leader of Hampshire County Council. Roy was first elected to Hampshire County Council in 2005 and has been Leader of the County Council since May 2013. He has previously held many eminent positions. From 2010 to 2013 he was Executive Lead Member for Childrens Services in Hampshire and you will know, from 1994 to 2004, he was a Member of the European Parliament, initially for Wight and Hampshire South and then as one of the 11 MEPs for South East England. He was Conservative spokesman on the Parliament Culture and Education Committee and Vice President of the Petitions Committee. We are enormously grateful for the service you have given, your unfailing championing of local democracy and your leadership of our Hampshire County.

A warm welcome and support for our incoming Leader of the Council, Keith Mans and Rob Humby as Deputy.

We must not forget those who are no longer with us. A long serving Officer of the County Council, Edward Mason, who many of you knew as Ted, sadly passed away on the 14th of April this year. Ted's local government career spanned 42 years having started his career in 1957 working for Southampton County Council later joining Hampshire County Council in 1974. At the time of his retirement in 1999, he held the

position of Assistant County Secretary, responsible for the Recreation Committee. A service of thanksgiving for his life was held on 25th April at Romsey Abbey.

I have been a Councillor now for 27 years, with six of those years here at County, supported and encouraged by my lovely wife and caring daughters. My youngest, Zoonia, has asked for a special mention as she believes it's all her doing!

My theme, during my year in office, is one of health and wellbeing, specifically looking after our mental health and the mental health of our wider community, by being aware and understanding early warning signs and symptoms. The World Health Organisation recognises World Mental Health Day on 10th October and it is Mental Health Awareness Week, this week (13-17 May). Unfortunately, unlike other ailments, there is still a stigma surrounding mental health issues.

The mental health of our Hampshire residents is recognised by the Council to be of equal importance to their physical health. With one in four of us across all age ranges experiencing a mental health problem at any time in our lives, we recognise the significance of people needing to have greater access to help and support to cope with difficulties which might be time limited or across lifelong conditions. Whilst recognising the growing prevalence of mental health concerns for younger and older people in our communities, Hampshire County Council is committed to providing services which enable people to manage their mental health in a manner which offers choice and control. It is essential to promote access to services in a timely way in order to prevent circumstances from deteriorating. We aim to develop this agenda with key partners, stakeholders and people using mental health and substance misuse services to continuously improve this provision.”

As a Council we are at the forefront of keeping the fabric of local communities strong and cohesive, and it is right that we remind ourselves about the contribution our councils make. I will continue to uphold our values and make a stronger connection, where needed, with other bodies.

Like many of you, whether elected Councillors or Officers of the Council, we can make a positive difference to people's lives. We have the power and potential of local democracy to strengthen local communities.

I commend the work that we as an authority do. I am conscious that as the Chairman for the County there is a need for a deep sense of engagement in all civic activities and duties. I will continue with our ambition to be seen as an effective and practical authority striving for the good of our fellow citizens.

Finally, thank you once again for attending today. With your support, I am certain that we can all be the catalyst for greater involvement among our fellow citizens; to aspire to support our communities and individuals to be happy, healthy and productive, and, to gain continued appreciation and public trust and support for what we do.

COUNCIL MEETING, 18 JULY 2019

REPORT OF THE
Chief Executive
PART I

1. APPOINTMENTS

The following appointment is proposed by the Leader of the Council:

- a) That Councillor Roz Chadd be appointed as Chairman of the Education Advisory Panel and that Councillor Ray Bolton be appointed as one of the Conservative Group Substitute Members on the Panel.
- b) That Sue Bowen be appointed as a Co-opted Member representing the Church of England (formerly a Co-opted Deputy Member) on the Standing Advisory Council for Religious Education to replace Richard Wharton who has stepped down.
- c) That Councillor Rob Humby be appointed as one of the County Council's representatives on the Local Government Association General Assembly to replace Councillor Mel Kendal.
- d) That Justin Innes be appointed as the Co-opted Member representing Hampshire Special Schools on the Education Advisory Panel with the term of office to expire at the County Council elections in May 2021.
- e) That Trevor Bryant be appointed as the Co-opted Member representing the Association of River Hamble Yacht Clubs on the River Hamble Harbour Management Committee with the term of office to expire at the County Council elections in May 2021.
- f) That Councillor Stephen Barnes-Andrews (Southampton City Council) be appointed as his Council's Employer Representative and that Councillor Jeanette Smith (Southampton City Council) be appointed as the substitute Employer Representative on the Hampshire Pension Fund Panel and Board for the municipal year 2019/20.

NB: In accordance with the Appointments Policy for the Hampshire Pension Fund Panel and Board, the respective representatives from Southampton and Portsmouth City Councils rotate between being a full co-opted member and co-opted substitute member on an annual basis.

- g) That Dr Clifford Allen be appointed for a further four-year term of office as the Co-opted Pensioner Representative on the Hampshire Pension Fund Panel and Board.
- h) That Councillor Diane Andrewes be appointed as the Co-opted Member representing District and Borough Councils on the Health and Adult Social Care Select Committee.

RECOMMENDATION

That the County Council approves the appointments set out above.

This page is intentionally left blank

COUNCIL MEETING, 18 JULY 2019

REPORT OF THE
Cabinet
PART I

1. 2018/19 – END OF YEAR FINANCIAL REPORT

- 1.1. The Cabinet received a report of the Director of Corporate Resources on the end of year financial position for 2018/19 at its meeting on 17 June 2019.
- 1.2. Due to the early delivery of resources from proposals in advance of need, net service cash-limited expenditure was £27.1m lower than expected against an overall gross budget of circa £1.9bn, a variance in the region of 1.4%. This position reflects the County Council’s continuing successful financial strategy of early delivery, where it is safe and practical, which provides funding that can then be used to meet the costs of change, to cash flow the necessarily slower delivery of some savings or to offset other service pressures, for example within social care.
- 1.3. The position for each of the departments is summarised in the table below:

	Variance (Under) / Over Budget £'000
Adults’ Health and Care	(10.9)
Children's Services - Non Schools	0
Economy, Transport and Environment	(7.9)
Policy and Resources	(8.3)
Total Departmental Expenditure	(27.1)

- 1.4. Savings on non-cash limited budgets total just under £12.5m. This is mainly as a result of treasury management activity (including the achievement of a return of more than 4.9% from higher yielding investments), additional grant income and unused contingencies. Contingencies were in the main set aside in recognition of the increased risk in the budget due to ongoing pressures within social care and other demand led services; such as waste disposal.
- 1.5. The report considered by Cabinet is attached, in full, as Annex 1 to this Council report.
- 1.6. In addition to a recommendation to Council, set out below, Cabinet resolved to:
 - i. Approve the outturn position set out in Section 3.

- ii. Approve the increase of service capital programme cash limits for 2019/20 to reflect the carry forward of capital programme schemes and shares of capital receipts, as set out in Appendix 3.
- iii. Note the urgent decision taken to stand up the site as required on the A31 to deal with traffic management issues predicted following the UK's exit from the European Union, which was previously anticipated in April, and that the approved funding of £968,000 to meet the potential costs if required will be met from contingencies in 2019/20.
- iv. Approve the transfer of £10m to the Invest to Save Reserve to fund the IT enabling investment that is anticipated, at this early planning stage, will be required to deliver the Transformation to 2021 (Tt2021) Programme which is currently being developed.
- v. Approve the transfer of £1.0m to the Organisational Change Reserve to fund the next phase of management development costs under the Workforce Development Strategy.
- vi. Approve the transfer of the balance of the net corporate savings of just under £1.5m to the Grant Equalisation Reserve (GER).

The full report to (Cabinet) can be found at the following link:

- [2018/19 - End of Year Financial Report](#)

RECOMMENDATION

That the County Council approves the report on the County Council's treasury management activities and prudential indicators set out in Appendix 2 of the Cabinet report.

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Cabinet County Council
Date:	17 June 2019 18 July 2019
Title:	2018/19 – End of Year Financial Report
Report From:	Director of Corporate Resources

Contact name: Rob Carr, Head of Finance

Tel: 01962 847508

Email: Rob.Carr@hants.gov.uk

1. Recommendations

RECOMMENDATIONS TO CABINET

It is recommended that Cabinet:

- 1.1 Approves the outturn position set out in Section 3.
- 1.2 Approves the increase of service capital programme cash limits for 2019/20 to reflect the carry forward of capital programme schemes and shares of capital receipts, as set out in Appendix 3.
- 1.3 Notes the urgent decision taken to stand up the site as required on the A31 to deal with traffic management issues predicted following the UKs exit from the European Union, which was previously anticipated in April, and that the approved funding of £968,000 to meet the potential costs if required will be met from contingencies in 2019/20.
- 1.4 Approves the transfer of £10m to the Invest to Save Reserve to fund the IT enabling investment that is anticipated, at this early planning stage, will be required to deliver the Transformation to 2021 (Tt2021) Programme which is currently being developed.
- 1.5 Approves the transfer of £1.0m to the Organisational Change Reserve to fund the next phase of management development costs under the Workforce Development Strategy.
- 1.6 Approves the transfer of the balance of the net corporate savings of just under £1.5m to the Grant Equalisation Reserve (GER).
- 1.7 **Recommends to County Council that:**
 - a) The report on the County Council's treasury management activities and prudential indicators set out in Appendix 2 be approved.

RECOMMENDATIONS TO COUNTY COUNCIL

This single report is used for both the Cabinet and County Council meetings, the recommendations below are the Cabinet recommendations to County Council and may therefore be changed following the actual Cabinet meeting.

County Council is recommended to approve:

- a) The report on the County Council's treasury management activities and prudential indicators set out in Appendix 2.

2. Executive Summary

- 2.1 This report provides a summary of the 2018/19 final accounts. The draft statement of accounts was submitted for audit on the 31 May 2019 and will be reported to the Audit Committee in July, in conjunction with the External Audit report on the accounts.
- 2.2 Due to the early delivery of resources from proposals in advance of need, net service cash-limited expenditure was £27.1m lower than expected against an overall gross budget of circa £1.9bn, a variance in the region of 1.4%. This position reflects the County Council's continuing successful financial strategy of early delivery, where it is safe and practical, which provides funding that can then be used to meet the costs of change, to cash flow the necessarily slower delivery of some savings or to offset other service pressures, for example within social care.
- 2.3 The position for each of the departments is summarised in the table below:

	Variance (Under) / Over Budget £'000
Adults' Health and Care	(10.9)
Children's Services - Non Schools	0
Economy, Transport and Environment	(7.9)
Policy and Resources	(8.3)
Total Departmental Expenditure	(27.1)

- 2.4 The position for Adults' Health and Care reflects the earlier than originally anticipated realisation of £9.9m of Transformation to 2019 Programme (Tt2019) savings. In addition, sustained management activity during the year to control spend in the face of well publicised care pressures and the effective use non-recurrent funding made available through various grants, including but not limited to, the Improved Better Care Fund (IBCF) and Winter Pressures grant, have all contributed to this position at the end of the year.
- 2.5 The break even position in Children's Services equally reflects significant management activity which has seen work to limit, as far as possible, pressures in the Children Looked After (CLA) budget, that continue to grow due to increasing activity levels and higher average costs due to the type of care being provided and the availability of that care. This alongside the early

delivery of resources, use of cost of change reserves and agreed targeted corporate support has resulted in a balanced position despite the considerable pressures.

- 2.6 The final outturn position for Economy, Transport and Environment (ETE) shows savings against the budget of almost £7.9m due to early delivery of resources and savings primarily in Highways Traffic and Transport of which £2.0m relates to the winter maintenance budget as a consequence of the relatively mild and dry weather. The savings on the winter maintenance budget will be carried forward to be spent in 2019/20 as part of an ongoing programme of maintenance work.
- 2.7 Policy and Resources achieved a saving against budget of approaching £8.3m, mainly due to ongoing efficiency savings and the early delivery aspects of the Tt2019 Programme.
- 2.8 The net savings within Adults' Health and Care, ETE and Policy and Resources have been set aside for use by the respective services to meet restructuring and investment costs associated with the Tt2019 Programme and beyond, in accordance with the current financial management policy and the Medium Term Financial Strategy (MTFS). These net savings do not represent a deterioration of service delivery but do represent careful stewardship which supports the safe delivery of necessary transformation.
- 2.9 In addition, within ETE it is specifically proposed to again reinvest available funding associated with the winter maintenance budget in highways maintenance to provide additional one-off resources to supplement existing maintenance programmes. This flexibility was approved in February by Cabinet and County Council.
- 2.10 Schools are facing increasing financial pressure, in particular relating to high needs for children with special educational needs and or disabilities (SEND), both at an individual school level and within the overall schools' budget. These pressures are outside the County Council's core budgets, but the County Council retains an active role and interest as the local education authority. In 2018/19 the overall position has been balanced through the use of the Dedicated Schools Grant (DSG) Reserve; albeit that this is in deficit.
- 2.11 Consequently, the resulting DSG deficit of £13.7m (up from £4.5m last year) will need to be met from future years school budgets and strategies have been developed, and agreed with the Schools Forum, to address the underlying pressures on high needs. The County Council must also submit a containment / recovery plan to the Government, which in the medium term will need to rely on significant additional government funding if it is to have any chance of addressing the underlying financial pressures in this area.
- 2.12 Savings on non-cash limited budgets total just under £12.5m. This is mainly as a result of treasury management activity (including the achievement of a return of more than 4.9% from higher yielding investments), additional grant income and unused contingencies. Contingencies were in the main set aside in recognition of the increased risk in the budget due to ongoing pressures within social care and other demand led services; such as waste disposal.
- 2.13 This report recommends that these corporate savings are allocated as follows:

- £1.0m is set aside to fund the next phase of management development costs under the Workforce Development Strategy. More detail is set out in paragraphs 3.41 to 3.43.
 - £10.0m is allocated to provide funding for the anticipated requirement for IT enabling investment to deliver the Transformation to 2021 (Tt2021) Programme that is being developed. More detail is set out in Section 4.
 - The balance of approaching £1.5m is transferred to the Grant Equalisation Reserve (GER). Building the provision within the GER will support the revenue position in future years, as set out in the MTFS, and give the County Council the time and capacity to implement the next phase of transformation. More detail is set out in Section 5.
- 2.14 Planning for the next phase of transformation is continuing and this report sets out the latest assessment of the financial implications and how the potential investment and cash flow support for Tt2021 will be provided.
- 2.15 The report contains a small section on reserves and balances highlighting that in line with the MTFS, the level of reserves has risen as we prepare for planned draws in 2019/20 and beyond.
- 2.16 The report also provides details of an urgent decision made in relation to preparations for Brexit and recommends approval of:
- The annual report on the operation of the treasury management strategy and the County Council's end of year prudential indicators, for subsequent approval by the County Council.
 - A revised capital financing plan for 2019/20.

3. 2018/19 Revenue Outturn

Service Cash Limits

- 3.1 The table below summarises the net outturn position for each department compared to the final cash limit for the year. The figures exclude schools spending but include cost of change paid for during 2018/19:

	Variance (Under) / Over Budget £'000
Adults' Health and Care	(10.9)
Children's Services - Non Schools	0
Economy, Transport and Environment	(7.9)
Policy and Resources	(8.3)
Total Departmental Expenditure	(27.1)

- 3.2 The third quarter monitoring position indicated that most departments, with the exception of Children's Services, were anticipating that they would be able to

manage the large-scale investment required to deliver their planned transformation activity and to meet service pressures through the use of cost of change and other reserves, along with agreed corporate funding.

- 3.3 Strong financial management has remained a key focus throughout the year to ensure that all departments stay within their cash limits, that no new revenue pressures are created and that they deliver the savings programmes that have been approved. Enhanced financial resilience monitoring, which looks not only at the regular financial reporting but also at potential pressures in the system and the early achievement of savings being delivered through transformation, has continued through periodic reports to the Corporate Management Team (CMT) and to Cabinet.
- 3.4 This focus has ensured that at the end of the year the final position is in line with expectations and that departments have, where safe and practical to do so, delivered resources early, which will provide funding that can then be used to meet the costs of change and to cash flow the delivery of savings or offset service pressures.
- 3.5 For Children's Services, revised funding for growth in Children Looked After (CLA) numbers, and in turn the knock on impact for care leavers, previously agreed, alongside continued management focus, has enabled the Department to deliver a balanced position at the end of the year. This achievement underscores still further the quality of the Department's performance as evidenced by the recent Outstanding Ofsted judgement.
- 3.6 Key issues across each of the departments are highlighted in the paragraphs below and whilst pressures within social care services remain the highest risk and most volatile area of the County Council's budget the impact of successive savings programmes along with other service pressures means that all departments continue to face considerable and developing financial pressures.

Adults' Health and Care

- 3.7 Adults' Health and Care have continued to contain care pressures, arising through demography and complexity changes in clients, and delivered a saving of £10.9m in 2018/19. However, this position is largely due to the early achievement of £9.9m of Transformation to 2019, (Tt2019) savings ahead of the budget being reduced in 2019/20.
- 3.8 This overall position is also heavily reliant on the utilisation of non-recurrent funding made available through various grants, including but not limited to, the Improved Better Care Fund (IBCF) and Winter Pressures grant. The scale of reductions in mainstream funding experienced by the Department is only partially offset by these non-recurrent grants and so to achieve the position reported is still a significant achievement, made possible through consistent and wider application of a strengths based approach to assessing clients care needs and the use of new initiatives; including Telecare.
- 3.9 These non-recurrent sources of funding will only mitigate the pressure in the short term and looking further ahead this funding will cease and over the same period it is anticipated that further care provision pressures will arise from both increases in demand and complexity of clients' needs and from care costs to ensure market stability.

- 3.10 More immediately, whilst the outturn position is positive it should be noted that there has been a marked increase in the level of spend on care packages for clients in the last four months of 2018/19. This has had a positive impact by assisting with an upturn in the County Councils reported performance on Delayed Transfers of Care (DToC). The additional spend in these last four months has been of a level than can be accommodated in 2018/19 through the non recurrent funds as stated above. However, should the volume of spend on care in the last four months continue as the new baseline throughout 2019/20 the full year effect will be considerably greater than the combined funding available through the annual budget and expected non recurrent funds.
- 3.11 In addition to meeting existing demand and costs pressures a large proportion of the IBCF and Winter Pressures funding has been spent on initiatives that support long term change and transformation of services, including those that benefit Health, such as improving DToC, and that provide stability within the care market. The full funding allocation of IBCF funding (£13.4m) and the Winter Pressures grant (£4.8m) for 2018/19 was spent in full by the Department.
- 3.12 The early realisation of £9.9m of savings within the Tt2019 Programme has placed the Department in a far stronger position as we move into 2019/20 to support both the costs of the Tt2019 Programme and to cash flow the delivery of their savings. However, the scale of the challenge faced by Adults' Health and Care will mean that approximately £9.6m of the corporate support available will be required over the lifetime of the programme.
- 3.13 Public Health ended the year with a balanced position, after making a contribution to the ring-fenced reserve of £1.7m. This has been achieved through planned work to deliver efficiencies and innovation within existing services in advance of future reductions in funding, including holding vacancies in the Public Health team and making reductions in contractual and non-contractual spend. The 2018/19 closing balance of the Public Health Reserve is £7.5m and it is planned to utilise this reserve over the short term to provide investment for further initiatives to drive down recurring costs and to offset reductions in the grant that will occur prior to the savings being achieved.

Children's Services

- 3.14 Children's Services have seen the number of CLA, including Unaccompanied Asylum Seeking Children (UASC) continue to grow during 2018/19, above the levels that were forecast. The additional funding to meet the costs of UASC, announced by the Government in May 2019 is welcomed and it is anticipated this funding will be circa £1.0m for the County Council, but this still does not completely cover the full costs in providing care for these individuals. In addition, there are other increasing cost pressures, particularly in relation to the cost of agency staff and home to school transport costs for post 16 provision.
- 3.15 Nationally there is growing attention being focused on the pressures facing children's services and analysis by the Local Government Association (LGA) publications by the Association of Directors of Children's Services,

independent studies (Newton Europe) and published data from the Department for Education (DfE) all highlight that growing demand for support is leading to over spends in almost all authorities. The DfE have made it clear that they will be making submissions in the Spending Review in this context.

- 3.16 The Department have applied strong focus to these pressures and the reported position is break even, reflecting the pro-active management of the services together with early delivery of savings, the use of the departmental reserves and agreed corporate support. However, these pressures continue to be areas of some concern in Children's Services and for the County Council as a whole and will be closely monitored throughout the current year.
- 3.17 Funding has been set aside within contingencies to provide for the projected growth in CLA numbers (and in turn the knock on impact for care leavers) in 2019/20 and beyond.
- 3.18 Other challenges faced by the Department relate to the short supply of qualified social workers and the costs associated with the provision of school transport, mainly relating to those with special educational needs.
- 3.19 Further corporate support has been agreed to fund additional social worker capacity through increased recruitment and improved retention. This support alongside continued management focus on the other pressure areas, will help the Department to operate from a firmer financial base as work on the challenging transformation programme progresses.

Economy, Transport and Environment

- 3.20 The final outturn position for Economy, Transport and Environment (ETE) shows a saving against the budget of almost £7.9m due to early delivery of 2019/20 savings totalling £6.7m together with more than £1.2m of net savings on planned departmental activity. Included within this result is an amount of £2.0m within the winter maintenance budget.
- 3.21 At their meeting on 1 February 2019 Cabinet agreed to transfer any one-off resources available within the 2018/19 winter maintenance budget to the highways maintenance budget for 2019/20. The highways maintenance budget will therefore be increased by £2.0m to reinvest in highways maintenance in 2019/20. This was agreed on an ongoing basis with the position to be reported to Cabinet in the End of Year report,

Policy and Resources

- 3.22 Policy and Resources achieved a saving against the budget of approaching £8.3m, after transformation costs have been met in year, mainly due to ongoing efficiency savings and the early achievement of 2019/20 savings.
- 3.23 The successful implementation of the Tt2019 Programme and the resulting early delivery of savings will be crucial as successive budget reductions mean there is less scope to generate savings across the services and high levels of investment and resources are required over a longer time period to generate further savings.

Overall Position

- 3.24 Detailed explanations for the outturn position for all departmental budgets are provided in Appendix 1.
- 3.25 The departmental savings will be set aside to meet the future cost of change in line with the current financial policy which incentivises good stewardship.
- 3.26 In addition, within ETE the remaining resources associated with the 2018/19 winter maintenance budget will be set aside to provide additional one-off resources in 2019/20 as part an ongoing programme of highways maintenance.

Schools Budget

- 3.27 Financial pressures on schools are increasing, both at an individual school level and within the overall schools' budget, in particular within the High Needs Block.
- 3.28 Pressures on the High Needs Block have mainly arisen due to significant increases in the number of pupils with additional needs and as a result of the extension of support to young people with high needs up to the age of 25. This is a pressure that is mirrored nationally and has been seen since the SEND reforms in 2014. There are also increases in the amount of funding required for each pupil on average due to increasing levels of need and these factors have created a pressure on the top-up budgets for mainstream schools, resourced provisions and Post 16 colleges. There is also significant pressure due to more pupils requiring placements in independent and non-maintained schools.
- 3.29 In 2018/19 there was a net over spend of £9.2m against the school budget including a £10.5m over spend on the High Needs Block. This over spend will be added to the £4.5m brought forward deficit on the Dedicated Schools Grant (DSG) Reserve. Responsibility for addressing the deficit rests with schools and strategies are being developed to reduce demand and consider funding options from future years school budgets.
- 3.30 Nationally, there are many councils in this position, all of which are required to submit to government a containment / recovery plan in respect of the cumulative deficits in DSG which are mainly the result of pressures in the high needs block. Whilst the County Council will of course comply with this requirement, it will make it clear in the return that the only realistic chance of being able to address the deficit and underlying annual pressures in the long run is to receive significant additional government funding.

Other Budgets

- 3.31 The outturn for other items contained within in the budget is shown in the following table:

	Variance (Under) / Over Budget £m
Capital Financing / Interest on Balances	(0.6)
Waste Management	(2.9)
Contingencies	(8.4)
Other Net Variations	(0.6)
Total	<u>(12.5)</u>

3.32 The main reasons for these variances are set out in the paragraphs below.

Capital Financing and Interest on Balances (£0.6m Saving)

3.33 These savings reflect the ongoing trend of a very prudent approach to capital financing costs and interest on balances and the continuing use of 'internal borrowing' to fund capital expenditure rather than taking out long term loans at this point. In addition, a return of more than 4.9% from higher yielding investments has been achieved, in line with the approved Investment Strategy.

Waste Management (£2.9m Saving)

3.34 Due to the number of variables associated with the provision of the Waste Management contract, separate central provisions are made within the budget each year and released in line with changes in waste volumes or contract terms. Whilst waste volumes stabilised in previous years, requiring less to be drawn from contingencies, 2014/15 saw the first real increase in volumes for several years and the provision in future years was reviewed in light of this.

3.35 The upward trend in 2018/19 has been less than forecast, reflecting amongst other factors, the impact of waste minimisation initiatives in ETE, resulting in savings against the budget however, continued close scrutiny of waste volumes will be required throughout 2019/20 to model and monitor the future costs.

Contingencies (£8.4m Saving)

3.36 The level of contingencies held as part of the 2018/19 budget reflected the well documented pressures and risk around demand and costs for the provision of social care services. Through strong management, applied to manage demand and suppress the additional costs, savings against these contingency amounts were realised.

3.37 Other contingencies which were not required in the year related to a central provision for carbon allowances and inflation / risk provisions (in particular for energy and business rates) which accounted for the balance of the overall saving within contingencies.

Other Net Variations (£0.6m Saving)

3.38 This relates to additional unanticipated Section 31 business rate relief grant income of approaching £0.5m received in 2018/19, and an under spend in the

Coroner's Service of £0.1m, due to a lower than anticipated number of inquests which are difficult to predict.

- 3.39 Whilst the outturn position for Coroners is favourable, the way in which charges for Coroners services across Hampshire are calculated is due to change part way through the current year and will have a substantial impact on costs going forward. The impact could be as much as £600,000 per annum, which will be reflected in the update of the MTFs which will be reported to Cabinet in October this year.

Allocation of Net Saving

- 3.40 The net saving totals £12.5m and it is recommended that this amount is allocated as set out in paragraphs 3.41 to 3.46 below.

Workforce Development Strategy – Management Development

- 3.41 The County Council has previously identified the importance of capacity and an appropriately skilled workforce and funding of £1.0m was set aside at the end of 2015/16 for this purpose, which has been used to support the management development challenges arising from both Transformation to 2017 (Tt2017) and Tt2019.
- 3.42 This investment has now been fully committed and it is proposed that an additional £1.0m is added to the Organisational Change Reserve to fund the next phase of management development costs under the Workforce Development Strategy that will be aligned to changes arising from the Tt2021 Programme.
- 3.43 This would be the first set-aside of its kind for three years and it is anticipated this fund would cover an equivalent period. The funds are used to support a range of middle and senior management developmental work which have been critical to the delivery of transformation and have also been a key factor in HCC's ability to recruit and retain the best senior staff. This commitment underlines the ability of the Council to continue to provide for targeted investment, even during a prolonged period of tight spending control.

Investment in Enabling IT - Invest to Save

- 3.44 It is recommended that £10.0m is allocated to be added to the Invest to Save Reserve to fund the anticipated investment in enabling IT to support the delivery of savings for the Tt2021 Programme. Further detail is set out in Section 4, paragraphs 4.8 to 4.13 which outlines the next steps that will be taken to fully develop a programme which will see investment concentrated on those initial proposals where technology will deliver direct and significant cashable savings.

Balance of Savings

- 3.45 It is proposed that the balance of the net savings of just under £1.5m be added to the GER, in preparation for any future draw required beyond 2020 as set out in the MTFs which was approved by the County Council in September 2018.
- 3.46 This amount will mean that the GER is now anticipated to be able to provide sufficient resources to cover the delivery of the Tt2021 Programme, but further

contributions will be needed to rebuild the provision within the reserve to support the revenue position in future years. Further detail is set out in Section 5 of this report.

4. Transformation to 2021 Programme

- 4.1 The high level medium term forecast to 2021/22 now requires the County Council to develop a transformation programme that will deliver a further £80m.
- 4.2 It must be emphasised that this forecast is based on a wide range of assumptions and represents a realistic view as opposed to the worst case scenario. There are significant risks around government funding and we are in effect working “blind” at this stage. The scale of the reductions in funding for local government will be unknown until the next Comprehensive Spending Review (CSR) is announced and the impact on the County Council itself will remain unclear until the announcement of the Local Government Finance Settlement towards the end of 2019.
- 4.3 However, in the meantime it is prudent to plan on this basis, not least because although the Chancellor confirmed that the Government’s intention is to provide a three year CSR, the caveat is “if an EU exit deal is agreed”.
- 4.4 A one year settlement is an increasing possibility and will prolong the uncertainty, but a hurried three year CSR would potentially be even less desirable as the changes could be fundamental and would continue to impact local authorities for many years to come.

Meeting the Gap in 2020/21

- 4.5 The overall position is predicated on the Council’s ability to meet, on a one-off basis, a significant gap in funding in 2020/21 in order to give the longer lead in time for delivery. The draw required to balance the budget in 2020/21 is £28.4m and this can be met from the balance available in the GER, as set out in the Reserves Strategy presented to Cabinet and County Council in February as part of budget setting, and in Section 5 of this report.

Cash Flow Support for Late Delivery

- 4.6 Even over a two year period, delivering the Tt2021 Programme is clearly a very challenging prospect given the value of resources that have already been taken out of the system and the additional effort and levels of transformation activity that are required to achieve further phases of change. The impact of managing overlapping programmes will create further demands and complexity.
- 4.7 Given this fact, an initial high level estimate was calculated of the likely corporate cash flow support that might be required to ensure that where savings would take more time to implement safely this was factored into our longer term planning. Support to enable this managed approach to be taken was estimated to be £32m. The latest information provided by departments indicates that this envelope will be adequate, with Adults’ Health and Care requiring more than £25m of cash flow support – which is perhaps not

surprising given the fact that the savings they need to deliver account for more than half of the total.

Enabling Investment

- 4.8 Departments have been critically reviewing the enabling investment required to deliver the developing Tt2021 Programme and whilst it is not possible to determine the requirements with any certainty at this stage of the process it is important that high level estimates are provided to facilitate financial planning and resource allocation. The requirements have been considered in two tranches:
- Non-IT enabling investment; and
 - IT enabling investment.
- 4.9 It is anticipated that non-IT enabling investment identified by departments may be met in the main from the anticipated early delivery of Tt2021 savings and therefore will be managed through departmental cost of change (and other) reserves. As more information around the Programme becomes available these estimates can be refined and will reported as part of the decision making cycle later this year.
- 4.10 For Tt2019 a large programme of IT activity was developed to enable change, underpinned by significant one-off investment of £38.6m, to deliver the following:
- Digital 2 and other enabling infrastructure.
 - Corporate Wi-Fi Upgrade.
 - Enabling IT for the Tt2019 Programme.
 - Enabling Productivity Programme.
- 4.11 Digital 2 built upon and enhanced the platforms and tools implemented to support departments with their future transformation as part of Digital 1 (which itself cost circa £10.0m). These investments enabled total recurring savings of around £62m as part of previous transformation programmes. Whilst it is important to acknowledge that the authority's digital journey does not end there, and that Digital by Default should be the continued strategic approach, at this stage there is no business case for Digital 3 and the focus needs to be on fully exploiting the capability provided through the substantial investment already made.
- 4.12 Work is ongoing to confirm the scale and scope of the IT Programme and the costs, but it is sensible at this stage to begin to make provision for the investment which early assessment work suggests will be in the region of £11.0 to £14.0m, with some internal resource also available to help progress the programme. Given the level of funding required to balance the budget in 2021/22 and cash flow the late delivery of Tt2021 savings, on top of the funding already being provided for Tt2019, this investment will be met from one-off savings on non-cash limited budgets available from the outturn position for 2018/19. A sum of £10.0m has been made available and, subject to approval of this allocation from the net under spend, the IT programme will see investment concentrated on delivering cashable savings. Approval has already been granted to utilise up to £3m of Tt2019 programme funding to

cashflow early mobilisation for some of the more developed schemes and this is still considered sufficient at this stage.

- 4.13 A more detailed programme and costings (including payback) together with the identification of all the required funding will be prepared with a view to securing approval for the necessary investment in technology to underpin the Tt2021 Programme as part of the next MTFS. What is clear however is that there are few local authorities in the country that could deliver and fund IT enablement of this scale and complexity which in turn will facilitate the effective and safe delivery of the Tt2021 Programme. It is testament to Hampshire’s planning, professional capacity and good financial management that change of this pace and scale is being continued.

5. Grant Equalisation Reserve

- 5.1 The current strategy that the County Council operates works on the basis of a two-year cycle of delivering departmental savings to close the anticipated budget gap, providing the time and capacity to properly deliver major savings programmes every two years with deficits in the intervening years being met from the GER. Building the provision within the GER will support the revenue position in future years, as set out in the MTFS, in order to give the County Council the time and capacity to implement the next phase of transformation to take us to 2021/22.
- 5.2 It has been agreed that where possible, the County Council will continue to direct spare one-off funding into the GER to maintain what is part of a successful strategy which has served it very well to date. Consequently, as part of budget setting in February, a number of additions totalling £29.9m were approved (over 2018/19 and 2019/20) to begin to make provision for the period beyond 2020 to support the two year savings cycle and to provide cash flow support to the Tt2021 Programme.
- 5.3 The following table summarises the forecast position for the GER taking into account the requirement to balance the budget in 2020/21 and to provide corporate funding to cash flow the next stage of transformation:

	GER
	£'000
Balance at 31/03/2018	74,870
2018/19 Original Draw Planned	(26,435)
Additions Approved February 2019	15,100
Addition Outturn 2018/19	1,466
Balance at 31/03/2019	65,001
Additions Approved February 2019	14,811
Further Budgeted Addition - MRP “Holiday”	21,000
Planned use:	
Cash Flow Tt2019	(40,000)
Cash Flow Tt2021	(32,000)
Interim Year 2020/21	(28,400)
Unallocated Balance	412

5.4 This will largely deplete the GER and therefore, where possible, the County Council must continue to direct spare one-off funding into the reserve as part of its overall longer term risk mitigation strategy.

6. General Balances and Earmarked Reserves

- 6.1 The County Council's reserves strategy, which is set out in the MTFS, is now well rehearsed and continues to be one of the key factors that underpin our ability not only to provide funding for the transformation of services but also to give the time for changes to be properly planned, developed and safely implemented.
- 6.2 We have made no secret of the fact that this deliberate strategy was expected to see reserves continue to increase during the period of tight financial control by the Government, although it was always recognised that the eventual planned use of the reserves would mean that a tipping point would come and we would expect to see reserves start to decline as they are put to the use in the way intended as part of the wider MTFS.
- 6.3 General Balances at the 31 March 2019 stand at £21.4m, following the planned draw in 2018/19 which is broadly in line with the current policy of carrying a general balance that is approximately 2.5% of the County Council's Budget Requirement (currently a sum of circa £20m).
- 6.4 In addition to the general balance, the County Council maintains earmarked reserves for specific purposes and to a large extent the majority of these are committed either to existing revenue or capital programmes or to mitigate risks that the County Council faces through self insurance or funding changes by government.
- 6.5 In overall terms the total value of earmarked revenue reserves has increased as provision is built up in the GER, ahead of planned draws in line with the MTFS.
- 6.6 The net impact of the changes in the revenue account during 2018/19 mean that the GER will stand at £65.0m, which is in line with the financial strategy of supporting the revenue spend position as savings are developed and delivered on a two year cycle. Provision is being made for a draw in 2020/21 in order to give the County Council the time and capacity to implement the Tt2021 Programme and to cash flow the safe delivery of change.
- 6.7 In the period to 2022/23, the unallocated amount remaining in the reserve will be just over £0.4m, as shown in the table at paragraph 5.3. In preparation for any future draw required beyond this point further additions will be required to the GER as set out in the MTFS.
- 6.8 Other earmarked reserves will increase due to the timing of receipt of funds in advance of their planned use for an intended purpose, in particular in funding the Capital Programme. Schools balances, over which the County Council has no direct control, have decreased and are expected to decrease further in the medium term, while reserves held for the Enterprise M3 Local Enterprise Partnership (EM3 LEP) have increased as part of a deliberate strategy to ensure that major projects are approved based on the outcomes they will deliver rather than the speed at which funding provided by the Government can be spent.

- 6.9 The Council holds specific reserves to mitigate risks that it faces. The County Council self insures against certain types of risks and the level of the Insurance Reserve is based on an independent valuation of past claims experience and the level and nature of current outstanding claims.
- 6.10 Each year the County Council sets aside an insurance provision to meet claims resulting from incidents that have occurred during the year, along with reserves to cover potential claims arising from incidents in that year but where the claims are received in the future.
- 6.11 Regular actuarial reviews on the overall insurance fund have provided assurance that the County Council has been setting aside appropriate levels of funding against future liabilities to date. However, the conclusions of the most recent review were that there was a need to adopt a long term approach to increasing that fund going forward and the intention was to regularly review the Insurance Reserve and to make year end contributions that move the County Council towards the level outlined in the latest actuarial assessment.
- 6.12 To begin this, last year £6.25m was added to the Insurance Reserve resulting in a net increase of £5m after the provision for 2017/18 totalling £1.25m was set aside. This year the provision has reduced and there has been a net increase in the reserve of almost £10.3m. In light of this, and the fact that an actuarial review has been commissioned, the results of which will be available later in the year, no further additions to the Insurance Reserve will be made at this point.

7. Treasury Management and Prudential Indicators

- 7.1 The County Council's treasury management policy requires an annual report to the Cabinet on the exercise of the treasury management function, details of which are set out in Appendix 2. Under the Treasury Management Code of Practice, the end of year report has to be submitted to the County Council.
- 7.2 The Prudential Code for Capital Finance in Local Authorities requires that the County Council reports its actual performance against the Prudential Indicators that were set in its Treasury Management Strategy. Appendix 2 summarises the relevant indicators for the 2018/19 outturn which are in accordance with the figures approved by the County Council.

8. Capital Spending and Financing 2018/19

- 8.1 From the 2018/19 Capital Programme, schemes to the value of £253.2m were committed during the year, leaving £122.3m to be carried forward to 2019/20, subject to Cabinet's approval.
- 8.2 During 2018/19 capital expenditure of £194.5m was incurred, which can all be financed within available resources. This includes prudential borrowing of approaching £35.3m. There will also be a further repayment of prudential borrowing from capital receipts and other funding sources of £2.4m. Further details of the outturn position for capital are provided in Appendix 3.

9. Brexit Preparations

- 9.1 Where an urgent financial decision is required that falls outside of the defined process or limits within Financial Regulations or Financial Procedure Rules, but is felt to be in the wider interests of the County Council, the Chief Financial Officer in consultation with the Chief Executive and the Leader can make the decision subject to it being reported back to the appropriate decision making body.
- 9.2 One of the potential impacts of the United Kingdom leaving the European Union (EU) without a clear deal in place is that there could be significant delays at ports due to more stringent rules being applied for travel from the UK to mainland Europe. In Hampshire, the port of Portsmouth has significant ferry traffic that transports large freight vehicles to mainland Europe.
- 9.3 The Local Resilience Forum (LRF) has been considering the potential impact of Brexit for some time and one of the key risks that has been flagged is the potential for traffic chaos in and around Portsmouth if large numbers of freight vehicles are unable to leave the country in the same manner that they do currently. This has implications for the wider road network and public safety and means that Hampshire County Council as a highway authority (working with Portsmouth City Council) is required to put mitigating actions in place.
- 9.4 Options for the management and control of freight vehicles through 'stacking' at appropriate locations were considered by the LRF under advice from HCC and a suitable location was identified on the A31.
- 9.5 Initial capital works to prepare the site for this purpose have already been agreed by the Director of Economy, Transport and Environment under delegated powers and the works have been carried out.
- 9.6 However, at the point that the UK formally leaves the EU (which at the time of taking the decision was expected to be 11 April) the A31 site would need to 'stood up' in order to cope with any potential traffic back logs at the port in the event that a deal was not agreed which would address this potential issue. Assuming a firm date is set for the EU exit, this will be the trigger point if a 'no deal' position is reached, and the facility will need to be prepared in advance so that it is available from the first day. The Government have advised that we should plan to have the facility available at least for an initial six week period. This is being referred to as 'Operation Transmission'.
- 9.7 Discussions have been ongoing with the Department for Transport and the LRF about the need for this facility and the funding arrangements, but the final details and costs involved were not available for the Cabinet meeting that took place on 8 April. An urgent decision was therefore required to approve the spend to ensure that the facility was available on the planned EU exit date of 11 April or as required when a future date has been agreed.
- 9.8 The costs associated with running the facility are significant as it requires 24 hour support for traffic management and marshalling, vehicle rescue and recovery as well as the provision of welfare facilities on the site.
- 9.9 Initial estimates are that the one-off costs of setting up the site are around £328,000 with weekly running costs of just under £86,000, giving a total for the 6 week period of £842,000. However, given the fact that we have never run a

facility of this type 15% contingency was added giving a total request for funding of up to £968,000.

- 9.10 The Government have been approached to help fund these costs but have said that they would only contribute if the County Council can demonstrate financial hardship.
- 9.11 In view of the urgent requirement for Economy, Transport and Environment to stand up the site on the A31 to deal with traffic management issues that are predicted following the UK's exit from the EU, the decision report therefore sought approval for funding up to £968,000 and it can now be confirmed that if required, this will be met from general contingencies in the 2019/20 budget.
- 9.12 The County Council in consultation with the LRF and the DfT will need to consider future developments as part of the planned EU exit and continually assess what the potential impact could be on the ferry port and the need or otherwise to stand up the site.

10. Assurance Statement

- 10.1 The code of Practice on Local Authority Accounting in the UK requires the County Council to publish, together with its Statement of Accounts, an annual governance statement signed by the Leader and Chief Executive. As part of this process, the Chief Internal Auditor provides an independent opinion on the adequacy and effectiveness of the system of internal control operating in the County Council as a whole. The Chief Internal Auditor's Annual Report and Opinion is approved by the Audit Committee.
- 10.2 The Chief Internal Auditor has concluded that:

"In my opinion, Hampshire County Council's framework of governance, risk management and management control is 'Adequate' and audit testing has demonstrated controls to be working in practice. Where weaknesses have been identified through internal audit review, we have worked with management to agree appropriate corrective actions and a timescale for improvement."

11. Pension Fund

- 11.1 The separate accounts for the Hampshire Pension Fund will also be incorporated in the County Council's Statement of Accounts. The accounts for 2018/19 record that the value of the fund's assets increased from £6.6bn to £7.2bn during the year. The Chief Internal Auditor has provided a separate assurance opinion for the Pension Fund and has concluded that:

"In my opinion, based on internal audit work completed 'Substantial Assurance' can be placed on Hampshire County Council (Pension Services) framework of governance, risk management and management control and audit testing has demonstrated controls to be working in practice. Where weaknesses have been identified through internal audit review, we have worked with management to agree appropriate corrective actions and a timescale for improvement."

12. Statutory Statement of Accounts

- 12.1 The Accounts and Audit Regulations 2015 introduced changes to the statutory accounting and audit timescales which have had a significant impact on the organisation. The changes came into effect for the preparation of the 2017/18 accounts.
- 12.2 As a result, the statement of accounts must be certified by the Chief Financial Officer (CFO) and submitted for external audit by 31 May, a month earlier than previously. Additionally, the audited accounts must be published by 31 July, two months earlier than the previous timeframe.
- 12.3 Meeting these earlier deadlines has again been achieved through hard work across all departments in liaison with finance and our external auditors. There is an ongoing focus on continuous improvement, and the success this year in meeting the timescale despite reducing resources and demanding transformation programmes remains noteworthy.

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

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

Section 100 D - Local Government Act 1972 - background documents

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

<u>Document</u>	<u>Location</u>
Revenue Budget and Precept 2019/20 and Capital Programme 2019/20 – 2021/22 http://democracy.hants.gov.uk/ielssueDetails.aspx?IId=17179&Opt=3	Cabinet – 1 February 2019 County Council – 14 February 2019
Medium Term Financial Strategy Update and Transformation to 2019 Savings Proposals https://democracy.hants.gov.uk/mgAi.aspx?ID=3194#mgDocuments	Cabinet – 16 October 2017 County Council – 2 November 2017
Looking Ahead - Medium Term Financial Strategy https://democracy.hants.gov.uk/ielssueDetails.aspx?IId=10915&PlanId=0&Opt=3#A18687	Cabinet - 18 June 2018 County Council – 20 September 2018

IMPACT ASSESSMENTS:

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 under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

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

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

Equalities Impact Assessment:

- d) Equality objectives are not considered to be adversely impacted by the proposals in this report.

Impact on Crime and Disorder:

The proposals in this report are not considered to have any direct impact on the prevention of crime, but the County Council through the services that it provides through the revenue budget and capital programme ensures that prevention of crime and disorder is a key factor in shaping the delivery of a service / project.

Climate Change:

- e) How does what is being proposed impact on our carbon footprint / energy consumption?

The revenue budget and capital programme contain measures that will assist in reducing our carbon footprint.

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

The County Council in designing its services will ensure that climate change issues are taken into account

Adults' Health and Care Department – Revenue Expenditure 2018/19

Major variations in cash limited expenditure – Savings of £10.9m (2.7%) against the adjusted cash limit.

Main Variations

Service Area	Variance (Under) / Over Budget		Reason for Variation
	£'000	%	
Director	(115)	(7.3)	Savings mainly relate to staff budgets due to a delay in recruiting to a vacant Chief Officer grade post.
Strategic Commissioning and Business Support	(2,532)	(13.3)	The year end reported savings mainly relates to reduced spend on non-care contracts, grants to voluntary organisations and staff budgets due to difficulty in recruiting to vacant posts. A significant proportion of these in year savings are part of a non recurrent work programme that has slipped into 2019/20.
Transformation	(283)	(5.3)	Savings mainly relate to additional income in relation to external courses provided by the workforce development team and staff budgets due to difficulty in recruiting to vacant posts.
Older People and Physical Disabilities	157	0.1	There were pressures on residential budgets due to higher client numbers and above budgeted weekly costs however, these pressures have been offset by savings in direct payments where client numbers are lower than budgeted for. It should be noted that the budget includes non-recurrent support of £5.65m from the Integrated Better Care Fund and the Winter Pressures Grant
Safeguarding, Quality and Governance	(151)	(4.1)	Savings mainly relate to staff budgets due to difficulty in recruiting to vacant posts.

Service Area	Variance (Under) / Over Budget		Reason for Variation
	£'000	%	
Learning Disabilities and Mental Health	1,333	1.0	There are significant pressures on residential and other long-term care due to an increase in client number, above budgeted weekly costs and a delay in achieving savings. These pressures were partially offset by savings in direct payments due to client numbers being less than budgeted.
Internal Provision	1,487	2.8	The main area of pressure is within the Older Person's in-house homes due to the use of agency staff to cover vacant posts whilst permanent recruitment is undertaken. The County Council is required by the Care Quality Commission to have adequate staffing levels to retain its registration. This pressure has been offset by savings on other staffing budgets and reduced volumes of clients being referred to the REACT contract providers.
Contingencies	(10,831)	(151.2)	This mainly relates to the early achievement of Transformation to 2019 (Tt2019) savings.
Public Health	0	0.0	
Total	(10,935)	(2.7)	

Children’s Services Department – Revenue Expenditure 2018/19

Major variations in cash limited expenditure – No variance against the adjusted cash limit.

Main variations

Service Area	Variance (Under) / Over Budget		Reason for Variation
	£'000	%	
Schools Budget			
Growth Fund	(1,161)	(23.1)	The position includes savings for infant class size funding, falling rolls, temporary classrooms, new / re-organising schools and growing schools, due to fewer schools being eligible for funding than budgeted.
Independent and Non-maintained Special Schools	6,144	36.1	The pressure is due to a 21% increase in the number of pupils placed in out of county provision (from 389 pupils in March 2018, to 410 pupils in March 2019), as well as an increase in the average cost.
SEN Support Services	(3,000)	(100.0)	This relates to the 2018/19 £3m additional revenue funding for the High Needs Block announced by the Department for Education (DfE) in December 2018. This funding was retained to offset arising pressures in the high needs block.
Various Other (net)	(233)	(0.1)	Various smaller variations to budget across the Department.

Service Area	Variance (Under) / Over Budget		Reason for Variation
	£'000	%	
High Needs Top-Up Funding	7,494	16.4	<p>The continuation in the growth of the number of high needs pupils in both mainstream schools, special schools and post 16 providers has exceeded budgetary expectations. This includes a significant increase in numbers of pupils with Education Health and Care Plans (EHCPs) and the numbers of high needs students in further education placements. Further pressures on the budget are also from additional placements in Other Local Authority schools and the continuation of the pressure on the service for discretionary payments from the previous financial year. Additional unfunded new burdens in relation to post 19 pupils are also causing a cost pressure.</p> <p>These pressures have been partly offset by a saving in Education Centre top-ups, following the implementation of the strategy to reintegrate more pupils back into mainstream education.</p>
Carry Forward of Dedicated Schools Grant (DSG) Deficit	(9,244)	(1.1)	<p>The total 2018/19 overs pend of more than £9.2m has been offset by a charge to the DSG reserve, as allowed by the DfE. This year, the charge will increase the deficit on the DSG Reserve to a total of more than £13.7m. which it has been agreed by Schools Forum will be funded from future years DSG funding. The local authority is required to complete the DfE's Deficit Recovery Plan (for deficits of more than 1%). This plan requires local authorities to demonstrate how they will bring the DSG into balance within a three year timeframe and must be signed off by Schools Forum and the authority's Chief Financial Officer and submitted by 30 June 2019.</p>
Sub-Total Schools Budget	0	0.0	

Service Area	Variance (Under) / Over Budget		Reason for Variation
	£'000	%	
Non-Schools Budget			
Children Looked After (CLA placements and associated legal costs)	1,485	1.9	<p>Unprecedented activity and cost increases across CLA placements, care leavers and Unaccompanied Asylum Seekers (UASC) have seen an annual increase in expenditure of 14% on the previous year. This has been closely monitored throughout the year, and as a result additional corporate funding of £14.5m has been allocated to offset what would otherwise have been a significant pressure.</p> <p>The underlying pressure has mainly arisen on Non-County Placements (NCPs) and Independent Fostering Placements (IFPs), which required almost 75% of the additional corporate funding due to an 18% increase in spend, as a result of increased activity and above inflation average unit cost rises.</p>
Swanwick Lodge	817	88.2	<p>Lower income at Swanwick Lodge Secure Unit mainly resulting from 50% planned bed closures during major improvement works. In addition, the net cost of using specialist agency exceeded savings from staff shortage.</p>
Safeguarding & Young People's Services	4,421	18.2	<p>The pressure mainly results from the use of social work agency staff to cover for the short supply of qualified social workers and improve the experience mix in teams with trainees under the new graduate entry programme.</p> <p>Corporate support has been agreed to increase the numbers of social workers, leading to a reduced caseload for teams and thereby increasing retention of social workers and reducing the need for agency staff. This investment commenced in 2017/18.</p>

Service Area	Variance (Under) / Over Budget		Reason for Variation
	£'000	%	
Adoption Service	343	9.1	Mainly due to historical adoption allowances and the use of agency staff. Interagency fees, where Hampshire is paying for more placements and reduced income from other local authorities is also causing a pressure. However, this pressure has been partially offset by government grant.
Special Guardianship (SGO) support	232	5.5	The pressure is mainly historic. Transfers from In House Fostering exceeded targets, resulting in an expected 16% increase in the number of SGOs, from 442 in March 2018 to 513 in March 2019. Budget has been realigned as part of the transfer strategy.
Early Achievement of T2019 Savings	(4,626)	(100.0)	Planned early achievement of savings in relation to the Transformation to 2019 (Tt2019) Programme, used to offset the Department's other pressures.
Various Other (net)	(917)	(1.2)	Various smaller variations to budget across the Department.
Contribution from Cost of Change	(1,755)	(100.0)	
Sub-Total Non-Schools Budget	0	0.0	
Total	0	0.0	

Economy, Transport & Environment Department – Revenue Expenditure 2018/19

Major variations in cash limited expenditure – Savings of £7.9m (7.0%) against the adjusted cash limit.

Main Variations

Service Area	Variance (Under) / Over Budget		Reason for Variation
	£'000	%	
Highways, Traffic & Transport	(2,495)	(4.4)	<p>In Highways the mild winter weather resulted in savings against the winter maintenance budget of £2.0m, which Cabinet agreed in February 2019 would be reinvested in highways maintenance in 2019/20, providing additional one-off resources to supplement existing planned maintenance programmes. The budget for other revenue maintenance work continues to be under pressure and despite additional one-off resources available in 2018/19 the outturn reflects a pressure of £1.0m.</p> <p>Other pressures across the service including a one-off investment to improve the efficient operation of the winter service were more than offset by higher than forecast staff recharges to capital schemes reflecting the significant scale of the current capital programme for the Department (net saving £0.7m).</p> <p>In Passenger Transport a combination of fewer Concessionary Fares journeys, savings from successful re-procurement of existing Community Transport services and other savings in Local Bus resulted in a net saving of £0.8m against these budgets.</p>
Economic Development and Research & Intelligence	(123)	(9.1)	<p>The outturn reflects in-year savings as a result of staff vacancies and delays in planned expenditure, which will now take place in 2019/20.</p>

Service Area	Variance (Under) / Over Budget		Reason for Variation
	£'000	%	
Waste, Planning & Environment	(710)	(1.5)	The outturn includes £434,000 savings against the Waste budget, achieved by diverting waste materials for resale or up-cycling at the Household Waste Recycling Centres and renegotiating the wood disposal price, as well as savings from some managed staff vacancies. The balance predominantly relates to additional income generation from the Specialist Environmental Services teams.
Early Delivery of Tt2019 savings and General Departmental	(4,586)	(61.7)	The identification of opportunities for the early delivery of Tt2019 activity has resulted in savings of £6.7m being achieved in 2018/19. Any early delivery of savings enables the Department to fund costs associated with transformation and the delivery of remaining savings targets, and the in-year saving was used to fund expenditure of £2.4m on projects delivered during 2018/19. In addition, further targeted staff and non-pay savings of £262,000 were achieved.
Total	(7,914)	(7.0)	

Policy and Resources Department – Revenue Expenditure 2018/19

Major variations in cash limited expenditure – Savings of £8.3m (6.7%) against the adjusted cash limit.

Main Variations

Service Area	Variance (Under) / Over Budget		Reason for Variation
	£'000	%	
Culture, Community and Business Services	(1,312)	(3.7)	<p>Savings in Community and Regulatory Services (including Library Service, Registration and Trading Standards) totalling almost £0.7m resulting from vacancy management and income, together with net savings of £0.3 across Culture and Heritage, Property and Facilities and Transformation and Business services, resulted in 'business as usual' savings of more than £0.9m across the Department.</p> <p>The Department also secured £3.7m of early Tt2019 savings which, together with the 'business as usual' savings enabled one-off investment of more than £3.7m during the year, leaving a net saving of circa £0.9m</p> <p>In addition, a saving of £0.4m against the final year of the old PrintSmart contract was realised, which will be transferred to a separate reserve.</p>

Service Area	Variance (Under) / Over Budget		Reason for Variation
	£'000	%	
Corporate Services	(5,335)	(8.0)	Corporate Services continues to implement a strategy of strong budgetary control, managing expenditure and gaining economies of scale through expanded joint working and generating income, for example for legal, internal audit and other services. This has ensured early achievement of Tt2019 savings to contribute to the cost of change reserve to be used for future investment in further transformation work.
Non Departmental Policy & Resources	(1,610)	(7.9)	The saving largely reflects lower costs or additional income in a number of budget areas. This includes lower members support costs and lower expenditure for Rural Affairs and grants to voluntary organisations as agreed projects will be progressed in subsequent years and the saving will be carried forward to match the expenditure as it is incurred.
Total	(8,257)	(6.7)	

Treasury Management Outturn Report 2018/19

1. Summary

- 1.1. The County Council adopted the key recommendations of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management in the Public Services: Code of Practice (the CIPFA Code), last updated in 2017. These recommendations include approving an annual report on treasury management activity after the end of each financial year.
- 1.2. This report fulfils the County Council's legal obligation to have regard to the CIPFA Code.
- 1.3. The County Council's Treasury Management Strategy (TMS) for 2018/19 was approved at a meeting of full Council in February 2018. The County Council has borrowed and invested sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the County Council's TMS.
- 1.4. Treasury management in the context of this report is defined as:
"The management of the organisation's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 1.5. This annual report sets out the performance of the treasury management function during 2018/19, to include the effects of the decisions taken and the transactions executed in the past year.
- 1.6. Overall responsibility for treasury management remains with the County Council. No treasury management activity is without risk; the effective identification and management of risk are integral to the County Council's treasury management objectives.
- 1.7. All treasury activity has complied with the County Council's TMS and Investment Strategy for 2018/19, and all relevant statute, guidance and accounting standards. In addition, support in undertaking treasury management activities has been provided by the County Council's treasury advisers, Arlingclose. The County Council has also complied with all of the prudential indicators set in its TMS.
- 1.8. The 2017 Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The County Council's Capital and Investment Strategy, complying with CIPFA's requirement, was approved by full Council on 14 February 2019.

2. External Context

- 2.1. The following sections outline the key economic themes currently in the UK against which investment and borrowing decisions were made in 2018/19.

Economic commentary

- 2.2. UK Consumer Price Inflation (CPI) for February 2019 was up 1.9% year on year, just above the consensus forecast but broadly in line with the Bank of England's February Inflation Report. The most recent labour market data for the three months to January 2019 showed the unemployment rate fell to a new low 3.9% while the employment rate of 76.1% was the highest on record. The three month average annual growth rate for pay excluding bonuses was 3.4% as wages continue to rise steadily and provide some upward pressure on general inflation. Once adjusted for inflation, real wages were up 1.4%.
- 2.3. After rising to 0.6% in the third calendar quarter from 0.4% in the second, fourth quarter economic growth slowed to 0.2% as weaker expansion in production, construction and services dragged on overall activity. Annual Gross Domestic Product (GDP) growth at 1.4% continues to remain below trend. Following the Bank of England's decision to increase Bank Rate to 0.75% in August, no changes to monetary policy have been made since.
- 2.4. While the domestic focus has been on Brexit's potential impact on the UK economy, which has weighed on sterling and UK markets, globally the first quarter of 2019 has been overshadowed by a gathering level of broader based economic uncertainty. The International Monetary Fund downgraded its forecasts for global economic growth in 2019 and beyond as a consequence.

Financial Markets

- 2.5. Markets for riskier asset classes fell in December 2018, most notably for equities. The FTSE 100 (a good indicator of global corporate sentiment) returned - 8.8% assuming dividends were reinvested; in pure price terms it fell around 13%. However, since the beginning of 2019 markets have rallied, and the FTSE 100 and FTSE All share indices were both around 10% higher than at the end of 2018.
- 2.6. Gilt yields continued to display significant volatility over the period on the back of ongoing economic and political uncertainty in the UK and Europe. After rising in October, gilts regained their safe-haven status throughout December and into the new year - the 5-year benchmark gilt yield fell as low as 0.8% and there were similar falls in the 10-year and 20-year gilts over the same period dropping from 1.73% to 1.08% and from 1.90% to 1.55%. The increase in Bank Rate pushed up money markets rates over the year and 1-month, 3-month and 12-month LIBID (London Interbank Bid) rates averaged 0.53%, 0.67% and 0.94% respectively over the period.

Credit background

- 2.7. Credit Default Swap (CDS) spreads drifted up towards the end of 2018 on the back of Brexit uncertainty before declining again in 2019 and continuing to remain low in historical terms. After hitting around 129 basis points (bps) in December 2018, the spread on non-ringfenced bank NatWest Markets PLC fell back to around 96bps at the end of March, while for the ringfenced entity, National Westminster Bank PLC, the CDS spread held relatively steady around 40bps. The other main UK banks, as yet not separated into

ringfenced and non-ringfenced from a CDS perspective, traded between 33 and 79bps at the end of the period.

- 2.8. The ringfencing of the big four UK banks (Barclays, Bank of Scotland/Lloyds, HSBC and RBS/NatWest Bank PLC) transferred their business lines into retail (ringfenced) and investment banking (non-ringfenced) entities.
- 2.9. In February, Fitch put the UK AA sovereign long-term rating on Rating Watch Negative as a result of Brexit uncertainty, following this move with the same treatment for UK banks and a number of government-related entities.
- 2.10. There were minimal other credit rating changes during the period. Moody's revised the outlook on Santander UK to positive from stable to reflect the bank's expected issuance plans which will provide additional protection for the its senior unsecured debt and deposits.

3. Local Context

- 3.1. At 31 March 2019 the County Council's underlying need to borrow for capital purposes as measured by the Capital Financing Requirement (CFR) was £781.9m, while usable reserves and working capital (which are the underlying resources available for investment) amounted to 589.5m. These factors are summarised in Table 1 below:

Table 1: Balance Sheet Summary

	Balance 31/03/2018 £m	Movement £m	Balance 31/03/2019 £m
CFR	(764.0)	(16.9)	(780.9)
Less: Other debt liabilities*	164.2	(7.2)	157.0
Borrowing CFR	(599.8)	(24.1)	(623.9)
Less: Resources for investment	570.7	18.8	589.5
Net borrowing	(29.1)	(5.3)	(34.4)

* PFI liabilities that form part of the County Council's debt.

- 3.2. The CFR increased by £24.1m during 2018/19 as a result of the County Council's Capital Programme, however this increase was largely offset by an increase in cash balances of £18.8m, resulting in an increase in net borrowing of £5.3m.
- 3.3. The County Council's strategy was to maintain borrowing and investments below their underlying levels, referred to as internal borrowing, in order to reduce risk and keep interest costs low. The treasury management position as at 31 March 2019 and change during the year is shown in Table 2 overleaf:

Table 2: Treasury Management Summary

	31/03/18 Balance £m	Movement £m	31/03/19 Balance £m	31/03/18 Rate %
Long-term borrowing	(280.0)	8.7	(271.3)	4.6
Short-term borrowing	(7.9)	(1.3)	(9.1)	4.2
Total Borrowing	(287.8)	7.4	(280.4)	4.6
Long-term investments	289.3	53.0	342.3	3.3
Short-term investments	240.5	(56.5)	184.0	1.2
Cash and cash equivalents	32.4	23.9	56.3	0.8
Total Investments	562.2	20.4	582.6	2.4
Net Investments	274.4	27.8	302.2	

Note: The figures in the table above are from the balance sheet in the County Council's Statement of Accounts, adjusted to exclude operational cash, accrued interest and other accounting adjustments.

- 3.4. The County Council's internal borrowing policy is the reason for the large variance between the positions shown in Tables 1 and 2. The movement that has taken place during 2018/19 in net borrowing shown in Table 1 has translated into a rise in investment balances as shown in Table 2.

4. Borrowing Activity

- 4.1. At 31 March 2019 the County Council held £280.4m of loans, a decrease of £7.4m on the previous year, as part of its strategy for funding previous years' capital programmes. The year-end treasury management borrowing position and year-on-year change is shown in Table 3 below; which excludes borrowing taken out on behalf of others:

Table 3: Borrowing Position

	31/03/18 Balance £m	Movement £m	31/03/19 Balance £m	31/03/19 Rate %	31/03/19 WAM* Years
Public Works Loan Board	243.4	(7.8)	235.6	4.70	11.9
Banks (LOBO)	20.0		20.0	4.76	14.3
Banks (fixed term)	24.4	0.4	24.8	3.46	16.4
Total Borrowing	287.8	(7.4)	280.4	4.60	12.5

* Weighted Average Maturity

Note: the figures in the table above are from the balance sheet in the County Council's Statement of Accounts but adjusted to exclude borrowing taken out on behalf of others, and accrued interest.

- 4.2. The County Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the County Council's long-term plans change being a secondary objective.
- 4.3. Short-term interest rates have remained much lower than long-term rates and the County Council has therefore considered it to be more cost effective in the near term to use internal resources than to use additional borrowing.
- 4.4. With the assistance of Arlingclose, the benefits of this internal borrowing were monitored regularly against the potential for incurring additional costs by deferring borrowing into future years, when long-term borrowing costs may be higher.
- 4.5. As a result, new borrowing was kept to a minimum during 2018/19 (£0.4m) and was taken out to fund energy efficiency initiatives. These Salix loans will incur no interest whilst also enabling the County Council to make cost savings in future against energy revenue budgets. £7.8m of existing Public Works Loan Board (PWLB) loans were allowed to mature without replacement. This strategy enabled the County Council to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk.
- 4.6. The County Council continues to hold £20m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate as set dates, following which the County Council has the option to either accept the new rate or to repay the loan at no additional cost. None of the LOBO loan options were exercised by the lender in the year.

5. Treasury Investment Activity

- 5.1. The County Council holds invested funds representing income received in advance of expenditure plus balances and reserves held. During 2018/19 the Council's investment balances have ranged between £562m and £672m due to timing differences between income and expenditure. The year-end investment position and the year-on-year change are shown in Table 4 overleaf:

Table 4: Investment Position (Treasury Investments)

Investments	31/03/18 Balance £m	Movement £m	31/03/19 Balance £m	31/03/19 Rate %	31/03/19 WAM* Years
Short term Investments					
- Banks and Building Societies:					
- Unsecured	11.7	18.7	30.4	0.93	0.28
- Secured	55.0	(40.0)	15.0	1.34	0.31
- Money Market Funds	25.7	29.6	55.3	0.79	0.00
- Local Authorities	160.5	(36.0)	124.5	1.12	0.41
- Registered Provider	20.0	(15.0)	5.0	3.40	0.08
- Cash Plus Funds		10.0	10.0	1.50	N/A
	272.9	(32.7)	240.2	1.10	0.27
Long term Investments					
- Banks and Building Societies:					
- Secured	78.3	(5.0)	73.3	1.31	2.16
- Local Authorities	61.0	17.0	78.0	1.36	2.23
	139.3	12.0	151.3	1.33	2.20
Long term Investments – high yielding strategy					
- Local Authorities					
- Fixed deposits	20.0		20.0	3.96	14.97
- Fixed bonds	10.0		10.0	4.20	14.77
- Pooled Funds					
- Pooled property**	55.0	12.0	67.0	4.35	N/A
- Pooled equity**	40.0	12.0	52.0	5.78	N/A
- Pooled multi-asset**	20.0	22.0	42.0	5.38	N/A
- Registered Provider	5.0	(5.0)	0.0		
	150.0	41.0	191.0	4.92	14.91
Total Investments	562.2	20.3	582.5	2.41	2.00

* Weighted Average Maturity

** The rates provided for pooled fund investments are reflective of the average of the most recent dividend return as at 31 March 2019.

Note: the figures in the table above are from the balance sheet in the County Council's Statement of Accounts, but adjusted to exclude operational cash, accrued interest and other accounting adjustments.

5.2. Both the CIPFA Code and the government guidance require the County Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The County Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring

losses from defaults and the risk of receiving unsuitably low investment income.

- 5.3. Security of capital has remained the County Council's main investment objective. This has been maintained by following the County Council's counterparty policy as set out in its Treasury Management Strategy Statement for 2018/19.
- 5.4. Counterparty credit quality has been assessed and monitored with reference to credit ratings, for financial institutions analysis of funding structure and susceptibility to bail-in, credit default swap prices, financial statements, information on potential government support and reports in the quality financial press.
- 5.5. The County Council also makes use of secured investments products that provide collateral in the event that the counterparty cannot meet its obligations for repayment.
- 5.6. To reduce risk, approximately 79% of the County Council's surplus cash is invested so that it is not subject to bail-in risk, as it is invested in local authorities, registered providers, secured bank bonds, and pooled property, equity and multi-asset funds. The remaining balance is largely held in overnight money market funds and cash plus funds, which are subject to reduced bail in risk. By comparison, only 55% of the cash held by other similar Local Authorities is not subject to bail-in risk.
- 5.7. The County Council maintained a sufficient level of liquidity through the use of call accounts and money market funds. With the uncertainty around Brexit, the Council has also ensured there were enough accounts open at UK domiciled banks and Money Market Funds to hold sufficient liquidity over the year end and that its account with the Debt Management Account Deposit Facility (DMADF) remained available for use in an emergency.
- 5.8. The UK Bank Rate increased marginally by 0.25% in August 2018 to 0.75% and with short-term money market rates also remaining relatively low, there has been an ongoing impact on the Council's ability to generate income on cash investments. The rate of return achieved on the County Council's internally managed funds was 1.35% in the year to 31 March 2019, broadly the same as for the previous year
- 5.9. The progression of credit risk and return metrics for the County Council's investments managed in-house (excluding external pooled funds) are shown in the extracts from Arlingclose's investment benchmarking in Table 5 overleaf:

Table 5: Investment Benchmarking (excluding pooled funds)

	Credit Rating	Bail-in Exposure	WAM** (days)	Rate of Return
31/03/2018	AA	8%	735	1.36%
31/03/2019	AA	21%	758	1.35%
Similar Local Authorities	AA-	55%	692	1.02%
All Local Authorities	AA-	55%	29	0.85%

* The lower the score the better the credit rating (AAA = 1, AA+ = 2 etc.)

** Weighted average maturity

- 5.10. As part of the 2017/18 Investment Strategy the total amount targeted towards high yielding investments was increased to £200m and further increased to £235m as part of the Treasury Management Strategy Statement agreed in February 2019. Of the £235m available £191m has been invested as at 31 March 2019 (an increase of £41m since the same date last year).
- 5.11. The £171m portfolio of externally managed funds generated an average total return of 5.92% in the year to 31 March 2019, comprising 4.78% income return used to support services in year, and 1.14% of capital growth
- 5.12. The high yielding strategy overall generated an average total return of 4.92% (£8.0m), giving an average return for the investment portfolio in aggregate of 2.09% at 31 March 2019. By comparison, the average rate of return for all other investments was 1.03% (£4.9m).
- 5.13. £161m of the externally managed portfolio is invested in strategic multi-asset, equity and property funds which are more volatile in the short-term, but which generate regular revenue income alongside providing diversification and the potential for enhanced returns over the longer term.
- 5.14. Although money can usually be redeemed from these pooled funds at short notice, the County Council's intention is to hold them for at least the medium-term. Investments are made in the knowledge that capital values will move both up and down in the short term, but with the confidence that over a three to five year period total returns should exceed cash interest rates. The performance and ongoing suitability of these pooled funds in meeting the County Council's investment objectives is monitored regularly and discussed with Arlingclose.

Financial Implications

- 5.15. The outturn for debt interest paid in 2018/19 was £13.6m against a budgeted £13.8m on an average debt portfolio of £284.2m.
- 5.16. The outturn for investment income received in 2018/19 was £12.9m on an average investment portfolio of £618m, giving a yield of 2.09%. By comparison, investment income received in 2017/18 was £11.2m on an average portfolio of £602m with a yield of 1.86%.

6. Non-Treasury Investments

- 6.1. The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Authority as well as other non-financial assets which the Authority holds primarily for financial return. This is replicated in the Ministry for Housing, Communities and Local Government's (MCHLG) Investment Guidance, in which the definition of investments is further broadened to also include all such assets held partially for financial return.
- 6.2. This could include loans made to Hampshire based businesses or the direct purchase of land or property and such loans and investments will be subject to the County Council's normal approval process for revenue and capital expenditure and need not comply with the TMS. The County Council's existing non-treasury investments are listed in Table 6 below:

Table 6: Non-Treasury Investments

	31/03/19 Asset Value £m	31/03/19 Rate %
Loans to Hampshire based business	4.5	4.00
Total	4.5	4.00

- 6.3. These investments generated £135,000 of investment income for the County Council.

7. Compliance Report

- 7.1. The County Council confirms compliance of all treasury management activities undertaken during 2018/19 with the CIPFA Code of Practice and the County Council's approved TMS. Compliance with the authorised limit and operational boundary for external debt, is demonstrated in Table 7 below:

Table 7: Debt Limits

	2018/19 Maximum £m	31/03/19 Actual £m	2018/19 Operational Boundary £m	2018/19 Authorised Limit £m	Complied
Borrowing	288	281	650	700	✓
Other long term liabilities	164	157	170	210	✓
Total Debt	452	438	820	910	✓

8. Treasury Management Indicators

- 8.1. The County Council measures and manages its exposures to treasury management risks using the following indicators.

Interest Rate Exposures

- 8.2. The following indicator shows the sensitivity of the County Council's current investments and borrowing to a change in interest rates:

Table 8 – Interest Rate Exposures

	31/03/19 Actual £m	Impact of + / - 1% Interest Rate Change
Upper limit on variable interest rate investment exposure	311	+ / -£3.1m
Upper limit on variable interest rate borrowing exposure	23	+ / -£0.2m

- 8.3. Fixed rate investments and borrowings are those where the rate of interest is fixed for the whole financial year. Instruments that mature during the financial year are classed as variable rate.

Maturity Structure of Borrowing

- 8.4. This indicator is set to control the County Council's exposure to refinancing risk. The upper and lower limits show the maximum and minimum maturity exposure to fixed rate borrowing as agreed in the Treasury Management Strategy Statement:

Table 9 – Maturity Structure of Borrowing

	31/03/19 Actual	Upper Limit	Lower Limit	Complied
Under 12 months	3.3%	50%	0%	✓
12 months and within 24 months	4.8%	50%	0%	✓
24 months and within 5 years	8.8%	50%	0%	✓
5 years and within 10 years	18.9%	75%	0%	✓
10 years and within 20 years	53.5%	75%	0%	✓
20 years and within 30 years	10.7%	75%	0%	✓
30 years and above	0%	100%	0%	✓

- 8.5. The County Council holds £20m of LOBO loans where the lender has the option to propose an increase in the interest rate as set dates, following which the County Council has the option to either accept the new rate or to repay the loan at no additional cost. If not repaid before maturity, these loans have an average maturity date of 14 years (minimum 8 years; maximum 26 years)

Principal Sums Invested for Periods Longer than 364 days

- 8.6. The purpose of this indicator is to control the County Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the total principal sum invested to final maturities beyond the period end were:

Table 10 – Principal Sums Invested for Periods Longer than 364 days

	2018/19 £m	2019/20 £m	2020/21 £m
Actual principal invested beyond year end	342	264	236
Limit on principal invested beyond year end	375	410	350
Complied	✓	✓	✓

Capital Spending and Financing 2018/19

1 Introduction

1.1 This Appendix reports that:

- Capital schemes costing £253.2m were started during 2018/19 from the approved capital programme for the year of £375.5m.
- This left £122.3m for named projects not started by 31 March 2019 which will be carried forward to 2019/20, subject to Cabinet's approval.
- Capital payments of £194.5m were incurred in 2018/19 and this can be financed within available resources.
- It is proposed that, under the Prudential Code for Capital Finance, new prudential borrowing of £35.3m is used in 2018/19 to fund previously approved schemes.
- Repayments of prudential borrowing from capital receipts and other sources total £2.4m in 2018/19.
- £16.1m of resources will be drawn down from the capital reserve in 2018/19 for use in funding payments incurred in 2018/19.
- Capital receipts of £10.6m were achieved from the sale of assets in 2018/19.

2 Capital Programme for 2018/19

2.1 Table 1 below shows that 67.4% of the Capital Programme for 2018/19 was started in the year.

Table 1 - Capital Schemes Committed in 2018/19

	£'000	%
Approved value of the Capital Programme for 2018/19	375,471	100.0
Schemes committed in 2018/19	253,220	67.4
Balance of Cash Limit at 31 March 2019	122,251	32.6
Schemes for which approval to carry forward to 2019/20 is now requested	78,671	21.0
Schemes previously approved for carry forward	43,580	11.6
Total Cash Limit to be Carried Forward to 2019/20	122,251	32.6

2.2 An analysis by service of the figures in Table 1 is included in Annex 1.

3. Carry Forward of Schemes not Committed by 31 March 2019

- 3.1 The approval of Cabinet is required for proposals to carry forward schemes not started at 31 March 2019. The total value of such schemes is £78.7m. This excludes £43.6m of Children's Services schemes for which approval to carry forward to 2019/20 has previously been given during 2018/19. These amounts are largely committed against named projects.
- 3.2 As Table 2 below shows, the value of the 2018/19 programme committed in the year, at £253.2m, is higher than the level achieved in 2017/18 of £221.5m. Good progress is being made given the significant size of the overall Capital Programme.

Table 2 – Percentage of Capital Programme Committed

	2017/18	2018/19
	£m	£m
Value of Projects		
- Committed	221.5	253.2
- Carried forward	134.4	122.3
Total Programme	355.9	375.5
Percentage Committed	62.2%	67.4%

- 3.3 Individually, most of the schemes and provisions to be carried forward are relatively small amounts. The larger schemes include:
- Adults with Disability – Accommodation Strategy (£7.4m) – A capital grants programme has been approved and is progressing.
 - Extra care housing transformation (£3.1m) – The remaining projects within this programme are being considered.
 - Children's Services contingency provision carried forward to cover future projects and pressures on the capital programme (£7.2m).
 - Structural maintenance of roads and bridges – Future projects planned which are linked to the outcome of funding bids (£11.6m).
 - Infrastructure and utility works (£16.9m) – Project designs are progressing.
 - Investment in Hampshire projects – Projects are planned (£2.7m).

4. Capital Expenditure and Financing 2018/19

- 4.1 Total expenditure actually incurred in 2018/19, arising from the Capital Programme for 2018/19 and earlier years, was £194.5m. This is £18.2m or 8.6% lower than the revised estimate for 2018/19. The timing of capital expenditure flows between financial years is often difficult to predict. The

delays in committing a fair proportion of the Capital Programme for 2018/19, as shown in Table 2, will have reduced the level of payments in the year.

- 4.2 An analysis of the expenditure of £194.5m by service and type is included in Annex 2.
- 4.3 The proposed method of financing this expenditure is summarised in Table 3:

Table 3 – Capital Financing 2018/19

	Adjusted Revised Estimate £'000	Actuals £'000	Variation £'000
Prudential borrowing			
- for capital schemes	49,255	35,255	(14,000)
- repayments of specific schemes	(3,165)	(2,394)	771
Government capital grants	86,579	88,907	2,328
Contributions from developers and outside agencies	20,682	32,361	11,679
Capital receipts	3,129	10,552	7,423
Revenue reserves	0	4,137	4,137
Revenue contributions	11,537	9,700	(1,837)
Total Capital Resources	168,017	178,518	10,501
Transfers from / (to) capital reserve			
- planned use of capital reserve to fund payments	44,764	16,030	(28,734)
Total funding for payments in 2018/19	212,781	194,548	(18,233)

- 4.4 In addition to this spend, during 2018/19, the Enterprise M3 Local Enterprise Partnership (EM3 LEP) invested £33.1m in Capital projects within the M3 corridor. This spend is included in the annual accounts, as the Council is the Accountable Body for the LEP.

5. Borrowing

- 5.1 Since 1 April 2004, local authorities have been permitted to borrow for capital purposes without specific approval from the Government, provided their actions meet the requirements of the Prudential Code for Capital Finance introduced by the Local Government Act 2003. This is known as 'prudential borrowing'. It does not attract any support from the Government towards the

repayment and interest costs, which fall wholly on the County Council's own resources.

- 5.2 Cabinet agreed criteria for the use of prudential borrowing in November 2003, with revisions in February 2006. Since then, its use has been agreed for a number of capital schemes, primarily on an invest-to-save basis. It is proposed that a total of £35.3m is borrowed in 2018/19 for these schemes, in accordance with the approved criteria.
- 5.3 Prudential borrowing of £2.4m has been repaid in 2018/19 from the use of capital receipts, developer and other contributions.
- 5.4 The Prudential Code includes a number of indicators intended to illustrate whether local authorities are acting prudently. The County Council's latest position on these prudential indicators following the 2018/19 outturn is summarised in Appendix 2. It shows that the County Council continues to be in full compliance with the requirements of the Code.

6. Capital receipts

- 6.1 Capital receipts from the sale of land and property in 2018/19 were £10.6m in total. This has been used to fund capital expenditure in the year.
- 6.2 Services' proposed shares of capital receipts in 2018/19 are summarised in Annex 3. The County Council's policy allows services to retain 25% of capital receipts from the sale of their assets, with up to 100% for approved rationalisation schemes.
- 6.3 In line with this policy, services are entitled to £6.4m of the £10.6m received in 2018/19. Cabinet has previously approved the addition of the majority of this amount to services' capital programmes, leaving a total of £0.7m for which approval is now required for allocation to services, as set out in Annex 3.

Analysis of Capital Programme 2018/19 and Requests by Services to Carry Forward Capital Schemes to 2019/20

	(1)	(2)	(3)	(4)	
	Approved Value of Programme	Schemes Committed in 2018/19	Schemes for Which Approval to Carry Forward is Requested	Schemes Already Approved for Carry Forward	Total Cash Limit Carried Forward to 2019/20 (Columns 3+4)
	£'000	£'000	£'000	£'000	£'000
Adults' Services	43,241	31,603	11,638		11,638
Children's Services	92,289	33,441	15,268	43,580	58,848
Economy, Transport and Environment	200,924	179,329	21,595		21,595
Policy and Resources	39,017	8,847	30,170		30,170
Total	375,471	253,220	78,671	43,580	122,251
	100.0%	67.4%	21.0%	11.6%	32.6%

The amounts to be carried forward are largely committed against named projects

Summary of Capital Expenditure in 2018/19**Analysis by Service**

	£'000	%
Adults' Services	23,967	12.3
Children's Services	54,545	28.0
Economy, Transport and Environment	88,255	45.4
Policy and Resources	27,781	14.3
	194,548	100.0

Analysis by Type of Expenditure

	£'000	%
Land	7,335	3.8
Construction work	139,134	71.5
Fees and salaries	25,777	13.2
Furniture, equipment and vehicles	7,035	3.6
Grants	15,267	7.9
	194,548	100.0

Analysis of Capital Receipts 2018/19

	Capital Receipts	Costs of Sales	Shares from in/out and Other Schemes		25% Share of Qualifying Receipts Now Due to Services
	£'000	£'000	Previously Added to Programme £'000	Now Available to be Added to Programme £'000	£'000
Adults' Services	220	0	220	0	0
Children's Services	5,920	5	4,530		0
Economy, Transport and Environment	226	0	0	0	57
Policy and Resources	4,186	7	927	681	0
	10,552	12	5,677	681	57
Total Now to be Added to Services' Programmes				738	

COUNCIL MEETING, 18 JULY 2019

REPORT OF THE
Chief Executive
PART I

OUTCOME OF APRIL 2019 INSPECTION OF LOCAL AUTHORITY CHILDREN'S SERVICES (ILACS) CARRIED OUT BY OFSTED AND DETAILS OF THE IMPROVEMENT SUPPORT WORK BEING OFFERED TO THE REGION

1. Executive Summary

- 1.1 This report seeks to provide an overview of the recent ILACS in Children's Services, which was the first full graded inspection since 2014.

The ILACS has judged Hampshire Children's Services to be outstanding in each of the four areas;

- Overall effectiveness – **Outstanding**
- The experiences and progress of children in need of help and protection – **Outstanding**
- The experiences and progress of children in care and care leavers - **Outstanding**
- The impact of leaders on social work practice with children and families – **Outstanding**

Hampshire is one of only two local authorities to be judged as outstanding in all four areas

2. Contextual information

- 2.1 The new inspection framework was introduced in November 2017 and was an attempt by Ofsted to ensure that the inspection process was more proportionate and regular. The framework describes a three-year cycle, with an ILACS, and focused visits looking at particular subject areas or a Joint Targeted Area Inspection (JTAI) of partnership working, resulting in an annual inspection visit to local authorities by an Ofsted inspection team.
- 2.2 The ILACS for Hampshire was a short inspection as the authority was already judged as good. This involved a one week off site pre-inspection, one week on site where the focus of inspection activity was the quality of social work practice, how leaders knew about the quality of practice and what they were doing to improve it.

2.3 In November 2018, Hampshire had received a very positive letter from Ofsted following an October focused visit, inspecting children subject to a child protection plan, including the quality and impact of pre-proceedings intervention under the Public Law Outline (PLO). Hampshire had also previously been subject to a very positive JTAI in December 2016 looking at the multi-agency response to children living with domestic abuse. We were therefore expecting an ILACS in 2019.

3. Inspection of Local Authority Children's Services 2019

3.1 The phone call from the Ofsted Lead Inspector was received on Thursday 18 April before the Easter holiday, with Ofsted being on site week beginning 29 April. Key aspects of the inspection to note are;

3.2 A significant amount of data and case record information was requested by Ofsted from the outset of the inspection. Not including the child level data lists, 563 documents were uploaded to Ofsted during the inspection. Each of these documents was subject to rigorous quality assurance and senior management scrutiny before being uploaded.

3.3 All children's cases identified by the Lead Inspector for Ofsted's review, were subject to scrutiny and audit by district and senior managers.

3.4 During the inspection, 17 additional requests for information were received from the Lead Inspector. This is a low number and can be directly related to the limited number of key lines of enquiry being identified by the inspection team due to the quality of work they were observing.

3.5 The methodology used by the inspection team was to forensically examine case files and speak to the relevant to social workers. The inspectors were rigorous in their examination of the quality of social work practice and the leadership of the system. Members of the inspection team also interviewed;

- Chief Executive
- Lead member for Children's Services and Chair of Corporate Parenting Board
- Local Safeguarding Children Board chair
- Member of the family court judiciary
- CAFCASS
- Adoption and fostering panel chairs
- Designated Children in Care leads in four schools, two primary (Horndean Junior, Cherbourg Primary) and two secondary (Riverside Community School and Cams Hill Secondary)

3.6 During the on-site inspection period, the team of five inspectors visited, Winchester, the Multi Agency Safeguarding Hub (MASH) in Fareham, Fareham & Gosport, Test Valley, East Hants, Eastleigh & Winchester and Havant district offices (during the focused visit which took place in

November Inspectors had visited different offices thus ensuring that during the last six months they had met with most teams in Hampshire). One social care regulatory inspector spent two days inspecting fostering and adoption in Swanwick and Havant, and one HMI inspector spent the day in Winchester inspecting the Virtual School, electively home educated and children missing education, through data, cases and interviews with key members of Education and Inclusion.

4. Performance

The ILACS has judged Hampshire Children's Services to be outstanding in each of the four areas;

- Overall effectiveness – **Outstanding**
- The experiences and progress of children in need of help and protection – **Outstanding**
- The experiences and progress of children in care and care leavers - **Outstanding**
- The impact of leaders on social work practice with children and families - **Outstanding**

Key extracts from each section of the report are as follows:

4.1 ILACS Executive Summary

- 4.1.1 Children's Services in Hampshire are outstanding. Since the last full inspection in 2014, the director and his leadership team have resolutely focused on continuing to improve the help, care and protection provided to children
- 4.1.2 Strong political and corporate support and well-targeted financial investment have helped the leadership team to implement an ambitious transformation programme. This has created the capacity, training and infrastructure to enable social workers to engage more purposefully with children and their families. Leaders across all levels of the council have an accurate and extensive understanding of the quality of frontline practice.
- 4.1.3 Social workers are highly skilled at building and sustaining enduring relationships with children. This is a considerable strength in Hampshire. Social workers undertake creative, tailored, direct work with children to help them to understand their situation. Social workers eloquently reflect the child's experiences in case recording, writing to them personally, which provides a powerful sense of the child, supporting children's understanding of why decisions are made. This is strengthened further by well-written, thoughtful, child-centred assessments, which bring children's experiences to life and provide a palpable sense of their lives.

4.2 ILACS - The experience of children who need help and protection

- 4.2.1 Children in need of help or protection benefit from high-quality services that improve their lives, whatever the level of their need.
- 4.2.2 Children and families benefit from effective early help services. Strong partnership engagement and co-located early help hubs ensure effective coordination, enabling families to access timely, well-targeted help when their needs are first identified.
- 4.2.3 Experienced, skilled practitioners and managers, supported by highly effective systems, ensure a consistently swift and efficient response when children are referred to the multi-agency safeguarding hub (MASH). Well-understood thresholds are consistently and confidently applied by managers, leading to appropriate decisions about next steps. Management oversight is strongly evidenced, with clear recording of the rationale for threshold decisions.
- 4.2.4 When children need protection, swift, proportionate and authoritative action is taken during and outside of office hours.
- 4.2.5 Social workers are highly skilled at building and sustaining enduring relationships with children. This is a considerable strength in Hampshire. Social workers undertake creative, tailored, direct work with children to help them to understand their situation. Social workers eloquently reflect the child's experiences in case recording, writing to them personally, which provides a powerful sense of the child, supporting children's understanding of why decisions are made.
- 4.2.6 Senior managers have taken authoritative action to strengthen pre-proceedings work since the focused visit in 2018. This has led to significantly improved management oversight and more consistent practice across the county
- 4.2.7 The 'Hampshire Approach', permeates the work with children and families, building confidence and resilience and leading to positive outcomes for children. A new format for reviews ensures that the progress of children's plans is easily understood.
- 4.2.8 When children go missing from home or care, managers and social workers respond quickly and effectively to ensure that they are not exposed to potential harm. High-risk multi-agency strategy meetings, overseen by senior managers, are highly effective in progressing children's plans.
- 4.2.9 Adolescent contextual safeguarding is understood well within the Hampshire context. The response of the strategic and operational partnerships to vulnerable young people at risk of exploitation is highly effective.

4.3 ILACS - The experiences and progress of children in care and care leavers is outstanding

- 4.3.1 Tenacious and creative work is undertaken to support children to safely remain in the care of their families wherever possible. Intensive support workers demonstrate skill through their sensitive, relationship-based work with families. Thorough, well-evidenced rehabilitation assessments and plans provide a sound basis from which to support children to successfully return home when this is in their best long-term interests. Appropriate and well-balanced decisions concerning children who do come into care are informed by thoughtful and rigorous management oversight.
- 4.3.2 Social workers build consistent and important relationships with children in care. They undertake insightful direct work that is carefully tailored to children's individual needs.
- 4.3.3 Social workers support children to participate in developing their care plans, capturing this on the newly developed care plan template, 'My Life, My Future'. These child-centred plans are written to the child and include scaling questions and emojis to help children to express their opinions about issues that are important to them. Participation is evident through their subsequent review process, where children are supported to chair their own reviews where possible.
- 4.3.4 The well-regarded virtual school is ambitious for children in care, proactively supporting children to do as well as they can at school. Personal education plans, with an improved completion rate and greater quality, provide a rigorous tool for monitoring children's progress in education, particularly in understanding the reasons underlying lower attainment.
- 4.3.5 Assessments of prospective foster carers and the training and support subsequently provided are of a high standard.
- 4.3.6 Children with a plan for adoption benefit from a high-quality service from experienced and skilled social workers and managers. This already strong service has improved further since the last inspection.
- 4.3.7 Care leavers are strongly supported by their PAs to be ambitious in pursuing suitable education, employment or training opportunities. The increasing impact of the virtual college has generated a sharper focus on early post-16 transition work, to guide young people into clear and purposeful pathways that are suitable to their individual needs. This has resulted in a marked improvement in the proportion of care leavers who are in employment, education and training.

4.4 ILACS - The impact of leaders on social work practice with children and families is outstanding

- 4.4.1 Senior and political leaders in Hampshire are ambitious, purposeful and influential. Together, and consistently over time, they have presented a coherent and shared vision to deliver high-quality services for children. They have a strong record of continuous improvement. Hampshire Children's Services demonstrates a strong commitment to continual learning, constantly seeking to develop and enhance the capabilities and capacity of the workforce. Corporate and political leaders demonstrate a solid commitment to children's services. They are confident in the leadership team's vision for future-proofing the service and have committed substantial financial investment to make that vision a reality.
- 4.4.2 Effective governance and strong partnership arrangements promote a joined-up approach to meeting children's needs. Children's needs and views are kept at the centre of strategic planning and decision-making. Strong political and corporate support in children's services is evident. In addition to committing significant investment in the service transformation, political leaders have ensured substantial investment to build seven new children's homes to support children to live closer to home.
- 4.4.3 The corporate parenting board effectively seeks to build a well-informed understanding of the experiences, concerns and achievements of children in care. The board is energetic in taking steps to ensure that all children receive good services.
- 4.4.4 Comprehensive performance and quality assurance systems support leaders and managers to maintain strong oversight of practice. Managers and leaders at all levels scrutinise performance information, learning and audit activity. This is supported by a programme of annual internal peer reviews of every district, involving frontline staff in assessing the effectiveness of services.
- 4.4.5 Social workers are positive about working in Hampshire. They value the innovative approach to technology and flexible working, which helps them to juggle the demands of work and home and enables them to go 'over and above' in supporting the children and families.
- 4.4.6 The appointment of personal assistants to support social workers, combined with improved technology and the implementation of the strengths-based social work model, the 'Hampshire Approach', have equipped social workers with the tools, skills and time to work directly with children and families.
- 4.4.7 Senior leaders recognise that their greatest asset is their staff. They have invested heavily in the children's workforce, fundamentally changing their approach to recruitment and retention through an ambitious workforce development plan. This plan is built on a strong commitment to create capacity and stability within the service in 'growing our own social workers' through the introduction of the graduate entry trainee scheme.

4.5 ILACS - Areas for improvement

4.5.1 Two areas for improvement are identified in the ILACS report, which will be incorporated into the Quality Improvement Action Plan (QUIP) for Children and Families, with appropriate actions to address the improvement areas. This plan will be sent to Ofsted by 13 September as per the requirement of the framework. The two areas for improvement identified by the inspection report are;

- The proportion of children who are offered, and take up, a return home interview when they have been missing from home or care.
- The Corporate Parenting Board's rigour in holding partners, including health providers and district councils, to account to ensure that they prioritise services for children and young people more effectively

5. Improvement Adviser work on behalf of the Department for Education

5.1 As a longstanding, high performing local authority children's services, Hampshire has been successful in tendering with the Department for Education (DfE), for the role of improvement adviser. This role involves working with an individual local authority when their children's services has been judged to be 'inadequate' by Ofsted in an ILACS inspection. It generates a small but nonetheless important income stream for the County Council.

5.2 The role typically has three phases; firstly, a rapid diagnostic to understand why the failure occurred and how improvements would be best achieved. This is led by the Secretary of State appointed 'Commissioner'; phase two involves a more detailed intervention offering improvement support and scrutiny of the progress being made, led by the Director of Children's Services and a small number of officers; phase three is a tapering of support over a 9 to 12 month period as progress is sustained.

5.3 The work is undertaken on behalf of the DfE who require regular reporting of the work undertaken and the view of Hampshire as to the progress being achieved.

5.4 Ofsted noted in the recent ILACS report that this improvement work brings important benefits to Hampshire. 'Leaders recognise the benefits that come from being an improvement partner, not only in creating income, but also in the learning that is gained from other local authorities and from keeping its own staff stimulated and stretched.' This further reiterates findings from the 2014 inspection which found that our improvement work with the Isle of Wight also had tangible benefits in broadening the experience and capacity of Hampshire managers.

5.5 To date, Hampshire has been working with two local authorities in this capacity and Hampshire's Chief Executive has recently been appointed as the Commissioner for a third authority. These are detailed below;

- Work with Torbay Children's Services who were judged as inadequate in 2016. This work is in phase three and will complete later in 2019.
- Work with Buckinghamshire County Council who were judged as inadequate in late 2017. This work is now entering phase three and improvement support will continue on a reducing basis for the next twelve months.
- Hampshire's Chief Executive Officer has recently been appointed by the Secretary of State, as the Commissioner for West Sussex County Council. West Sussex Children's Services were judged as inadequate in February 2019. This work is at the beginning of phase one.
- The Director of Children's Services continues to be the Director for Isle of Wight Children's Services. Whilst this is no longer an improvement arrangement per se, given that the Isle of Wight are now rated as 'good' across all categories, it is testament to the long-term improvement that has taken place from a very low base in 2012. This partnership is now a voluntary arrangement with benefits for both partners.

5.6 In addition to this, Hampshire is a nominated Partner in Practice for the Department for Education which means that we also receive a further modest income stream which is used to support authorities within the region in their improvement journeys. Usually, these are authorities that 'require improvement' rather than having failed an inspection. The aim is to ensure that these authorities can maintain a positive trajectory.

6. Conclusions

6.1 Ofsted, through the ILACS has judged Hampshire to be outstanding in all inspection areas, resulting in Hampshire being one of only two local authorities to be judged as outstanding across all inspection areas.

6.2 This is a significant achievement for the County Council and reflects the strong political and corporate support that Children's Services has received. However, it is also a testament to the skill, dedication and tenaciousness of the Council's frontline staff to improve outcomes for Hampshire's most vulnerable children.

6.3 The continued work of Hampshire Children's Services in supporting improvement in other less well performing local authorities, is an important aspect of being a top performing authority and brings both a small income stream and wider benefits for the County Council.

RECOMMENDATIONS

That the County Council:

- a) Notes the exceptionally positive findings of the Ofsted report and communicates the Council's support for this to the Cabinet.
- b) Agrees any further feedback for consideration by the Cabinet at their forthcoming meeting.

This page is intentionally left blank

Clive House
70 Petty France
Westminster
London, SW1H 9EX

T 0300 123 1231
Textphone 0161 618 8524
enquiries@ofsted.gov.uk
www.ofsted.gov.uk

T 0300 123 1231
Yvette.Stanley@ofsted.gov.uk



11 June 2019

Yvette Stanley
National Director Social Care

Steve Crocker
Director of Children's Services
Children's Services Department
Hampshire County Council
3rd Floor, Elizabeth II Court North
The Castle
Winchester
Hampshire SO23 8UG

Via email: steve.crocker@hants.gov.uk

Dear Steve

Inspection of local authority children's services

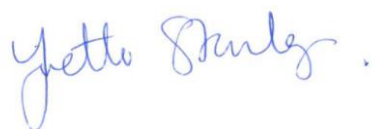
I am writing to personally congratulate you on the outcome of your ILACS inspection which rated children's services as outstanding overall. This is a magnificent achievement and one which I wanted to acknowledge today as your report is published.

Your "outstanding" inspection outcome reflects the hard work and tenacity, of yourself as the DCS, of your leadership team, managers and frontline staff, as well as the wider council and your safeguarding partners. You should all be proud of the positive difference you have made for the children and families of Hampshire. It was lovely to read that *"...the director and his leadership team have resolutely focused on continuing to improve the help, care and protection provided to children. Social workers are highly skilled at building meaningful relationships with children, engaging them in their assessments and plans. Children in care benefit from high-quality support, which is making a real difference to their outcomes. Management oversight of practice is clear and considered, ensuring that children's plans progress at pace. Children's lives consistently improve as a result of the help they receive."* You should all be very proud of the continued improvement since your previous inspection where services were good.

Please pass on my congratulations to all the Hampshire colleagues who have contributed to this achievement, as well as extending my personal thanks to all the staff, children, foster carers and wider stakeholders who participated in the inspection process.

I know that this outcome will not diminish your ambition for or culture of embracing improvement in services and outcomes for children, and I extend my very best wishes for the next phases of your continuous improvement journey.

Yours sincerely

A handwritten signature in blue ink that reads "Yvette Stanley".

Yvette Stanley
National Director Social Care

Hampshire County Council

Inspection of local authority children's services

Inspection dates: 29 April 2019 to 3 May 2019

**Lead inspector: Donna Marriott
Her Majesty's Inspector**

Judgement	Grade
The impact of leaders on social work practice with children and families	Outstanding
The experiences and progress of children who need help and protection	Outstanding
The experiences and progress of children in care and care leavers	Outstanding
Overall effectiveness	Outstanding

Children's services in Hampshire are outstanding. Since the last full inspection in 2014, the director and his leadership team have resolutely focused on continuing to improve the help, care and protection provided to children. Social workers are highly skilled at building meaningful relationships with children, engaging them in their assessments and plans. Children in care benefit from high-quality support, which is making a real difference to their outcomes. Management oversight of practice is clear and considered, ensuring that children's plans progress at pace. Children's lives consistently improve as a result of the help they receive.

Strong political and corporate support and well-targeted financial investment have helped the leadership team to implement an ambitious transformation programme. This has created the capacity, training and infrastructure to enable social workers to engage more purposefully with children and their families. Leaders across all levels of the council have an accurate and extensive understanding of the quality of frontline practice. Effective quality assurance and performance systems support leaders to maintain strong oversight of practice. The outward-facing senior leadership team firmly embraces innovation, ensuring a focus on continuous

improvement, while supporting other local authorities through its engagement in sector-led improvement.

What needs to improve

- The proportion of children who are offered, and take up, a return home interview when they have been missing from home or care.
- The Corporate Parenting Board's rigour in holding partners, including health providers and district councils, to account to ensure that they prioritise services for children and young people more effectively.

The experiences and progress of children who need help and protection is outstanding

1. Children in need of help or protection benefit from high-quality services that improve their lives, whatever the level of their need. Children and families benefit from effective early help services. Strong partnership engagement and co-located early help hubs ensure effective coordination, enabling families to access timely, well-targeted help when their needs are first identified.
2. Experienced, skilled practitioners and managers, supported by highly effective systems, ensure a consistently swift and efficient response when children are referred to the multi-agency safeguarding hub (MASH). Parental consent is routinely sought. Children's support workers provide comprehensive historical information to inform decisions, including clear analysis regarding risks and strengths. Well-understood thresholds are consistently and confidently applied by managers, leading to appropriate decisions about next steps. Management oversight is strongly evidenced, with clear recording of the rationale for threshold decisions.
3. Strong partnership working in the MASH supports a timely and carefully considered response to domestic abuse notifications. The recent introduction of daily high-risk meetings enhances information-sharing, ensuring prompt access to support services for children and victims. The police practice of referring all notifications involving children to the MASH results in a high volume of work, much of which does not meet the threshold for children's social care. The police and the local authority have recognised that this is a challenge, and work is already underway to resolve it.
4. When children need protection, swift, proportionate and authoritative action is taken during and outside of office hours. Strategy discussions in the MASH focus on the threshold decision and lead to comprehensive information-sharing. The rationale for decisions, outline interim plan and contingency arrangements are not routinely recorded at this stage; these actions are progressed by the area teams, which conduct a further strategy discussion with the involved

agencies. This process is not sufficiently streamlined, and has the potential to create unnecessary duplication. Strategy discussions lead to the right action, and children are effectively safeguarded through well-thought-out, high-quality child protection investigations.

5. Social workers are highly skilled at building and sustaining enduring relationships with children. This is a considerable strength in Hampshire. Social workers undertake creative, tailored, direct work with children to help them to understand their situation. Social workers eloquently reflect the child's experiences in case recording, writing to them personally, which provides a powerful sense of the child, supporting children's understanding of why decisions are made. This is strengthened further by well-written, thoughtful, child-centred assessments, which bring children's experiences to life and provide a palpable sense of their lives. Assessments are regularly updated, make good use of children's histories and capture their views. Comprehensive risk analysis is used well to inform subsequent plans.
6. Staff are skilled at using 'strengths-based' approaches and empowering children and families to take control of their plans. This is having a particularly positive and tangible impact on children's outcomes. For example, some disabled children are benefiting from innovative approaches. This includes the creative use of technology that is focused on their individual needs, drawing on family strengths and building resilience.
7. Child in need and child protection plans have a strong focus on children's needs. They are clear about what needs to happen, and about who needs to make it happen; most have time-bound actions. Children with more complex needs benefit from tailored and highly effective support from intensive support workers. The 'Hampshire Approach', permeates the work with children and families, building confidence and resilience and leading to positive outcomes for children. A new format for reviews ensures that the progress of children's plans is easily understood.
8. Rigorous management oversight, including the chairing of child in need meetings by managers, is central to the progression of children's plans. Management oversight is consistently evident at a multitude of sign-off points, with the rationale for decisions written to the child to support an understanding of why decisions are made. Managers routinely review the records of social workers' visits to children. This supports their knowledge and oversight of the frequency, quality and impact of the support provided. Social workers report that supervision is helpful in aiding reflection and analysis, but this is not well evidenced in the recording of these conversations.
9. Senior managers have taken authoritative action to strengthen pre-proceedings work since the focused visit in 2018. This has led to significantly improved management oversight and more consistent practice across the county. High-quality, comprehensive legal strategy meetings effectively consider threshold

decisions and provide clear direction regarding next steps. Most letters to parents are written in clear and accessible language. The progression of plans is regularly reviewed.

10. When children go missing from home or care, managers and social workers respond quickly and effectively to ensure that they are not exposed to potential harm. High-risk multi-agency strategy meetings, overseen by senior managers, are highly effective in progressing children's plans. Not all children who go missing are offered return home interviews, and when they take place they are not always well recorded. This means that, potentially, patterns relating to episodes of going missing may not be fully understood, although inspectors found good evidence of information about children's experiences while they are missing being shared between professionals in other ways. The local authority recognises that the quality of safeguarding intelligence would be improved further through a more consistent return home interview offer and greater take-up of these important conversations with children after each episode of going missing. The local authority had recognised this prior to the inspection and had acted to restructure the return home interview service.
11. Adolescent contextual safeguarding is understood well within the Hampshire context. The response of the strategic and operational partnerships to vulnerable young people at risk of exploitation is highly effective. The multi-disciplinary 'Willow' team is a valuable service, offering a wide range of interventions that effectively reduce risk and improve outcomes for children. The most vulnerable young people benefit from plans that are overseen via highly effective high-risk strategy meetings. Targeted, creative approaches are employed to reach young people in known hotspots. When potential vulnerabilities such as the risk of trafficking or radicalisation are identified, prompt action is taken, and risk is reduced.
12. When young people aged 16 and 17 are homeless, or at risk of becoming homeless, their needs are quickly assessed. Every effort is made to support young people to remain with their families. The local authority has designed a leaflet to explain to young people their rights and entitlements when they are in housing need. However, it is not always clearly recorded whether young people have been provided with all the information they need to inform their decision-making about whether they wish to come into care.
13. The local authority has raised the profile of its work in relation to elective home education, after a sharp increase in numbers over the past few years. Consequently, increased liaison with families has helped to support notable numbers of pupils returning to a school, where this is agreed to be in their best interests. The local authority offers proportionate support to those pupils and families identified as potentially most vulnerable, to promote their welfare.
14. Clear processes are in place to oversee children who are identified as missing from education. There are some inconsistencies in record keeping, but

successful liaison between the teams who oversee these children and children's services ensures that appropriately swift action is taken when concerns arise, such as by prompting home visits. The local authority keeps a careful check on all children not in receipt of full-time school education, liaising regularly with schools to make sure that children are safe and accounted for.

The experiences and progress of children in care and care leavers is outstanding

15. Tenacious and creative work is undertaken to support children to safely remain in the care of their families wherever possible. Intensive support workers demonstrate skill through their sensitive, relationship-based work with families. Thorough, well-evidenced rehabilitation assessments and plans provide a sound basis from which to support children to successfully return home when this is in their best long-term interests. Appropriate and well-balanced decisions concerning children who do come into care are informed by thoughtful and rigorous management oversight.
16. Social workers build consistent and important relationships with children in care. They undertake insightful direct work that is carefully tailored to children's individual needs. Social workers' verbal accounts and written records of this work powerfully convey a strong picture of children's lived experiences, and the views of their birth families, supported by ongoing life-story work to help children understand their earlier lives. Social workers record their work with children diligently and sensitively, using a personalised and straightforward style of writing that demonstrates warmth and concern.
17. Social workers regularly consider and re-assess children's changing needs. Care plans are thorough, highlighting new and emerging needs, and clearly explain how they will be addressed. Social workers support children to participate in developing their care plans, capturing this on the newly developed care plan template, 'My Life, My Future'. These child-centred plans are written to the child and include scaling questions and emojis to help children to express their opinions about issues that are important to them. Participation is evident through their subsequent review process, where children are supported to chair their own reviews where possible. Children's reviews are firmly focused on children's progress and well-being. Independent reviewing officers (IROs) are strong advocates for children, challenging any shortfalls in care plan actions and checking the progress of children in between their statutory reviews.
18. The well-regarded virtual school is ambitious for children in care, proactively supporting children to do as well as they can at school. Personal education plans, with an improved completion rate and greater quality, provide a rigorous tool for monitoring children's progress in education, particularly in understanding the reasons underlying lower attainment. Social workers work collaboratively with the virtual school to support the promotion of children's

educational achievement. The recent establishment of a virtual college is beginning to improve the quality of provision for young people aged 16 to 18 years, with emerging evidence of its positive impact on their destinations.

19. Social workers, managers and carers ensure a strong focus on children's health and emotional well-being. Not all initial and review health assessments are timely, and this is due to pressures in capacity in health provision. However, local authority leaders are working determinedly with colleagues in the responsible NHS trusts and clinical commissioning groups to address the issues causing delays and new arrangements have recently come into place. Social workers and carers routinely ensure that children's health needs are understood, prioritised and followed up. Social workers make good use of strengths and difficulties questionnaires to inform planning for children to understand children's emotional needs and to inform plans to meet these.
20. Children's participation is active, influential and widespread. Regular surveys, activity days, digital feedback initiatives, participation conferences and the recruitment of a growing number of care ambassadors are some of the wide range of methods and approaches that are routinely used to understand how children experience their lives in care. The local authority is innovative about how it encourages participation, for example through a theatre project which promotes children's well-being and mental health through the creative arts. Lead participation champions in each district organise an array of events and forums each month through which children's views are sought, for example about the qualities of a good social worker.
21. Children live with carers who meet their needs well and go to great lengths to improve their outcomes. Residential care is considered where it is appropriate for older children, including the use of the highly rated children's homes managed by the local authority. Comprehensive and highly evaluative assessments of connected carers and special guardians result in appropriate and lasting arrangements for children, underpinned by strong support plans. Carers receive determined support when they are struggling with children's behaviours and this helps them overcome challenging periods and to build resilience.
22. The local authority employs a rigorous approach to assessing the needs of unaccompanied asylum-seeking children when they first arrive in Hampshire. Every effort is made to match these children with carers who meet children's cultural needs and to ensure that they have access to a wide range of support. This group of young people is very well supported, and many achieve positive outcomes in the care of the local authority.
23. Senior leaders have been proactive in seeking to respond to the challenges in finding well-matched placements for some older children with complex needs, but some difficulties remain. On occasions, this can lead to children being matched with carers based on availability, rather than need. This adversely

impacts on short-term placement stability. Leaders and managers are acutely aware of the importance of promoting stability for children. They have been proactive in the steps they have taken to strengthen placement stability, undertaking analysis to understand the reasons why some children experience placement moves. The local authority has invested in placement stability workers in each fostering team to support carers. Although it is too early to evidence widespread impact, some children are already benefiting from this arrangement.

24. Assessments of prospective foster carers and the training and support subsequently provided are of a high standard. Children are carefully matched with carers, and the support offered by their supervising social workers helps them to remain resilient and child-focused during challenging times.
25. As soon as children enter care, permanence is actively considered through early planning for a range of possible outcomes. Managers and IROs closely track and challenge permanence plans where decisions take longer, so that periods of uncertainty for children are avoided.
26. Children with a plan for adoption benefit from a high-quality service from experienced and skilled social workers and managers. This already strong service has improved further since the last inspection. An increasing number of prospective adopters have been recruited over the last year, providing a sufficiently wide and diverse pool of families for children. Assessments of potential adopters are sensitive, detailed and comprehensive. Children's needs are carefully and holistically considered in linking and matching, and creative solutions are explored to enable brothers and sisters to grow up together.
27. Later-life letters to children and life-story work for adopted children are of a consistently high standard. These important records provide adopters with a rich and highly informed understanding of children's backgrounds and needs to enable them to help children to form lasting attachments, and they are likely to be treasured by children when they are old enough to understand them. The support and training provided to adoptive families, from their initial application to post approval, is highly valued, strengthening the resilience of adopters during difficult periods so that they can continue to provide stable and loving care to their children.
28. Care leavers receive dedicated and effective support from their personal advisers (PAs), who know them very well and see them regularly. Pathway plans are dynamic documents featuring the active engagement of young people. They clearly set out credible and achievable actions to support young people during their gradual transition towards independence.
29. Nearly all care leavers live in accommodation that is suitable to their needs and level of independence. 'Staying put' arrangements with foster carers are actively promoted, including for young people who are placed with carers in

independent fostering agencies. These arrangements provide appropriate and enabling independence pathways. A current retendering exercise is intended to further improve the existing range and sufficiency of accommodation options for young people. Leaders are working constructively with local district councils to ensure that the exemption from council tax for care leavers offered by some districts is applied by all of them.

30. Care leavers are supported well by their PAs to recognise and address their physical and emotional health needs. A helpful 'flagging' system lets local GPs know whether a young person is a care leaver. This allows young people to have some control about whether they choose to discuss their health backgrounds. Work to develop a consistent format for sharing health histories with care leavers has not been progressed because young people were ambivalent about how helpful this would be for them. During the inspection, senior leaders were clear that they plan to revisit this with care leavers and intend to progress this work with pace.
31. Through conscientious and diligent work by their PAs, care leavers are provided with practical and emotional support to make the transition to independence. Care leavers are strongly supported by their PAs to be ambitious in pursuing suitable education, employment or training opportunities. The increasing impact of the virtual college has generated a sharper focus on early post-16 transition work, to guide young people into clear and purposeful pathways that are suitable to their individual needs. This has resulted in a marked improvement in the proportion of care leavers who are in employment, education and training.

The impact of leaders on social work practice with children and families is outstanding

32. Senior and political leaders in Hampshire are ambitious, purposeful and influential. Together, and consistently over time, they have presented a coherent and shared vision to deliver high-quality services for children. They have a strong record of continuous improvement. Hampshire Children's Services demonstrates a strong commitment to continual learning, constantly seeking to develop and enhance the capabilities and capacity of the workforce. Corporate and political leaders demonstrate a solid commitment to children's services. They are confident in the leadership team's vision for future-proofing the service and have committed substantial financial investment to make that vision a reality.
33. Leaders have worked purposefully to improve services for children in Hampshire since they were judged to be good, and outstanding in adoption and leadership, in 2014. A highly successful large-scale transformation programme has included the creation of additional social work posts and an innovative pathway of support for newly qualified social workers. The implementation of children's assessment and safeguarding teams (CAST) and

specialist multi-disciplinary teams supports an increasingly holistic approach to children's needs, reducing transfer points and promoting continuity of social work relationships with children and families.

34. The appointment of personal assistants to support social workers, combined with improved technology and the implementation of the strengths-based social work model, the 'Hampshire Approach', have equipped social workers with the tools, skills and time to work directly with children and families. Consequently, children's needs are better understood, intervention is purposeful, and children and families are being helped to become more resilient.
35. Effective governance and strong partnership arrangements promote a joined-up approach to meeting children's needs. Children's needs and views are kept at the centre of strategic planning and decision-making. Strong political and corporate support in children's services is evident. In addition to committing significant investment in the service transformation, political leaders have ensured substantial investment to build seven new children's homes to support children to live closer to home. Children have been extensively involved in the design of these homes, and their views have been central to planning. For example, children wanted the home to have fireplaces so that it would feel homelier, and a fireplace was included in the design of the home.
36. The corporate parenting board effectively seeks to build a well-informed understanding of the experiences, concerns and achievements of children in care. The board is energetic in taking steps to ensure that all children receive good services. The board's ongoing engagement with children is an essential, primary focus of its work and is gained through a wide variety of sources, including the involvement of an expanding number of children in care, engaged as care ambassadors.
37. The board has not extended its membership to include partner agencies due to concerns about the impact this might have on the engagement of children in care and care leavers. While the board effectively scrutinises all the important areas of services for children in care, it does not have a systematic way of ensuring consistent collaboration with key partners, such as health services, district councils or foster carers. This dilutes its ability to ensure a joined-up response to areas for development, such as ensuring timely health assessments and delivering a more consistent approach to council tax exemption for care leavers.
38. Comprehensive performance and quality assurance systems support leaders and managers to maintain strong oversight of practice. Managers and leaders at all levels scrutinise performance information, learning and audit activity. This is supported by a programme of annual internal peer reviews of every district, involving frontline staff in assessing the effectiveness of services. A comprehensive programme of practice observations and thematic audits helps

to triangulate performance information to provide greater insight into the quality of frontline practice. Leaders are continually working to improve the quality of audit activity, having designed a more qualitative tool to support this work, and are engaging managers, practitioners and service users in the audit programme. Further work is needed with those staff who undertake this work to improve the quality of audits completed. This is currently being addressed through a large-scale training programme for all frontline managers.

39. The DCS has created a culture of distributed leadership which ensures that staff at every level share accountability for tackling the challenges that the service faces and celebrate together the successes that are achieved. This in turn has created a confident, strong leadership team, with an unwavering focus on improvement and a workforce that has faith in leaders and managers to deliver.
40. Social workers are positive about working in Hampshire. They value the innovative approach to technology and flexible working, which helps them to juggle the demands of work and home and enables them to go 'over and above' in supporting the children and families. Staff find managers supportive, and value the quality of supervision they receive. Management oversight is rigorous and effective, consistently ensuring that children's plans are progressed at the right pace. Supervision is regular, and although social workers report that it is helpful in promoting reflection and analysis, this is not always well evidenced in recording of these discussions.
41. Aspirational senior leaders promote a culture of learning and continual professional development. They recognise that their creativity and strong leadership are leading to improvement, but they are not complacent. They continually strive to deliver better services for the children they help, protect and care for. They firmly embrace innovation, actively seeking out external views and perspectives to support continuous improvement.
42. Hampshire is a Department for Education 'Partner in Practice', providing sector-led improvement through peer support to authorities who need to improve. The local authority has invested extensively in this work. Leaders recognise the benefits that come from being an improvement partner, not only in creating income, but also in the learning that is gained from other local authorities and from keeping its own staff stimulated and stretched.
43. Senior leaders recognise that their greatest asset is their staff. They have invested heavily in the children's workforce, fundamentally changing their approach to recruitment and retention through an ambitious workforce development plan. This plan is built on a strong commitment to create capacity and stability within the service in 'growing our own social workers' through the introduction of the graduate entry trainee scheme. During 2018, 90 newly qualified social workers were recruited to this scheme, building stability and resilience across the service.

44. A new partnership arrangement with another local authority to provide an in-house social work agency provides increased reach and autonomy. The increase in the staffing establishment is delivering results, with reducing caseloads and high morale among the workforce. Further caseload reductions are projected as newly qualified staff progress through their first year and become more experienced.



The Office for Standards in Education, Children's Services and Skills (Ofsted) regulates and inspects to achieve excellence in the care of children and young people, and in education and skills for learners of all ages. It regulates and inspects childcare and children's social care, and inspects the Children and Family Court Advisory and Support Service (Cafcass), schools, colleges, initial teacher training, further education and skills, adult and community learning, and education and training in prisons and other secure establishments. It assesses council children's services, and inspects services for children looked after, safeguarding and child protection.

If you would like a copy of this document in a different format, such as large print or Braille, please telephone 0300 123 1231, or email enquiries@ofsted.gov.uk.

You may reuse this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit www.nationalarchives.gov.uk/doc/open-government-licence, write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

This publication is available at www.gov.uk/government/organisations/ofsted.

Interested in our work? You can subscribe to our monthly newsletter for more information and updates: <http://eepurl.com/iTrDn>.

Piccadilly Gate
Store Street
Manchester
M1 2WD

T: 0300 123 1231
Textphone: 0161 618 8524
E: enquiries@ofsted.gov.uk
W: www.gov.uk/ofsted

© Crown copyright 2019

COUNCIL MEETING, 18 JULY 2019

REPORT OF THE
Cabinet
PART I

**1. CONSIDERATION OF A MOTION REFERRED FROM COUNTY COUNCIL:
CLIMATE CHANGE**

- 1.1. On 17 May 2019 County Council considered a Notice of Motion submitted in accordance with Standing Order 18.1 as proposed by Councillor Martin Tod and seconded by Councillor Adrian Collett. The Motion is attached at Appendix 1. In accordance with Standing Order 18.4 County Council resolved to refer the Motion for consideration by the Cabinet. At its meeting on 17 June 2019, Cabinet considered the Motion and made a number of resolutions, including a recommendation to the County Council.
- 1.2. Cabinet heard four deputations from members of the public and from three non-executive Members, including the proposer of the Motion to Council, Councillor Tod. The deputations highlighted the threats of climate change and called on the County Council to take action and show leadership in the areas of carbon reduction, energy use, waste management, agriculture and countryside protection.
- 1.3. Cabinet recognised the breadth and complexity of the issues around climate change and acknowledged the scale of public concern. Cabinet also welcomed the Prime Minister's initiative for carbon neutrality by 2050 and felt that the County Council should take its own action to build on the success of past initiatives including those relating to schools, streetlighting, vehicles and in the Council's own buildings.
- 1.4. With this in mind, it was proposed by the Leader and seconded by Councillor Humby:

“That Cabinet declares a ‘Climate Emergency’ in line with the action taken by many other Councils and organisations in the UK and globally, and commits to develop an action plan to provide a meaningful and effective set of measures to ensure that Hampshire moves towards carbon neutrality and greater resilience to the effects of climate change.

Furthermore because of the widespread public and member interest in this matter, that Cabinet recommends that the County Council endorses this decision”
- 1.5. Cabinet discussed the proposed recommendation, noting the importance of environmental stewardship and the threat of climate change to the current way of life. It was agreed that the recognition of the emergency was timely and the significance of turning a pledge into actions was noted. The recommendation was agreed as proposed above.

The full report to Cabinet can be found at the following link:

- [Referral of Motion from County Council on 17 May 2019](#)

RECOMMENDATION

That the County Council endorses the decision of Cabinet to:

Declare a 'Climate Emergency' in line with the action taken by many other Councils and organisations in the UK and globally, and commits to develop an action plan to provide a meaningful and effective set of measures to ensure that Hampshire moves towards carbon neutrality and greater resilience to the effects of climate change.

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Cabinet
Date:	17 June 2019
Title:	Referral of Motion from County Council on 17 May 2019
Report From:	Chief Executive

Contact name: Barbara Beardwell

Tel: 01962 845157

Email: barbara.beardwell@hants.gov.uk

1. Recommendation

- 1.1. That Cabinet consider the way forward in respect of this referral from the County Council.

2. Executive Summary

- 2.1. A Notice of Motion ('Motion') proposed by Councillor Martin Tod and seconded by Councillor Adrian Collett was submitted in accordance with Standing Order 18.1 to a meeting of the County Council held on 17 May 2019. A copy of the Motion is attached to this report as Appendix 1.
- 2.2. In accordance with Standing Order 18.4 the Council referred the Motion to Cabinet for consideration. Cabinet is accordingly requested to consider the Motion and report back to the County Council.

3. Contextual Information

- 3.1. Climate Change and 'Green', 'Environmental' or 'Sustainable' are labels which are often used inter-changeably, but are in fact different and distinct, albeit with some areas of overlap. Environmental or sustainability considerations are wider than climate change alone, although most expert commentators see a changing climate as the most significant threat to the environment and to human welfare. There is a however potential danger that in focussing exclusively on climate change, actions may be taken which compromise wider environmental considerations. Perhaps the best example of this was the UK government decision to promote diesel vehicles to help reduce CO₂ emissions to mitigate climate change, which has now been recognised has contributed to significant air quality problems in relation to NO₂ emissions from traffic.

- 3.2. The Climate Emergency Movement has developed rapidly following the publication of the Intergovernmental Panel on Climate Change (IPCC) special report of the on the state of global warming in October 2018. Extracts from the Report's 'Headline Statements from the Summary for Policymakers' are set out below.
- 3.3. The Report estimates that human activities have caused approximately 1.0°C of global warming above pre-industrial levels, with a likely range of 0.8°C to 1.2°C. Global warming is likely to reach 1.5°C between 2030 and 2052 if it continues to increase at the current rate.
- 3.4. Warming from anthropogenic emissions from the pre-industrial period to the present will persist for centuries to millennia and will continue to cause further long-term changes in the climate system, such as sea level rise, with associated impacts, but these emissions alone are unlikely to cause global warming of 1.5°C. Climate-related risks for natural and human systems are higher for global warming of 1.5°C than at present, but lower than at 2°C.
- 3.5. These risks depend on the magnitude and rate of warming, geographic location, levels of development and vulnerability, and on the choices and implementation of adaptation and mitigation options.
- 3.6. Climate models project robust differences in regional climate characteristics between present-day and global warming of 1.5°C, and between 1.5°C and 2°C. These differences include increases in: mean temperature in most land and ocean regions, hot extremes in most inhabited regions, heavy precipitation in several regions, and the probability of drought and precipitation deficits in some regions.
- 3.7. By 2100, global mean sea level rise is projected to be around 0.1 metre lower with global warming of 1.5°C compared to 2°C. Sea level will continue to rise well beyond 2100, and the magnitude and rate of this rise depend on future emission pathways. A slower rate of sea level rise enables greater opportunities for adaptation in the human and ecological systems of small islands, low-lying coastal areas and deltas.
- 3.8. On land, impacts on biodiversity and ecosystems, including species loss and extinction, are projected to be lower at 1.5°C of global warming compared to 2°C. Limiting global warming to 1.5°C compared to 2°C is projected to lower the impacts on terrestrial, freshwater and coastal ecosystems and to retain more of their services to humans.
- 3.9. Limiting global warming to 1.5°C compared to 2°C is projected to reduce increases in ocean temperature as well as associated increases in ocean acidity and decreases in ocean oxygen levels. Consequently, limiting global warming to 1.5°C is projected to reduce risks to marine biodiversity, fisheries, and ecosystems, and their functions and services to humans, as illustrated by recent changes to Arctic sea ice and warm-water coral reef ecosystems. Climate-related risks to health, livelihoods, food security, water supply, human security, and economic growth are projected to increase with global warming of 1.5°C and increase further with 2°C. Most adaptation needs will be lower for global warming of 1.5°C compared to 2°C.
- 3.10. Declaring a Climate Emergency would be a formal recognition by the County Council of the scale and urgency of the global challenge from climate change,

as documented by the latest Special Report of the Intergovernmental Panel on Climate Change. A number of Councils in England have declared a climate emergency, starting with Bristol and Manchester City Councils in November 2018, and many others including a number of Counties, have followed suit, also pledging to reduce carbon or become carbon neutral by various dates from 2028 to 2050.

- 3.11. The County Council has been engaged with climate change issues for many years and has been taking active steps to respond, both in terms of making Hampshire more resilient to changes already coming and mitigating future climate change through reducing carbon emissions.
- 3.12. Hampshire County Council continues to embed climate change adaptation measures and considerations throughout the policies, processes and daily work of the Council, to ensure that the Council and its services are resilient to the impacts of a changing climate.
- 3.13. Achievements to date include key policies and documents which now include adaptation. Examples include the Strategic Asset Management Plan and through relevant reference in executive decision reports. The Council has also made adaptation tools available to residents and organisations through its webpages. These include an interactive resilient buildings WebApp, Climate Change Risk Assessment tool and the Performance Acceleration Climate Tool (PACT) which helps assess and improve organisations' capacity to respond to climate change. The County Council is also working through the Defra led Local Adaptation Advisory Panel to develop the next National Adaptation Programme for the UK.
- 3.14. The key achievements of the Carbon Reduction and Energy Savings Programme are set out below:
 - County Council carbon consumption reduced by over 40% since 2010. This target achieved 7 years early. Revised target of 50% reduction by 2025 approved by members.
 - Total energy cost savings of £30 million achieved since 2010 (including schools).
 - £385,000 of Carbon Tax reductions achieved through energy saving initiatives.
 - Total County Council corporate carbon emissions down by 21,800 tonnes in only 8 years.
 - Over 60 photovoltaic arrays installed on County Council owned buildings.
 - Major LED lighting replacement programme expected to deliver £240,000 energy savings per annum and significantly reduce maintenance costs.
 - A regional public sector framework for electric vehicle charging points procured by the County Council. 80 new charging points across Hampshire planned by the end of 2019.
 - Programme of conversion of County Council small vehicle fleet (including pool cars) to electric well underway. Over 150 vehicles planned expected to achieve around £210,000 of fuel savings and zero emissions.
 - The County Council has rationalised its office estate reducing floor space by around 25% saving £2million in annual revenue costs.
 - 40% reduction in print volumes with the introduction of digital technology and other efficiencies achieving £900,000 in annual savings.

3.15. A Report to the Buildings Land and Procurement Panel on 9 October 2018 (attached at Appendix 2) and the Business Services Sustainability Report (attached at Appendix 3) provide further detail on the work undertaken in this area by the County Council.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

This proposal does not link to the Strategic Plan but, nevertheless, requires a decision because the matter has been referred by the County Council to Cabinet in accordance with Standing Orders.

Section 100 D - Local Government Act 1972 - background documents

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

Document

Location

None

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:

No direct impact on equalities is anticipated as a result of Cabinet's consideration of the Motion.

**COUNTY COUNCIL AGM – 17 MAY 2019
NOTICE OF MOTION**

**NOTICE OF MOTION SUBMITTED IN ACCORDANCE WITH STANDING
ORDER 18.1**

Proposed by Councillor Martin Tod and seconded by Councillor Adrian Collett:

Hampshire 'climate emergency'.

Council notes:

1. Humans have already caused irreversible climate change, the impacts of which are being felt around the world. Global temperatures have already increased by 1 degree Celsius from pre-industrial levels. Atmospheric CO₂ levels are above 400 parts per million (ppm). The latest report from the Intergovernmental Panel on Climate Change (IPCC) in October 2018 gave us 12 years to implement changes to keep global warming to a maximum of 1.5 degrees in order to avoid widespread drought, food scarcity, heat related deaths and loss of biodiversity including insects and vital food crop pollinators.
2. At present the world is on track to overshoot the Paris Agreement's 1.5°C limit before 2050. In order to reduce the chance of runaway global warming and limit the effects of climate breakdown, it is imperative that we as a species reduce our CO₂eq (carbon equivalent) emissions from their current 6.5 tonnes per person per year to less than 2 tonnes as soon as possible.
3. Individuals cannot be expected to make this reduction on their own. Society needs to change its laws, taxation, and infrastructure to make low carbon living easier and the new norm.
4. Carbon emissions result from both production and consumption.
5. Hampshire County Council has already made some positive progress, but this is not enough. More can and must be done. The Independent Panel on Climate Change in its Oct. 2018 report was very clear that action from all parts of society is necessary and local government has a responsibility to lead the way.
6. Councils around the world are responding by declaring a 'Climate Emergency' and taking action to address this emergency.

Council believes that:

1. All levels of government (national, regional and local) have a duty to limit the negative impacts of climate breakdown. Local councils that recognise this should not wait for their national governments to change their policies.

2. Hampshire is already suffering from flooding problems, and a significant proportion of its population and a large number of its settlements are based in coastal areas which would potentially be severely affected by a rise in sea levels caused by continual global warming. The consequences of global temperature rising above 1.5°C are potentially so severe that preventing this from happening must be a number one priority.

3. Bold local climate action can deliver economic and social benefits in terms of new green jobs, economic savings and market opportunities, as well as much improved well-being for Hampshire residents – for example through reducing fuel poverty and energy bills, encouraging healthy, active travel and improving green spaces and access to nature.

This Council therefore calls on the Cabinet to:

1. Declare a 'Climate Emergency';
2. Pledge to make Hampshire carbon neutral by 2030, taking into account both production and consumption emissions;
3. Report to full Council within six months setting out the immediate actions the Council will take to address this emergency and a plan to measure annual countywide progress towards meeting the 2030 target.
4. Work with partners across the county and the region to deliver this new goal through all relevant strategies and plans and drawing on local and global best practice.
5. Actively lobby the Government to provide the additional powers and resources needed to meet the 2030 target.

HAMPSHIRE COUNTY COUNCIL**Report**

Committee/Panel:	Buildings, Land and Procurement Panel
Date:	9 October 2018
Title:	Energy and Carbon Management Activities Update
Report From:	Director of Culture, Communities and Business Services

Contact name: Steve Clow

Tel: 01962 847858

Email: Steve.clow@hants.gov.uk

1. Recommendation

It is recommended that:

- i) The positive achievements of the Carbon Management Strategy Phase 2 are noted. This has produced a further reduction of 2.1% year on year resulting in an overall reduction of 40.2% against the revised target supported by the Panel of 50% by 2025.
- ii) The further £185,000 of carbon tax reductions in Phase 2 is noted.
- iii) A further saving of £102,000 in energy costs over the past year is noted
- iv) The good progress in Energy Performance Programmes Phases 4 and 5 is noted.
- v) The positive engagement with schools is noted
- vi) The savings and reduced costs arising from the improved management of the energy supply contracts is noted.
- vii) The Panel support the Governments Emissions Reduction Pledge 2020 initiative.

2. Executive Summary

- 2.1 In October 2015, the Director of Culture, Communities and Business Services (CCBS) reported that the first phase of the Carbon Management Strategy had been successful in achieving a 22.8% carbon emissions reduction over the first five years against a 20% target.
- 2.2 In June 2016 the Panel supported the proposal from the Director of CCBS to focus Phase 2 of the carbon management strategy on carbon emissions reductions from the corporate estate, street lighting and officer travel.

- 2.3 In October 2017 the Director of CCBS reported that excellent progress was being made on Phase 2 of the Strategy. A 38.1% reduction had been achieved against the 40% target to 2025 approved by Cabinet in 2010.
- 2.4 Recognising the progress made, in January 2018 the Director of CCBS recommended to the Panel that the target be revised upward to 50% by 2025. The new target of 50% was duly adopted.
- 2.5 The Executive Member for Policy and Resources (EMPR) approved further investment in energy programmes in July 2017 allocating £2.72m from available funds. This annual report now updates Members on progress against those initiatives.
- 2.6 Members are reminded that since 2010 the energy cost savings have been in the order of around £30m (including schools in Phase 1). In addition Carbon Tax Charges have been reduced by £385,000 since the start of the programme.
- 2.7 A further saving in of £102,000 in energy cost has been made this year as a result of the reduction in energy consumption

3. National reporting on Carbon Consumption

- 3.1 2018/19 will be the final year of the Carbon Reduction Commitment (CRC) scheme which will be replaced by the enhanced Climate Change Levy (CCL). CCL is already a component of our utility bills and is designed to incentivise organisations to reduce their energy consumption.
- 3.2 Currently CRC applies only to large consumers of energy in the public and private sectors, but CCL will be charged on all energy used by all consumers.
- 3.3 The success of Phase 1 of the carbon management strategy saved in excess of £200,000 in CRC charges for the County Council.
- 3.4 This year as a result of the reductions in emissions and by forward purchasing lower cost carbon credits a further saving of £55,000 has been realised.
- 3.5 This means that in the first three years of phase 2 of the strategy has realised a total of £185,000 of savings as the price of carbon credits has risen over the life of the scheme.
- 3.6 The Director of CCBS has recently signed up to the Department of Business, Energy and Industrial Strategy's (BEIS) Emissions Reduction Pledge 2020. This initiative is linked to the Clean Growth Strategy in which the government introduced a voluntary target for carbon reduction across the wider public and higher education sectors in England. This

target would aim to reduce greenhouse gas emissions across these sectors by 30% by 2020/21, compared to a 2009/10 baseline.

- 3.7 Whilst the 30% has been set across the sectors as a common target, the government recognises some organisations like the County Council have already exceeded this and will accommodate this within their reporting structure.
- 3.8 As the County Council already report our emissions through the CRC and greenhouse gas emissions schemes, there will be no additional burden placed on officers to collate the information required as part of the BEIS Pledge.

4. Carbon Management Strategy Phase 2

- 4.1 The carbon management strategy, phase 2, concentrates on reducing carbon emissions from street lighting, buildings in the corporate estate and business travel by officers and is currently on track to achieve the objective of a 50% reduction from 2010 levels by 2025.
- 4.2 The table below shows a very positive start was made on the phase 2 emissions reduction programme in year 1(2016) with consistent reductions in years 2 & 3. A further reduction of 2.1% has been achieved in the 2017/2018 “energy year”.

Table of Carbon Emissions from 2010

Sector	2010 Emissions Tonnes	2015 Emissions Tonnes	2016 Emissions Tonnes	2017 Emissions Tonnes	2018 Emissions Tonnes	2025 Target Emissions
Corporate Buildings	21,000	19,060	16,829	16,830	16,425	-
Street Lighting	26,600	17,558	13,450	12,119	11,560	-
Officer Travel	6,600	4,889	4,534	4,605	4,420	-
Total	54,200	41,507	34,813	33,544	32,405	27,100
% Reduction	-	-23.4%	-35.8%	-38.1%	-40.2%	50%

- 4.3 There has been a reduction in emissions from corporate buildings, further analysis of the data shows that;
- Electricity emissions have reduced by 1.4% over the year, the reduction achieved through a combination of the energy performance programmes and greater staff awareness and engagement.

- Gas emissions fell by almost 4.6% over the same period despite the prolonged cold winter period.
- 4.4 Street lighting continues to show a reduction in emissions year on year. A number of initiatives including the dimming of some street lighting for specific periods overnight have been deployed and more is being proposed by the Director of ETE. The use of LED lamps to replace the conventional compact fluorescent type is also under consideration based on fitting in with cyclical maintenance schedules. Feasibility work is ongoing by officers in the two departments.
- 4.5 Having seen an increase in officer travel last year, this year that has been reversed and there has been a reduction from the emissions seen last year. The greater deployment of electric vehicles through the fleet and the planned conversion of the pool cars to electric vehicles (EV) is expected to see emissions reduce further. The proposed implementation of modern meeting room technology is also expected to reduce travel demands as officers can 'meet' and connect remotely.
- 4.6 In June 2017 the Panel supported the proposal from the Director of CCBS to undertake two further phases of the Energy Performance Programme (EPP4 and EPP5). This was approved by the Executive Member Policy and Resources (EMPR) in July 2017. Additional resources of £2.72m were approved as a total investment for the future planned phases.

Energy Performance Programme Phase 4

- 4.7 This phase will entail the replacement of conventional lighting with low energy LED lighting and controls across the corporate estate. This is expected to deliver a revenue saving of £240,000 per year in both energy and maintenance costs.
- 4.8 The first stage of the LED lighting programme is now well underway with around £300,000 of works already completed. By the close of this financial year this will be around £850,000 of completed projects with the second stage in 2019/20 amounting a further £800,000.
- 4.9 The early schemes are already showing good returns on investment. For example, replacing the lighting in just one building (the Sunderland Hangar) at Calshot Activities Centre will save £10,000 a year in energy costs.
- 4.10 The second initiative in EPP 4 is the development of an Electric Vehicle (EV) charging point procurement framework for the public sector.
- 4.11 Earlier this year, the Director of CCBS launched Hampshire's framework for the procurement of charging points for the public sector. To date 12 organisations including Winchester City Council, Southampton City Council, Oxford City Council, Test Valley Borough Council and Hampshire Police have signed up to the accession agreement with a potential for around £500,000 of investment through the framework. This is an excellent start and there is more interest from the public sector

market. This framework is self sustaining financially and through a small levy will cover the costs of officer resources to manage and promote it.

- 4.12 The Director of CCBS is also delivering a programme of charge point installations to support the roll out of the County Councils electric vehicle (EV) fleet. Supply points have been installed at Bar End, Bishops Waltham highways depot and at the Scientific Services building in Southsea. Further points are planned in a number of highways depots and workshops as well as a number in specific strategic location across the estate to support the use of EVs by the Council catering and courier services.
- 4.13 By the end of the financial year approximately 80 charge points will have installed including 12 for public use in our country parks. This will enable the acceleration of the conversion of vehicles to EV as pilots complete and pool car lease arrangements come up for renewal. The EV conversion programme is expected to save around £210,000 per year in the reduction of fuel costs (around 96%) by conversion from diesel to electric.
- 4.14 On-street charge points are being explored in response to interest from residents. The technology exists to facilitate this and there are number of market providers including the market leader Ubertricity. Generally chargers are powered from the street lights with smart leads allowing on-line payment by the user. Office of Low Emission Vehicles (OLEV) grants are also available to part fund on-street charging and officers are currently looking into how this may be developed.

Energy Performance Programme - Phase 5

- 4.15 EPP5 focuses on the deployment of electric vehicles for the HCC managed fleet and exploring the potential of battery storage technology for the built estate.
- 4.16 The Panel supported the proposal to the roll out of electric vehicles to replace conventional diesel and petrol models. The Director of CCBS has identified a number of potential 'early wins' and these have been progressed to provide EVs for client departments and business units.
- 4.17 EVs are now being used by the asbestos team in Scientific Services, H3CS Catering Service, County Supplies, the Courier Service, the Highways Maintenance team and Facilities Management. The Director of CCBS is reviewing the use of EVs to replace the 'pool car' fleet in 2019.
- 4.18 Sites suitable for battery storage trials are being investigated with a view to the development of a business case for two initiatives – battery storage for buildings with Photo Voltaic (PV) attached and bulk storage of grid electricity. The Director of CCBS has commenced a study on a number of buildings to establish the feasibility of installing battery storage. An update on the outcome of the study will be brought to a future meeting of the Panel.

Salix Funding

- 4.19 Salix funding has been used successfully to augment our energy programmes to fund (or part fund) capital investments in energy saving technologies. Salix loans are interest free loans which have a simple payback criteria of a maximum of 5 years for local authority schemes. The Director of CCBS is in regular contact with Salix and the County Council are regarded as a leader in the public sector for innovation and investment in energy saving initiatives.
- 4.20 In 2014 the Director CCBS secured a Salix loan of £750,000 to support our Energy Performance Programmes (EPP) and to date over £600,000 of this Salix loan has been deployed. The Director of CCBS is looking to secure a further £500,000 to continue to augment the funding for our EPPs.
- 4.21 Council officers continue to have regular dialogue with Salix who are about to launch a revised Recycling Fund where authorities match fund any Salix loan contribution which is then used to fund energy saving works. The revenue saved in energy cost is returned to the funding pot and is further used to invest in more energy saving measures.
- 4.22 The recycling fund could be used to fund, or part fund the upgrade of the street lighting to LED subject to a satisfactory business case being formulated and approved.

Schools

- 4.23 The Director CCBS continues to provide support for Hampshire's schools. To date 36 schools have expressed an interest in joining the schools energy performance programme and have been sent an information pack outlining details of the scheme. 20 schools have been surveyed to assess their viability and 6 schools have had detailed option appraisals prepared. 5 more schools will be surveyed in the autumn term.
- 4.24 6 schools have had their works completed with savings anticipated to be in the order of £30,000 per annum in total. As schools budgets come under increasing pressure these savings are very welcome and we are anticipating more demand as the programme scales up. The work of the Property Services team is fully funded through the budget from Salix and is another self financing business opportunity.

Energy Supply Contracts & Management

- 4.25 The Director of CCBS has engaged the services of an energy category specialist to review our current energy supply contracts and undertake an options analysis for the development of future energy supply contracts for the County Council and its partners. The initial work has focussed on driving efficiencies from the remaining 2 years of existing contracts including invoice processing, metering arrangements, capacity optimisation and billing reconciliation. By moving to a consolidated billing arrangement with the utilities it now takes less than half the time each

month to process the bills saving the County Councils corporate transaction team the equivalent of 7 FTE days per month.

- 4.26 Electricity metering contracts have been rationalised to align them with the energy supply contracts resulting in savings of £45,000. Many of our sites have been paying for capacity which has never been used. By re-evaluating the capacity required it has been possible to reduce our maximum demand charges by £53,000 p.a.
- 4.27 Billing reconciliation has resulted in £40,000 being returned to HCC from credits held by the utilities. In addition the reconciliation of the previous energy supply contracts – correcting billing errors, estimated readings and the like - has resulted in £220,000 being returned to the County Council by the utility companies.
- 4.28 In order to take advantage of existing lower energy prices and to allow sufficient time to evaluate the new Crown Commercial Services and Laser procurement frameworks the Executive Member for Policy and Resources at the Decision Day in September approved a proposal by the Director of CCBS to extend the current energy supply contracts by 12 months to October 2020.
- 4.29 The investment in an energy specialist has been very fruitful realising both ongoing revenue savings and also the return of funds held by the utilities company. This role is being extended in to 2019 to support the re-procurement of the energy supply contracts to maximise purchasing power in the market for the Council and our partners – including schools, police and fire.

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

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

Section 100 D - Local Government Act 1972 - background documents

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

Document

Location

None

IMPACT ASSESSMENTS:

1. Equality Duty

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

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

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

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

1.2. Equalities Impact Assessment:

An equalities impact assessment has not been considered in the development of this report as access requirements are always considered during the design stages of building projects and are often improved.

2. Impact on Crime and Disorder:

2.1. The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all decisions it makes on the prevention of crime. The proposals in this report have no impact on the prevention of crime.

3. Climate Change:

3.1. The Energy Strategy and Carbon Management Plan will have significant positive effect on the carbon emissions of the County Council. Climate change impacts are a driver in implementing reduction programmes.

This page is intentionally left blank

Hampshire County Council Business Services

Sustainability Initiatives



v1 | 0419



Hampshire
County Council

Page 117

www.hants.gov.uk



As Business Services, we're committed to operating with a focus on customers, people and society.

We are committed to taking environmental concerns into account in our decision-making.

Our sustainability report shows what we're doing now and outlines our future plans.

Success in Numbers	4 >
Sustainability	6 >
Our Commitment to a Sustainable Future	6
The Future is Electric	8
Sustainable Purchasing	10
Sourcing Food With Integrity	11
Sustainable Products and Services	12
Our Successes	14 >
Our Successes 2018-2019	14
HC3S Cooking with Integrity	16
From Farm to Fork	17
Customers and Partnerships	18 >
Suppliers Share Our Goals	18
HC3S Working Collaboratively	20
HTM Building Sustainable Partnerships	22
County Supplies Working with Suppliers	24
Supporting the Farm4Life Container Project	25
Looking After Our Environment	26 >
How are we Extending Our Green Credentials?	26
People	28 >
Investing in People	28
HTM Investing in Young People	29
Looking Ahead	30 >
Our Ambitions	30



7,200

Estimated number of plastic bottles saved by the move to 'glass water bottles only' policy.



£1,342.47

Total amount raised by HC3S during 2018 for the benefit of local charities.



8

Number of Catering Award nominations in 2018.



12

Total number of electric vehicles currently on fleet.



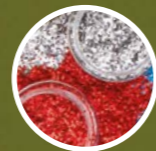
263,000

School meals delivered by the Courier Service.



£350,000

Total amount saved by Adult Services year-on-year through use of HTM's Adult Services Driver Scheme.



305

Number of products stocked by County Supplies with environmentally responsible credentials.



2,500

Used fluorescent tubes collected by County Supplies vehicles and recycled in 2018 by County Supplies' partner Recolight.



98%

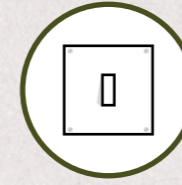
Percentage of orders invoiced electronically, thus reducing paper waste.

➤ Our Commitment to a Sustainable Future

At HC3S, we're constantly searching for ways we can minimise our impact on the environment while maintaining a great service.

This is what we've achieved so far...

- Across HC3S, we have created a family of sustainable meals that combine nutrition, sustainability and a commitment that the meals taste good, and are healthy for residents and visitors who eat with us.
- In our schools, we encourage an awareness of energy consumption and monitoring, especially when we purchase new equipment.
- We look to reduce energy consumption in school kitchens, for example, by replacing sterilizers with electric dishwashers. We also discuss with staff about only switching on appliances when needed.

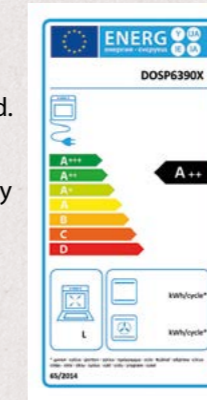


◀ Back to contents

Sustainability

Energy Saving

- We train staff to use energy saving features on current equipment by explaining the wash cycles on MKN ovens during staff inductions.
- We ask staff to be more energy efficient by using shorter wash cycles on the MKN combination ovens to reduce the time it takes, only using the longer cycles on cleaning days.
- Switching off equipment machines over a holiday period.
- Multifunctional equipment that is more energy efficient impacts kitchen workflow; Combination and MKN ovens combine steaming and use of convection in cooking which in effect replaces the single steamer and convection oven.
- Switching lights on only when needed.
- Energy efficient table top induction hobs have been introduced to school kitchens where ventilation is insufficient and gas cannot be installed.
- When we choose new equipment, we look to ensure we are looking at energy efficient solutions, for example that it can be run from 13 amps; most of the upright fridges purchased are rated A or B on their energy saving.
- Detergents used across HC3S are safe for the environment, and either meet biodegradable standards or are phosphate-free.



➤ Sustainable packaging

At HC3S, we understand the impact of plastic on the environment, particularly the ocean, and have been trialling many ways of reducing it across the business.

Equally, we are working with our suppliers to reduce their use of plastic and look at more environmentally friendly solutions that meet our needs as responsible caterers. For example, the New Forest Ice Cream Company switched from plastic to cardboard tubs for our child-size ice cream.



New Forest Ice Cream has switched from plastic to cardboard tubs for their child-size ice cream.

➤ The Future is Electric

As HTM is the fleet management supplier within the County Council, it might seem strange to hear that HTM has been pushing for sustainable transport and promoting electric vehicles for some time.

HTM has always purchased low emission vehicles with mixed success over the last ten years. Firstly, there was the first hybrid pool car. Then small efficient diesel vehicles with below 100 CO₂ carbon emissions and now the fully electric vehicle offerings.

HTM shares an electric pool car with County Supplies (aptly named Buzz) and has the first electric courier van for Winchester deliveries. This has culminated in achieving a Gold award for reducing CO₂ and equivalent emissions.

Page 121



Buzz the electric pool car.



Putting charge points into Hampshire

The biggest challenge that has been faced and overcome is the lack of operational charge point availability.

HTM has worked collaboratively with the County Council's Property Services and customer base to build a strategic charge point infrastructure to meet future requirements. Initially this started with the main HCC hubs in Hampshire (Eastleigh, Totton, Basingstoke and Alton) and HTM workshop locations (Totton, Bishops Waltham, Petersfield, Micheldever and Hook). This has then spread to include future requirements in the country park locations and a Winchester hub for future pool car and operational vehicle charge points.

The cost of purchasing electric vehicles is much higher, but this is offset by the reduction in fuel and maintenance costs.

ELECTRIC VEHICLES
12 on fleet
32 on order

CHARGE POINTS
21 fitted
42 pending

KEY:



IN PLACE



PENDING FITMENT IN 2019

ANDOVER



BASINGSTOKE



HOOK



MICHELDEVER



WINCHESTER



30 points planned in 2019

ALTON



PETERSFIELD



QUEEN ELIZABETH II COUNTRY PARK

EASTLEIGH



BISHOPS WALTHAM



MANOR FARM COUNTRY PARK



QUEEN VICTORIA COUNTRY PARK



STAUNTON COUNTRY PARK



CALSHOT



LEPE COUNTRY PARK



SOUTHSEA



◀ Back to contents

Sustainability

Why invest in electric?



- Zero emissions at point of use.
- Less maintenance and waste due to fewer moving parts.
- Reduced fuel cost (2p per mile as opposed to diesel vehicles which are currently 11p per mile).

How are we doing it?

- Encouraging use – electric vehicle take-up has grown from 0 to 12 vehicles in the space of one year.
- HTM is working with a number of vehicle users to develop a resilient charge point infrastructure to support a growing fleet of electric vehicles.

Recognition...

We have recently been awarded the Masternaut Gold award for reducing CO₂ and equivalent emissions; and the Smarter Working Oscars, Highly Commended Green Award for our work towards building an electric vehicle charging infrastructure in Hampshire.



➤ Sustainable Purchasing

County Supplies has a firm policy of researching and sourcing products which match customer requirements and demonstrate environmental and economic efficiency.

Our green purchasing objectives are to:

- Consider economic and environmental impacts for the whole life cycle of a product before it is included in the catalogue
- Specify and purchase products, wherever possible, with a low environmental impact as opposed to disposable products or those made from virgin material
- Vet suppliers and manufacturers and impress upon them the need to move towards compliance with our green purchasing goals
- Provide a positive and proactive approach to researching and sourcing new environmentally friendly technologies to reflect the Council's corporate aims for sustainability and best value
- Encourage all our manufacturers and suppliers to significantly reduce all unnecessary printing and packaging (packaging that is used to maintain product integrity should be reusable and/or recyclable)
- Encourage manufacturers and suppliers to include a retrieve and recycle system on as many products as possible

- Promote our green purchasing responsibilities to other organisations to encourage them to adopt similar practices
- Work closely with other local authority procurement departments in the Central Buying Consortium to positively influence environmentally friendly and recycled product markets
- Examine our own practices and regularly review our responsibilities to ensure compliance with legislation and to reflect best practice
- Increase awareness and improve the sustainability of both our own and customer purchasing decisions.

➤ Making it easier to choose the most sustainable products

We use a range of symbols within the Catalogue of Goods and Services to make it easier for customers to choose the most environmentally responsible products.



➤ Sourcing Food With Integrity

← Back to contents

Sustainability

Hampshire County Council has a strong sustainability and traceability policy. Food purchased by County Supplies is expected to embrace the values and principles of initiatives related to Government Food and Catering Buying Standards and other projects that promote sustainability.

Supporting local producers

We require short supply chains and, whenever possible, source products from small and, where appropriate, local producers ensuring fresh, seasonal ingredients are used. Our aim is to support local businesses, minimise food miles and mitigate adverse impacts on the environment wherever possible.

HC3S is a supporter of Hampshire Fare, the County's local food group who works with producers and farmers in Hampshire to heighten awareness and consumption of Hampshire's quality produce and support the rural economy in Hampshire.

Higher Welfare

Hampshire County Council is passionate about ethically sourced and produced products. When procuring products, we ensure the following accreditations are adhered to as a minimum standard:

- Red Tractor Assured Food Standards,
- LEAF (Linking Environment and Farming),
- Marine Stewardship Council,
- Fairtrade,
- Rainforest Alliance.

HC3S holds the following Compassion in World Farming awards in respect of purchasing animal products:

- The Good Egg Award
- The Good Pig Award

We will always do our best to uphold these accreditations and standards, as long as the County Council is also able to achieve value for money and ensure that menu options and the meals that it provides are affordable for Hampshire residents.

Traceability and Environmental Impacts

Hampshire County Council expects all suppliers to have a traceability system from raw ingredients to finished product in accordance with HACCP*.

Environmental impacts are also a concern for Hampshire County Council and ensures suppliers have in place efficient production standards and routes to market. In addition to the supply chain, Hampshire County Council expects suppliers to cut carbon emissions, reduce food miles, utilise fuel efficient vehicles, backhaul products where possible and recycle waste.

As part of the tender process, suppliers are asked to provide details of their approach to local purchasing and sustainable development, and to provide their local and ethical supplier sourcing strategy and explain how this minimises environmental impact. The responses which are received ensures we are working with the right suppliers who share the same values as we do.

*HACCP is a method of managing food safety hazards. It stands for Hazard Analysis and Critical Control Points.

➤ Sustainable Products and Services

These are just a few of the products and services chosen by County Supplies for their sustainable credentials or to meet an environmental requirement.

➤ Sustainable Packaging

From 2019 County Supplies will stock a range of recyclable and compostable catering disposables, including paper cups, paper drinking straws and paper food packaging.

Page 123



➤ Waste Sacks

All black refuse sacks available in stock are manufactured from a minimum of 96% UK-sourced post consumer waste.



➤ Bio Glitter

New for 2019 is a selection of 92% plastic-free and biodegradable glitters. The glitters are supplied in fully-recyclable plastic containers.



➤ Stationery

Many stationery products, including ring binders, flip files and storage boxes, have a recycled element. A range of recycled and sustainably sourced copier paper is also available.



➤ Waste and Recycling

A Waste and Recycling contract, available through County Supplies, includes food and used IT equipment recycling.



◀ Back to contents

Sustainability

➤ MFDs (Copiers)

All MFDs (copiers) feature energy saving functions. Additionally, 50% of all toner cartridges are recycled.



➤ Cleaning Chemicals

All detergents stocked by County Supplies are biodegradable and liquid detergents are free from phosphates.



➤ Our Successes 2018-2019

During the last 12 months we have made various changes to how we operate in a bid to become more environmentally sustainable.

Page 124



Hampshire County Council buildings

- We no longer use single-use plastic cups.
- Glass water bottles are now always available for members' meetings instead of plastic.
- Our glass water bottles only policy has saved an estimated 600 plastic bottles per month (7,200 per year) in the Castle Restaurant alone.
- We offer reusable travel mugs for staff to purchase with a 15% discount on future hot drinks.
- Castle Catering collected the CCBS Smarter Working Green award on behalf of HC3S for the work we have done on plastic reduction, particularly at Ell Court in Winchester.

Country Parks

- Sourced environmentally-friendly reusable cups.
- Roll-out of 'Dementia Friends' training in our public-facing catering outlets.

Across the business

- Supported the Final Straw Campaign – Winchester in September 2019 which aimed to reduce single-use plastic across sites including the country parks, Winchester Discovery Centre, Hampshire Library Service and the staff restaurant.



- Through a successful partnership with Passenger Transport in the Spend to Save Scheme, we have been able to increase the number of children taken to school by minibus, thus reducing the number of cars and taxis on the road during busy periods.
- During 2018 we increased our fleet of electric vehicles from 0 to 12.
- For 2019 we have invested in environmentally responsible marketing materials such as bamboo fibre mugs and recycled pens.

In the workshops

- Solar panels have been fitted at Micheldever workshop and are currently being installed at Bishops Waltham. The workshops' large roofs are ideal for harnessing solar energy.
- Rain water is collected in the brine plant bunds. After mixing the water with salt, it is used by the Salt Spreaders on Hampshire's A roads.
- All spent engine oil is recycled by Slicker Recycling; approximately 12,500 litres per year across the five workshops.
- Low energy LED lighting is installed in all five workshops with the possibility of solar energy use in the future.
- We use Rozone smart washers to wash all parts with solvent-free cleaning products.
- All new vehicles supplied by HTM meet Euro 6 emissions standards.



◀ Back to contents

Our Successes



- Introduced 5 new products with strong environmental credentials into stock for the 2018-19 catalogue.
- New for 2019 is a range of notepads where every sale helps the Save the Rhino charity.
- Working with Recolight we now offer a collection and recycling service for used fluorescent tubes. Approximately 2,500 tubes originally bought from County Supplies were recycled in 2018.
- Working with HTM we successfully installed telematics tracking systems into the fleet of delivery vans. This will enable us to plan more efficient delivery routes, in terms of time spent on the road and fuel usage.
- Collaboration with HTM has further enhanced the efficiency of County Supplies' deliveries: HTM Courier vehicles are now being utilized to deliver County Supplies packages wherever there is crossover in destinations, or a need for a rapid delivery.
- With the assistance of HTM we are upgrading some of our delivery fleet to Euro Cat 6 vehicles which will produce reduced emissions compared to older vehicles.
- We have succeeded in reducing paper invoices from 600 per month to <50 per month.

➤ HC3S Cooking with Integrity

We're embracing initiatives to tackle waste, energy and water consumption to drive down waste and reduce negative impacts on our school children.


- In 2018 we replaced single use plastic cups with reusable beakers/tumblers in primary schools.
- Building on what some school kitchens have tried out this year, there will be hints and tips in the new recipe folder for primary schools such as making jelly in tins and served in squares on plates instead of single use plastic pots.
- Our British Food Fortnight celebrations and NSMW campaigns focus on showing customers our commitment to British food, the local economy and encourage customers to consider what they and their families eat.

Staying in touch the sustainable way

Schools can stay in touch with us in a variety of ways including e-newsletters and social media as well as telephone and email.

In 2017 we introduced our e-newsletter that improves communication without using paper and destroying the forests.

Our Facebook page allows parents to 'join in' with our brand experience without the need for reams of paper. Through Facebook and the new more easily navigable web site, we are giving customers quality, reliable information – real time primary school menus are available at the touch of a button.

 facebook.com/hc3seducation
facebook.com/hc3sCaterers

#healthymeals #FoodToFlourish
#YourCateringExpert #TasteSecondary

➤ From Farm to Fork

We want pupils to understand the importance of eating the right foods and help them understand the journey from farm to fork.

As part of the Food to Flourish Classroom resources for teachers, we have introduced KS2 food chains, so pupils understand the journey from the point their food is harvested or caught to how it arrives on their school plate. Through these resources KS1 pupils learn how food is grown underground and how animals are reared to high welfare standards.



Springwood Junior School pupils enjoy learning about the stages of fish development at Chalk Stream Farm in Romsey.

◀ Back to contents

Our Successes

➤ CASE STUDY

Going beyond the school meal during British Food Fortnight

HC3S tested children's taste buds and showed them the kinds of food produced in Hampshire.

Twelve young members of the school council at Springwood Junior School in Waterlooville visited Chalk Stream Farm, a trout farm in Romsey, where they toured the different streams and tanks, saw fish being fed and learned about the different stages of fish development. They were also able to see fish up close and even touch them, before returning them to the water.

Springwood pupil Jack, aged 10, said: "It was really interesting. I especially liked seeing the different sizes of fish. I have never been anywhere like this before."

Billie, aged 8, also enjoyed the tour. She said: "I have eaten fish at home and didn't like it. But I might try it again now."



Suppliers Share Our Goals

At HC3S we realise the importance of partnering with suppliers who align their green credentials with ours as this supports the future sustainability of our service. Our ethical procurement approach is embedded in our supply chain process, so we can take into account green credentials as one of the factors when deciding whom to partner with.

We are committed to sourcing food and catering equipment that are high quality and have environmental benefits while supporting our suppliers' development through balanced and long-term relationships.

Our approach to sustainable supplies includes sourcing produce that meet industry marques and buying produce locally where possible from the regions where we operate to contribute to the economic development of the places in which we operate. We prefer to purchase produce that are ethically sourced and where suppliers seek to improve their ethical credentials long term. For example, those that share our goals. This ensures better trading conditions and helps us become more sustainable as a business.

Page 126

We source local and seasonally available produce wherever possible.



Happy pigs are free to roam outdoors on the Scott Free Range Farm in West Sussex.

CASE STUDY

Farmer's Choice Free Range

HC3S fresh meat and fish supplier Farmer's Choice Free Range is a small, friendly online farmers' market, dedicated to delivering top quality, British free range meat and fish direct to customers.

Established in 1984, Farmer's Choice has built partnerships with some of the best British free range farms in the UK; sourced from the South Downs and the New Forest wherever possible. Through these partnerships they offer a range of high quality meat taken from animals raised in natural and comfortable conditions. All of these farms adhere to free range farming regulations and practices and are well known and respected for their excellent standard of farming.

Scott free range

Farmer's Choice Free Range ensures that all their pork meat is sourced from free range animals supplied by pigs from the Scott free range farm in West Sussex. Scott Farm rears traditional breeds such as Landrace, Larcombe and Duroc slowly and naturally in outdoor, organic conditions. This ensures the pigs are kept in the most calming and peaceful environment possible.



[Back to contents](#)

Customers and Partnerships

We choose or recommend equipment options that have a lower environmental impact than others from material, energy, water or waste.

Procurement focus on sustainability and provenance.

We review our logistics arrangements to reduce delivery miles; we encourage backhauling to reduce delivery miles through our main distributor who uses empty lorries returning to depot to collect goods from local suppliers.

Our commitments:

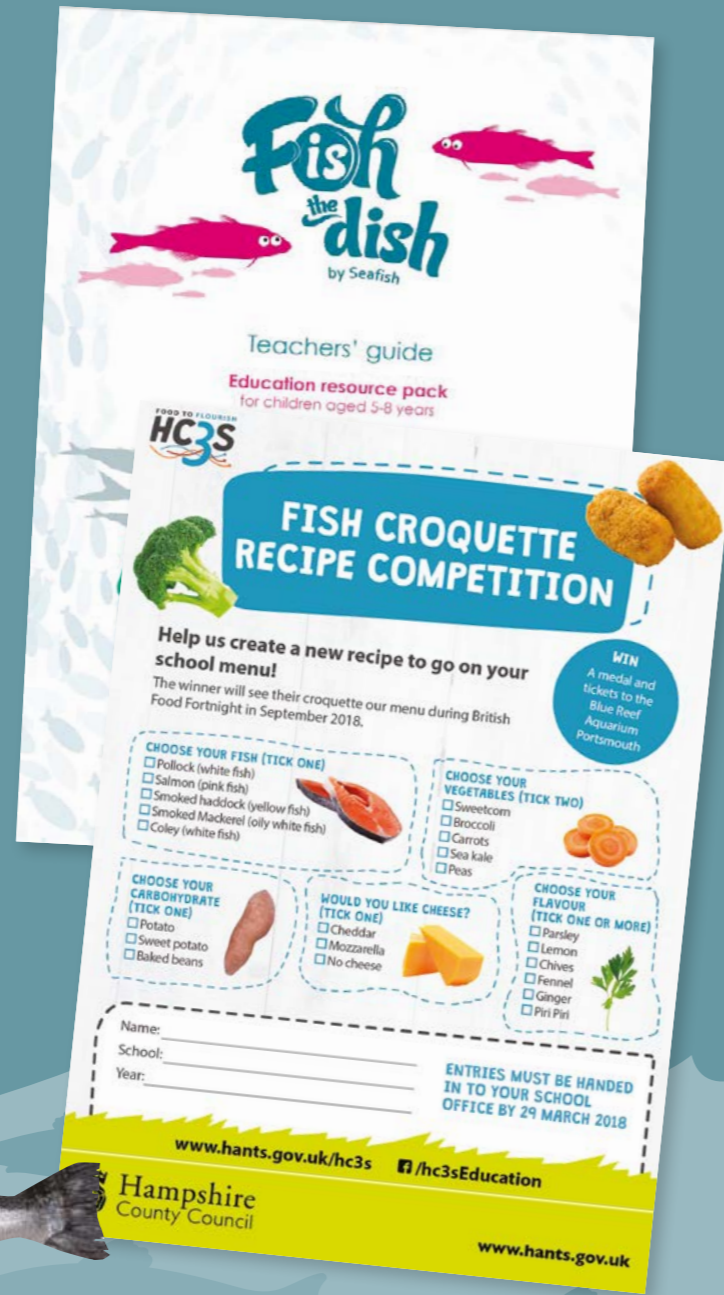
- Sourcing sustainable fish and seafood from Marine Stewardship Council (MSC) certified fisheries and farmed fish from well managed and sustainable sources.
- Sourcing Red Tractor assured products.
- Sourcing free range eggs to Laid in Britain standards.
- Including local products that are sustainably grown or raised.
- Sourcing sustainable equipment and supplies.
- Promoting seasonal, sustainably grown or raised products because supporting local suppliers is one of the ways that HC3S contributes to the economic development of the places in which we operate.



➤ HC3S Working Collaboratively

Externally...

In 2018 we partnered with industry body Seafish to bring the topic of sustainable fishing into primary schools. Every school was given a teaching resource pack and pupils in disadvantaged areas enjoyed visits from HC3S and Seafish ambassador chefs with live cooking, talks and hands-on cooking with fish. Many of these activities took place during British Food Fortnight and National Seafood Week, following on from the World Ocean's Day theme day lunch where school kitchens were asked to produce a special menu with no single-use plastic in sight.



Page 127

With more people choosing a flexitarian diet, the demand for high protein food is strong. So, we collaborated with a household brand Quorn who supply our healthy meat-free alternatives across the business with Meat Free Week; we promoted this in schools with stickers and on Facebook drawing attention to the product as offering protein.

We also worked with Quorn to be one of the counties that took part in their national Kids Campaign. By offering this product, we have supported the movement to eat more plant-based foods and therefore protect the planet. The collaboration has led to a commitment for further partnership working with support for live cooking and competitions for families and schools for National School Meals Week 2018 and a competition for schools during Veganuary 2019.



◀ Back to contents

Customers and Partnerships

Carrot and beetroot hidden in cake.



Internally...

During British Food Fortnight, we teamed up with HCC's Waste Management Service for their 'veg swap' that took place at Winchester HQ to encourage staff not to waste food. We supported them with posters, cakes with hidden vegetables for staff to sample and a competition to win free travel mugs and hot drinks from the Coffee Shop.

We work with Property Services to install fan heaters with timers on and to install light sensors in cloakrooms and food storage rooms on new builds to reduce energy consumption.

We work closely with the Procurement team to ensure our food buying meets our aims.

HTM makes 788 courier runs transporting school meals where we service smaller schools.

Through County Supplies, we have increased our contribution of regular articles to SupplyBase, the Business Services magazine that is distributed to schools as well as 'Your Hampshire', HCC's e-newsletter for residents.

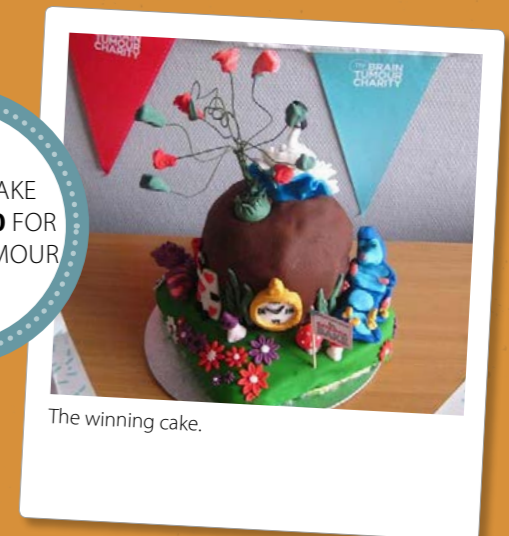


➤ Community

In our role as a corporate citizen, we champion improving the lives of others. HC3S has supported several charities during 2017-18 taking part in the Big Bandana Bake for the Brain Tumour Charity based in Farnborough, Hampshire raising £1,100. The total amount of money raised for charity was £1,342.47.

To encourage staff participation in the annual Finishing Touches industry baking competition held at LACA, HC3S held a charity baking competition. Winners of the three categories got to attend a fine dining masterclass, courtesy of our food distributor Bidfood who helped judge the winners.

OUR BIG BANDANA BAKE RAISED £1,100 FOR THE BRAIN TUMOUR CHARITY



The winning cake.

HTM Building Sustainable Partnerships



HTM believes in working collaboratively with County Council departments, partners and suppliers to share knowledge and skills wherever possible.

This achieves an efficient, sustainable and cost-effective service for the people of Hampshire.

- We are currently working closely with Property Services to build electric vehicle charging infrastructure in Hampshire locations.
- Collaborative partnerships with Hampshire Highways and vehicle supplier Adams Morey has provided a Highways fleet of operational vehicles that is fit for purpose.
- We are also working with Adams Morey to provide lower emission Euro 6 trucks to County Supplies.
- Working closely with vehicle supplier Stanfords we have developed innovative solutions for accessible minibuses.
- Our contract renewal system allows us to contact customers shortly before the end of their lease contract to offer a new vehicle, which in turn helps us to build and maintain strong relationships with our customers.

- HCC Countryside Service is now using our Key 2 asset management system for its equipment inventory auditing. This has eliminated the need for Countryside to purchase their own separate software.
- Our driver supply partnership with Adult Services has saved the department £350,000 on their transport costs year-on-year since 2014.
- We work closely with Passenger Transport on the Spend to Save Scheme. The scheme, which provides home-to-school transport, saves Children's Services over £300,000 per year in bus and taxi costs.
- In conjunction with Facilities Management, we pick and deliver all the standard forms and documentation for Hampshire Constabulary and HFRS.
- The Courier Service also delivers printed materials on behalf of Hampshire Printing Services, saving them a driver and a van.
- A similar partnership with the Libraries Services sees the Courier Service take care of book movements around Hampshire.
- The Courier Service works closely with HC3S to deliver school meals to schools without a working kitchen on-site. In 2018, 263,000 meals were delivered.
- Joint marketing work with County Supplies has attracted additional business and has allowed further cost savings for the 'Home to School Transport' scheme. The Passenger Transport team were invited to talk to the schools at the Admin Officers conference in 2018 and attracted a number of interested schools to the scheme. This has saved the County Council money and increased HTM's business revenue.
- Our partnership with Paragon College has allowed us to tailor the apprenticeship program, enabling Technical Apprentices to get the most out of their NVQ qualification.

[← Back to contents](#)

Customers and Partnerships

Page 128

A Hampshire Highways 26 Tonne Gritter



>£300,000
SAVED PER YEAR IN HOME-TO-SCHOOL TRANSPORT SINCE 2014

Watch Gritter Garbo's naming ceremony >

> HCC Pool Cars – AlphaCity

AlphaCity, run and maintained in partnership with Alphabet, is an innovative self service pool car system for use by HCC staff. The vehicles are available from hubs in Winchester, Basingstoke, Eastleigh, Totton and Alton and can be booked easily via a user-friendly web portal.

Currently, the AlphaCity vehicles are low-emission Minis but we are now planning to replace the majority of these with an all-electric pool car fleet by 2022.

With the fast rate of developments in the electric vehicle market, there will be a number of new offerings to assess to ensure the County Council's transport is more sustainable.



➤ County Supplies Working with Suppliers



County Supplies works in partnership with suppliers and local businesses to promote sustainable practices and mitigate adverse impacts on the environment wherever possible.

Page 129

- All of our scrap pallets are either donated to the Hampshire Scout campsites or taken for recycling into garden mulch by Eco Sustainable Solutions.
- Working with Recolight we offer a free collection and recycling service to all of our customers for life expired fluorescent tubes originally purchased from County Supplies.
- We ensure all our copier suppliers offer MFDs with energy saving functions as standard.
- In partnership with HTM we will be upgrading more of our delivery fleet to low emission Euro 6 LGVs during 2019.
- Our partner GH Services, based in Portsmouth, reprocesses all the warehouse's compacted cardboard and plastic shrink-wrap waste. In 2018, 36 bales of plastic (9 tonnes) and 71 bales of card (17.5 tonnes) were collected.
- Conferences, focus groups and customer visits have helped us to pinpoint the kinds of environmentally responsible products our customers are looking for. As a result, many of these products have been added to our stock range.
- Exercise book supplier Victor now wraps all exercise books in paper rather than shrink wrap.



Compacting and baling cardboard and plastic waste.

➤ DID YOU KNOW...

County Supplies re-uses original cardboard packaging wherever possible. So, next time your County Supplies order arrives in a non-branded box you'll know it's recycling in action!

➤ CASE STUDY

Supporting the Farm4Life Container Project

◀ Back to contents

Customers and Partnerships



Presenting items to teachers at Bob Bates School, Liberia.

Putting unwanted items to good use

County Supplies' partnership with Farm4Life sees damaged, old or second-hand furniture and written-off stock go to a new home in Africa.

Farm4Life's Container Project involves collecting goods that can benefit people across Ghana, Liberia, Madagascar and Uganda. Items such as desks, filing cabinets and old shelving that would otherwise go to landfill is picked up from County Supplies by Farm4Life. Containers of donated items are then shipped to Africa and distributed to individuals, organisations and communities in need.

Farm4Life: Creating hope for a better future

Farm4life is an international charity committed to empowering individuals, and organisations, to help communities flourish. With several programmes running, the charity is working to build a greater future for the people of Africa.



>100 tonnes OF AID HAS LEFT FARM4LIFE'S WAREHOUSE SINCE 2007



Sorting County Supplies items.

➤ How are we Extending Our Green Credentials?

We have made good progress in our efforts to tackle waste but recognise there is much more we can do across the three Business Services.

HC3S

We have made progress during 2017-18 to develop our focus for our green credentials. We will lead our teams forward to realise sustainable opportunities to serve our communities in the best way possible.

The last 12 months have seen challenges in rising food costs and the economy which we have faced head on. Simultaneously, plastic's effect on the planet has come to the fore and is an issue that our customers take seriously. We continue to look at our customers' changing needs and will grow and flex with them.

An example of this is the experimentation in our school kitchens on how we can reduce plastic.

We believe a sustainable catering operation is essential to meet the needs of our customers. As a responsible employer we strive to operate in an environmentally responsible manner whilst contributing to the communities in which we operate.

HTM

For 2019 we've developed a range of reduced plastic marketing materials such as recycled pens, wildflower seeds and bamboo mugs.

Over the past year we have been seeking to reduce our paper use wherever possible. For example, we have succeeded in reducing our printing volume by two thirds during 2018.

Wherever reasonable, we've been encouraging more staff to work from home to reduce the carbon footprint of HTM.

Recycling bins placed in the office mean the majority of our paper and card waste is sent for recycling.



➤ Reducing the plastic in HTM's marketing materials

HTM is active at conferences throughout the year as this is a great opportunity for us to interact directly with our customers. For 2019 we have decided to make all of our conference materials as sustainable as possible. For this reason we've sourced a range of reduced-plastic 'giveaways' which we hope customers will find useful.



Ballpoint pens made from recycled plastic



Hot drinks cup made from 100% bamboo



Cardboard USB flash drive



Wildflower seeds for children to plant

◀ Back to contents

Looking after our environment

County Supplies

We are looking at ways we can reduce our use of packaging in the future. For example, there are alternatives to plastic wrapping such as film made from compostable potato starch which may be suitable for keeping orders safe and dry in transit. Research in this area is ongoing.

There is a lot of potential to expand our range of recycled and reusable products on offer to customers.

Working with HTM, we're hoping to test a 14-tonne electric vehicle as soon as one becomes available. If suitable, an emission-free electric truck would be ideal for deliveries in the Winchester area.

Paper purchasing has been challenging in the past few years as the price of pulp has increased 33% since August 2017. Despite this, we continue to source copier paper with high environmental credentials, for example from mills working within the Eco Management and Audit Scheme (EMAS). A range of 100% recycled papers is also available.

In 2018, to reduce our overall paper and printing usage, County Supplies set up a project to convert all customers to electronic invoicing. During the 2017/18 financial year we printed and sent out 8,809 paper invoices. In addition to the environmental impact, this was costing County Supplies in the region of £260 per annum printing costs, £3,800 in postage and an estimated 294 person hours (@ £30 per hour) printing and posting these out. This project was completed in February 2019 and all invoicing is now electronic.

All surplus and life expired County Supplies catalogues are stored on site and then bulk collected for reprocessing.

➤ Investing in people

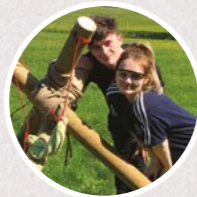
HC3S – Creating opportunities

As an employer we foster a culture of environmental responsibility. As a large employer in the catering industry, with 1800 staff with diverse backgrounds from around the county, we recognise that many families need part-time or term-time working.

County Supplies – Creating the warehouse pickers of the future

County Supplies periodically offers 3-month traineeship placements to young people in its warehouse. Trainees learn how the Business Units work within Hampshire County Council and experience order picking and packing.

So far, five apprenticeships have been offered across County Supplies' Customer Services, Warehouse and Marketing teams.



◀ Back to contents

People

➤ HTM Investing in Young People

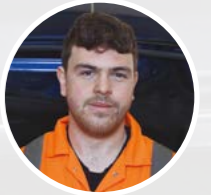
HTM has a strong record of encouraging and nurturing young people in Hampshire.

Since its launch in 2008, HTM's Apprenticeship Scheme has seen 16 young people successfully attain NVQ qualifications. Currently, five Technical Apprentices are based at the workshops while a Business Administration Apprentice is based with the office team in Winchester.

HTM is also a keen advocate of the Traineeship and work experience programs. There have been numerous young people who have gained valuable transferable skills through work placements at HTM.

➤ CASE STUDY

Matt Shelley, Technical Apprentice



"The Technical Apprenticeship is a three-year programme. I currently spend four days a week working at Bishops Waltham Workshop learning the practicalities of vehicle maintenance and repair which I really enjoy. One day a week I attend Paragon College where I swap the socket set for pen and paper and learn the theory behind my role. I'm currently working towards a City and Guilds NVQ Level 2. Then, once I've completed my second year, I'll move on to study for an NVQ Level 3.

So far I've learned how to apply the skills I've gained at college into my everyday job. I get involved in a wide range of the work coming through the workshop, from general upkeep to brakes, chassis and engines. I've also prepared a car for its MOT and changed suspension components on a minibus. Being able to work on a variety of vehicles has given me lots of valuable experience which I can feed back into my NVQ studies. It's great that the team at Bishops Waltham are really supportive and offer me lots of feedback and advice whenever I need it.

My apprenticeship is challenging but definitely worthwhile. In the future, I want to qualify as a Vehicle Technician. I'll then be equipped with a transferable trade plus a range of valuable skills and knowledge that will benefit me in later life."



Technical Apprentice Matt Shelley is currently working toward his City and Guilds NVQ Level 2.

Our Ambitions

[Back to contents](#)

Looking ahead

HC3S – Focused on customers and partnerships

Our aim is to build loyalty with customers and encourage them to extend or renew their catering contracts. We do this by providing an outstanding service, providing fresh, honest and tasty food whilst building a lasting relationship with them.

We want customers to feel valued so we will continue to listen to their feedback and take on board suggested improvements where possible so that we remain their preferred caterer.

We will continue to communicate key messages about the value and quality of our school meals and provenance of ingredients so that customers have a greater understanding of local, seasonal and nutritious food. We will also continue to encourage healthy eating. We will do this through all our channels including our web site, literature, social media and staff engagement.

HTM – Committed to reducing emissions and our impact on the environment

Our focus for the next few years is on building a more environmentally responsible fleet with a sustainable fleet network.

We will continue to source from local suppliers wherever we can to reduce movement of parts and lubricants.

We will identify where HTM can make use of new technology or existing technology to add value, streamline systems and reduce waste, such as paper and mileage.

County Supplies – Delivering a more sustainable service

In the coming years we will be looking to make our service more economical, reducing mileage where we can and operating more efficiently as a business.

We aim to make it easy for customers to source everyday products with increased environmental credentials.

We will be researching the latest innovations in sustainable packaging, with an eye to reducing our plastic and cardboard waste.

Page 132
Sustainable Development Goals



By the end of 2018...

- All plastic cutlery has been removed from The Castle Restaurant.
- Single-use plastic has been eliminated in all primary school kitchens that want this.

- We have increased our discount from 10% - 15% on drinks when using a reusable cup to encourage staff and external visitors to move towards reusable cups and think about their choices.

- All kitchens will have connectivity reducing the need for paper and distribution.
- Plastic film in school sandwich boxes will no longer be available.

By the end of 2019...

- We aim to reduce paper copies of school menus printed by 30%.
- The electric vehicle fleet will be increased from 12 vehicles to 44.

By the end of 2022...

- Electric vehicle charging points will be available in all HCC country park locations.
- The majority of Winchester-based pool cars to be upgraded to electric vehicles.
- County Supplies' vehicle fleet will be upgraded to lower-emission Euro 6 LGVs.



By the end of 2025...

- All HCC vehicles used to deliver school meals will be electric.
- All HC3S suppliers will use recyclable packaging materials and not single-use plastic.
- County Supplies will research possibilities for sustainable packaging solutions.





Tel: 01962 873930
Email: htm@hants.gov.uk
Web: www.hants.gov.uk/htm



Tel: 023 8062 9388
Email: hc3s@hants.gov.uk
Web: www.hants.gov.uk/hc3s



Tel: 01962 826999
Email: county.supplies@hants.gov.uk
Web: www.hants.gov.uk/countysupplies

This page is intentionally left blank

COUNCIL MEETING, 18 JULY 2019

REPORT OF THE
HAMPSHIRE FIRE and RESCUE AUTHORITY
PART II

1. CHAIRMAN'S REPORT

- 1.1. At its meeting of 5 June 2019, the Hampshire Fire and Rescue Authority formally welcomed Steve Apter as the new Deputy Chief Fire Officer and said thank you and farewell to Andy Bowers for his 30 years of service at the Fire Service.
- 1.2. Members approved the Annual Performance report for April 2018-March 2019 as well as the Service Plan for 2019-2020 and were encouraged to discover that since the intermediate capability of appliances and personnel had been stationed more locally, Whitchurch, an 'indicator' station had seen an improvement in availability of 39% during the day and 18% at night. Further improvements were anticipated across the Service as this intermediate capability was rolled out across the County.
- 1.3. At the same meeting, the Authority looked at the Annual Statement of Equality and were pleased to learn that following recent recruitment process, 21% of successful candidates had been women, which was the highest proportion achieved by the Service.

Further details can be found at the following link:

[HFRA - 5 June 2019](#)

COUNCILLOR CHRIS CARTER
Chairman of Hampshire Fire and Rescue Authority

This page is intentionally left blank

COUNCIL MEETING, 18 JULY 2019

REPORT OF THE
Chief Executive
PART II

1. CHANGES IN RESPONSIBILITY FOR EXECUTIVE FUNCTIONS

- 1.1 Responsibility for Executive functions is set out in Part 2, Chapter 3 of the Constitution. Part 1, Chapter 11 paragraph 1.6 provides that the Leader appoints members of the Cabinet and that responsibility for Executive Functions may be varied by the Leader at any time.
- 1.2 Part I, Chapter 17, Paragraph 1.3 of the Constitution requires that changes to the Constitution consequential upon the allocation of responsibility for Executive Functions, as determined by the Leader, be reported to Cabinet and then to the County Council. A [Report](#) setting out revised Executive Responsibilities was presented to Cabinet on 17 June 2019. A copy of the revised Executive Responsibilities as reported to the Cabinet is contained as an Appendix to this report.

This page is intentionally left blank

Part 2: Chapter 3

Executive Functions

1. Responsibility for Executive Functions

1.1 The following table sets out the allocation of responsibilities within the Executive. The portfolios are expressed in broad terms and may be varied, as provided for in the Executive Procedure Rules set out in Part 3 Chapter 2 of this Constitution.

1.2 The principles of responsibility are as follows:

1.2.1 unless a function, power or responsibility is specifically reserved to the County Council or a Committee of the County Council, the Executive is authorised to exercise the function or power.

1.2.2 the Executive collectively will be responsible for those decisions falling appropriately to it.

1.2.3 all decisions will be recorded.

1.2.4 if a decision is made by an individual Member of the Executive, this will be stated openly and clearly.

1.2.5 the Executive or individual Members of the Executive will normally be making Key Decisions, as defined at Part 3, Chapter 2, Paragraph 3 of this Constitution, or decisions which are significant (even though they may not be Key Decisions).

Responsible Person	Functions
Leader and Executive Member for Policy and Resources	<p>Leader of the County Council and Chairing and managing the Executive and its work.</p> <p>Overall strategy (including Serving Hampshire - Strategic Plan), policy and co-ordination 'across the board', and the direction and utilisation of resources.</p> <p>Primary departmental links – Corporate Services, and Culture, Communities and Business Services departments.</p> <p>Service area responsibilities – services within the above departmental remit areas; except where any area has been specifically allocated within the remit</p>

	<p>of another Executive Member.</p> <p>Functional areas – policy; strategic overview; overall performance; budget strategy; and personnel policies, including strategy for pay and remuneration, asset management, and IT services.</p> <p>Monitoring and developing the sustainability of the natural environment and heritage of rural Hampshire.</p> <p>Appointments to relevant outside bodies not on a proportional basis in consultation with minority parties.</p>
<p>Deputy Leader and Executive Member for Economy, Transport and Environment</p>	<p>Overall strategy and policy for all environmental matters (including planning and transportation, and mineral and waste), but excluding regulatory matters within the remit of the Regulatory Committee.</p> <p>Primary departmental link – Economy, Transport and Environment Department.</p> <p>Service area responsibilities – within the remit of the above department.</p> <p>Functional areas - Transport strategy; spatial planning; minerals and waste planning; waste management, re-cycling; highways and bridges; highway maintenance; winter maintenance; structural maintenance; passenger transport; traffic and road safety; highways lighting; integration of public and private transport; environmental and information services; flood and coastal erosion risk management; and all ancillary activities.</p> <p>Monitoring and developing the County Council's economy; co-ordinating and developing the County Council's involvement in European projects sponsored or led by the Economy, Transport and Environment Department.</p> <p>Appointments to relevant outside bodies not on a proportional basis in consultation with the minority parties.</p> <p>NB: This Executive Member is also the County Council's Executive appointment to Project Integra Strategic Board Joint Committee and Solent</p>

	Transport.
Executive Member for Commercial Strategy, Human Resources and Performance	<p>To assist the Executive Member for Policy and Resources.</p> <p>Overall strategy for human resources and performance matters.</p> <p>Primary department links – Corporate Services and Culture, Communities and Business Services Departments.</p> <p>Service area responsibilities – human resources services within the remit of Corporate Services, including strategic workforce development and corporate performance, and otherwise where relevant to the role.</p> <p>Functional areas – Commercial strategy, including: Procurement policies and outcomes; Corporate Services and Culture, Communities and Business Services business units and trading arrangements; business and trading arrangements in other departments where relevant; development of income generation policies across the board, energy related matters.</p> <p>Personnel policy formulation and skills development in relation to the County Council’s directly employed workforce (excluding schools), and review of corporate performance through the Annual Performance Report.</p> <p>Advisory areas – to advise the Executive Member for Policy and Resources on revenue and capital related matters, property matters, and major land policy and disposal matters and programmes; to develop with the Director of Corporate Resources relevant financial plans for approval by the Executive Member for Policy and Resources.</p> <p>Appointments to relevant outside bodies not on a proportional basis in consultation with minority parties.</p> <p>N.B. This Executive Member is also Chairman of the Buildings, Land and Procurement Panel. (BLAPP), and Chairman of the Employment in Hampshire County Council (EHCC) Committee.</p>

<p>Executive Lead Member for Children's Services and Young People</p>	<p>Designated Lead Member for Children's Services pursuant to Section 19 of the Children Act 2004.</p> <p>Overall strategy and policy for all Children's matters, i.e. Education, Children and Families pursuant to the requirements of the Children Act 2004. Approval of the Children and Young People's Plan.</p> <p>Primary departmental link – Children's Services Department.</p> <p>Service area responsibilities – all services within the remit of the above department.</p> <p>Functional areas – statutory Social Services functions of the County Council relating to children, and all education functions exercisable by the County Council as Local Education Authority.</p> <p>Responsibility for building relationships with businesses in Hampshire, the Corporate Apprenticeship Programme.</p> <p>Primary Department links – Corporate Services and Culture, Communities and Business Services Departments.</p> <p>Service area responsibilities – services within Corporate Services and Culture, Communities and Business Services Departments relevant to the role and relevant external and International links.</p> <p>Appointments to relevant outside bodies not on a proportional basis in consultation with the minority parties.</p>
<p>Executive Member for Education and Skills</p>	<p>To support the Executive Lead Member for Children's Services and Young People because of the breadth of the portfolio, by providing additional capacity at Executive level to drive improvements in school standards and educational attainment and liaising with schools, academies, colleges and other representatives of the education sector.</p> <p>Primary departmental links – Children's Services Department.</p> <p>Service area responsibilities – education and schools; co-ordination of post 16 skills policies and initiatives.</p>

	<p>Functional areas – working with the Executive Lead Member for Children’s Services and Young People to develop policy and strategy in relation to school improvements and educational standards; where agreed with the Executive Lead Member for Children’s Services and Young People determining infrastructure and school organisation matters, in accordance with policies and strategies agreed by the Executive Lead Member for Children’s Services and Young People, the Children and Young People’s Plan, and where relevant the Children’s Services Capital Programme.</p> <p>Determining appeals in respect of exceptions to school transport policies, other than appeals relating to the safety of walking routes.</p> <p>Appointments to relevant outside bodies not on a proportional basis in consultation with the minority parties.</p> <p>N.B. This Executive Member is also Chairman of the Education Advisory Panel.</p>
<p>Executive Member for Recreation and Heritage</p>	<p>Overall strategy and policy for libraries, museums, archives, arts, outdoor activities and leisure.</p> <p>Primary departmental link – Culture, Communities and Business Services Department</p> <p>Service area responsibilities – Recreation and Heritage Services within the Culture, Communities and Business Services Department</p> <p>Functional areas – libraries, museums, archives and records, country parks, countryside sites and nature reserves, sport and culture community support, recreation and all ancillary activities.</p> <p>Appointments to relevant outside bodies, not on a proportional basis in consultation with the minority parties.</p>
<p>Executive Member for Adult Social Care and Health</p>	<p>Overall strategy and policy for all Adult Social Care matters.</p> <p>Primary departmental links – Adults, Health and Care Department.</p> <p>Service area responsibilities – all services within the</p>

	<p>remit of the above department including all duties relating to adult social care including safeguarding, including under (inter alia), the Care Act 2014, the Mental Capacity Act 2005 and the Mental Health Act 1983. Primary responsibility for liaison with the National Health Service.</p> <p>Functional areas – services for adults, including older people, learning disability, physical disability, mental health and all ancillary services.</p> <p>Appointments to relevant outside bodies – not on a proportional basis in consultation with the minority parties.</p> <p>N.B. This Executive Member is also Chairman of the Health and Wellbeing Board.</p>
Executive Member for Public Health	<p>Overall strategy and policy for Public Health matters.</p> <p>Primary Department links – Adults’, Health and Care, and Children’s Services Departments.</p> <p>Service area responsibilities - all services within the remit of the County Council’s public health responsibilities pursuant to the National Health Service Act 2006.</p> <p>All duties relating to the County Council’s responsibilities to improve public health.</p> <p>Functional areas – Development of the County Council’s strategy and policy in relation to public health. Functions related to the Supporting Troubled Families Programme.</p> <p>Appointments to relevant outside bodies – not on a proportional basis in consultation with the minority parties.</p>
Executive Member for Communities, Partnerships and External Affairs including Brexit	<p>Primary departmental links – Culture, Communities and Business Services and Corporate Services Departments.</p> <p>Service area responsibilities – services within Corporate Services and Culture, Communities and Business Services Departments relevant to the role.</p> <p>Functional Areas - Co-ordinating County Council representation on District Local Strategic Partnerships (LSP’s) and Community Safety Partnerships (CSP’s);</p>

	<p>Functions related to Community Safety, and Equalities. Emergency Planning functions pursuant to the Civil Contingencies Act 2004.</p> <p>Corporate oversight of the County Council's Grant Management System.</p> <p>Responsibility for the County Council's relationships with the Interfaith Network Community, the Voluntary and Community Sector, and other partners.</p> <p>Corporate oversight of external and International policy and activities; championing the County Council's relationship with external and international/national bodies.</p> <p>Responsibility for the County Council's relationship with the Armed Forces Community.</p> <p>Appointments to relevant outside bodies not on a proportional basis in consultation with minority parties.</p>
<p>Executive Member for Countryside and Rural Affairs</p>	<p>Overall strategy for promoting the Hampshire rural estate and partnerships with the focus on rural initiatives, to the benefit of Hampshire.</p> <p>Primary departmental links – Culture, Communities and Business Services and all departments of the County Council relevant to the responsibilities.</p> <p>Service Area Responsibilities – the Policy Framework for the County Farm Estate, Rural Affairs, Rights of Way and responsibility for the Parish and Town Council Investment Fund and the Rural Affairs Development Fund.</p> <p>Functional Areas – development of rural initiatives into the formulation of major policy.</p> <p>Developing links with other agencies and other local authorities regarding the development of rural activity. Overall responsibility for the County Council's relationships with Parish, Town and District and Borough Councils.</p> <p>Promoting Hampshire rural interests, countryside estate and partnerships with the focus on rural initiatives, to the benefit of Hampshire.</p>

	Appointments to relevant outside bodies not on a proportionate basis in consultation with the minority parties
--	--

COUNCIL MEETING, 18 JULY 2019

REPORT OF THE
Health and Wellbeing Board
PART II

1. CONSTITUTIONAL ARRANGEMENTS: APPOINTMENTS TO THE HEALTH AND WELLBEING BOARD FOR HAMPSHIRE

- 1.1. The Health and Wellbeing Board for Hampshire ('HWBB') was established on 18 July 2013 by virtue of the Health and Social Care Act 2012 as a usual committee of the County Council but with more flexibility in terms of formal governance than is normally the case, such as its membership and voting rights.
- 1.2. At the Council meeting on 30 May 2014, authority was given to the Head of Law and Governance (Monitoring Officer), in consultation with the Chairman of the Health and Wellbeing Board, to amend the membership and terms of reference of the HWBB to facilitate the effective discharge of its responsibilities and to report back any changes to the next meeting of the County Council.
- 1.3. The following appointments have been made under delegated authority:
- Dr Matt Nisbet, appointed as the Deputy for the North Hampshire Clinical Commissioning Group
 - Amanda Lyons appointed as the Deputy for the Wessex Local Area Team of NHS England
 - Rob Cole appointed as the Deputy for the Hampshire Fire and Rescue Service
 - Suzanne Smith appointed as the Deputy to the Director of Children's Services
 - Simon Bryant (Interim Director of Public Health) as the Main Member for Public Health
 - Robert Pears appointed as the Deputy to the Director of Public Health

Councillor Liz Fairhurst
Chairman, Health and Wellbeing Board

This page is intentionally left blank

COUNCIL MEETING, 18 July 2019

ANNUAL REPORT OF THE
Policy and Resources Select Committee
PART II

1. SUMMARY

- 1.1 This report provides an annual update on the work of the following Hampshire County Council Select Committees from April 2018 to March 2019: Children & Young People Select Committee, Culture & Communities Select Committee, Economy Transport & Environment Select Committee and Policy & Resources Select Committee. The work of the Health and Adult Social Care Select Committee is reported elsewhere on this agenda.

2. CHILDREN AND YOUNG PEOPLE SELECT COMMITTEE

- 2.1 **Chairman for this period:** Councillor Roz Chadd
- 2.2 **Light Touch Reviews undertaken / outcomes being monitored:** None this period
- 2.3 **Statutory Duties Undertaken:** None this period
- 2.4 **Pre-scrutiny of Significant Executive Decisions:**
- 2.5 Proposed Changes to the Home to School Transport Policy and Post 16 Transport Policy Statement: The Select Committee scrutinised prior to decision, proposals for changes to be made to the County Council's Home to School Transport and Post 16 Transport Policies on the 9 May 2018. The report set out the outcomes of the public consultation, and the proposals to discontinue the discretionary features of the Home to School Transport policy. The report also set out proposals for the introduction of charges where transport was arranged as an exception to Home to School Transport policy and increases to the existing charges applied under the Post 16 Transport policy. Significant questioning and debate was held, with the Select Committee resolving to support the proposals (later agreed by the Executive Lead Member for Children's Services).
- 2.6 Proposed Changes to the Short Break Activities Programme and Consultation Outcomes. The Select Committee scrutinised prior to decision, proposed changes to the Short Break Activities Programme on the 12 July 2018. The report set out the outcomes of the public consultation, and the proposals for change which would aim to achieve better opportunities to shape provision to meet the needs of parents, carers and children across Hampshire. Significant questioning and debate was held, with the Select Committee resolving to support the proposals (later agreed by the Executive Lead Member for Children's Services).
- 2.7 **Call-in of Significant Executive Decisions:**
- 2.8 Home to School Transport Policy and Post 16 Transport Policy Statement - The call-in of the Home to School Transport Policy and Post 16 Transport

Policy Statement was requested by a quorum of the Select Committee on 25 May 2018, but not recommended following a vote by the Select Committee.

2.9 Outcomes being monitored:

2.10 Family Support Service. The Select Committee monitored progress made in implementing the new Family Support Service in Hampshire at its meeting on 9 May 2018, following on from pre-scrutiny of this decision on 1 July 2016.

2.11 Short Break Activities Programme. The Select Committee monitored progress made in implementing changes to the Short Break Activities Programme at its meeting on 7 January 2019, following on from pre-scrutiny of this decision on 12 July 2018.

2.12 **Referrals:** None this period

2.13 **Policy Review:** None this period

2.14 Questioning and exploring areas of interest and concern:

2.15 The Select Committee received items on the following issues:

- Annual Safeguarding Report for Children's Services
- Attainment of Children and Young People in Hampshire Schools 2018
- Child and Adolescent Mental Health Services (CAMHS) Update
- Ethnic Minority and Traveller Achievement Service
- Hampshire Healthy Weight Strategy
- Religious Education in Hampshire and Living Difference III
- Special Educational Needs and Disabilities Update

2.16 Upcoming topics:

2.17 The following topics feature on the Select Committee's Work Programme:

- Annual Safeguarding Report for Children's Services
- Autism Services • Child and Adolescent Mental Health Services (CAMHS) – Further Update
- Child Exploitation Update
- Children in Care including the Role of Corporate Parents
- Elected Home Education • Ethnic Minority and Traveller Achievement Service
- New Ofsted Education Inspection Framework
- Revenue and Capital Budgets 2020/21
- Short Break Activities Programme Progress Update
- Special Educational Needs and Disabilities – Further Update
- Transformation to 2021 – Savings Proposals

3. CULTURE AND COMMUNITIES SELECT COMMITTEE

3.1 **Chairman for this period:** Councillor Anna McNair Scott

3.2 Reviews undertaken / outcomes being monitored:

3.3 Library Strategy to 2025 Task and Finish Group

- 3.4 In September 2018, the Select Committee resolved to set up a task and finish group to develop the Library Strategy to 2025. A cross party group of members was established, and the first meeting was held in November 2018. The work of the task and finish group is ongoing, with meetings intended to continue through to December 2019. Recommendations arising from this review are due to be put forward to the Select Committee at a future meeting.
- 3.5 **Statutory Duties Undertaken:** Not applicable to this committee
- 3.6 Pre-scrutiny of Significant Executive Decisions:
- 3.7 Changes to Culture and Community Grants
- 3.8 In January 2019, the Select Committee considered the proposed changes to major grant funding for cultural and community organisations in Hampshire for 2019/20. The Committee supported the recommendations to the Executive Member for Recreation and Heritage.
- 3.9 **Call-in of Significant Executive Decisions:** None in this period
- 3.10 **Referrals:** None in this period
- 3.11 **Scrutiny of Budgets and Performance:**
- 3.12 2019/20 Revenue Budget proposals
- 3.13 At the January 2019 meeting, the Select Committee pre-scrutinised the 2019/20 budget proposals for Recreation and Heritage services and for Countryside and Rural Affairs services. Following debate, the Select Committee supported the proposals to the Executive Member for Recreation and Heritage and the Executive Member for Countryside and Rural Affairs.
- 3.14 **Policy Review:** None in this period
- 3.15 **Questioning and exploring areas of interest and concern:**
- 3.16 The Committee received items on the following issues:
- Transformation to 2019: Hampshire County Council's Archives and Records Service
 - Hampshire Cultural Trust Update
 - Energise Me update – Beating Inactivity: A Strategy for Physical Activity 2017- 2021
 - Country Parks Transformation Programme
 - Future Management of Basingstoke Canal
 - Hampshire Cultural Trust Update
- 3.17 **Upcoming topics:**
- 3.18 The following topics feature on the Select Committee's Work Programme:
- Transformation to 2021 – Revenue Savings Proposals
 - Energise Me Update
 - Revenue budgets 2020/21
 - Sponsorship opportunities for Culture and Community Services

4. ECONOMY TRANSPORT AND ENVIRONMENT SELECT COMMITTEE

4.1 Report of Chairman: Councillor Russell Oppenheimer

4.2 Reviews undertaken / outcomes being monitored:

- Road Safety – (April 2018) Following deliberations of the Task & Finish Group, several recommendations were agreed by Select Committee at the April 2018 meeting to forward to the Executive Member for Environment and Transport and to Hampshire Constabulary, for consideration.
- Cycling Strategy – (October 2018) The Select Committee received a report providing an update on the progress of the Hampshire County Council Cycling Strategy adopted in September 2015. The County Council was working on local strategies that would sit alongside the overall cycling strategy. The Committee subsequently held a working lunch which considered cycling issues in depth. (An updated strategy will be brought back to the Committee.)

4.3 Questioning and exploring areas of interest and concern:

4.4 The Committee received items on the following issues:

- Fly tipping – (June 2018) The Select Committee received an update on tackling fly tipping following a strategy regarding fly tipping being agreed in 2017. The Committee noted the solid progress and gave its strong support to this work programme.
- Electric Vehicle Developments – (January 2019) The Select Committee received a presentation on Electric Vehicle developments. Hampshire had developed an Electric Vehicle Framework, in which approximately 30 organisations had so far joined and was free to Local Authorities.

4.5 Pre-scrutiny of Significant Executive Decisions:

- Review of Residential 20 Pilot Programme – (June 2018) The Select Committee received a report regarding a review of 20mph speed limit pilot schemes. Following debate, the Select Committee supported the recommendations being made to the Executive Member.
- Highways Permit Scheme – (June 2018) The Select Committee received a report regarding proposals to develop a Highways Permit Scheme for managing street works in Hampshire. Following debate, the Select Committee supported the recommendations being made to the Executive Member.
- Passenger Transport Review 2018 – (October 2018) The Select Committee received a report and supporting presentation regarding proposals to make savings in passenger transport. Following debate, the Select Committee supported the recommendations being made to the Executive Member.
- Street Lighting T19 Savings – (October 2018) The Select Committee received a report and supporting presentation regarding proposals to make savings from street lighting. Following debate, the Select Committee supported the recommendations being made to the Executive Member.

- T19 Modernisation of On-Street Parking Service – (October 2018) The Select Committee received a report and supporting presentation regarding the onstreet parking service. Following debate, the Select Committee supported the recommendations being made to the Executive Member.
- Consolidation and review of School Crossing Patrol Policy – (October 2018) The Select Committee received a report on behalf of the Director of Economy Transport & Environment, regarding school crossing patrol policy. The Select Committee noted that it was good to see flexibility being built in to allow for a range of ways to fund school crossing patrols. Following debate, the Select Committee supported the recommendations being made to the Executive Member.

4.6 **Call-in of Significant Executive Decisions:** None in this period

4.7 **Scrutiny of Budgets and Performance:**

4.8 2019/20 Revenue Budget – Economic Development and Environment & Transport – At the January 2019 meeting the Select Committee pre-scrutinised the proposed savings under the Transformation to 2019 programme within the remit of this Committee. Following debate, the Select Committee supported the proposals to the Executive Member for Economic Development and Executive Member for Environment and Transport.

4.9 ETE Proposed Capital Programme 2019/20, 2020/21 and 2021/22 – at the January 2019 meeting the Select Committee pre-scrutinised the 2019/20 budget proposals for the Economy Transport and Environment Department. Following the debate, the Select Committee supported the proposals to the Executive Member for Economic Development and Executive Member for Environment and Transport.

4.10 **Policy Review:**

4.11 Government 25 Year Environmental Plan – (April 2018 and January 2019). The Select Committee received presentations regarding the Government 25 Year Environment Plan, setting out the government’s positions in relation to protection and enhancement of the natural environment. At the January 2019 meeting, the Select Committee noted the recent publication of the Clean Air Strategy.

4.12 **Upcoming topics:**

4.13 The following topics feature on the Select Committee’s Work Programme:

- Hampshire County Council Response to Government Consultation on the Draft Flood and Coastal Erosion Risk Management Strategy for England
- Policy to enable community funded traffic management measures
- Further review of Air Quality and Cycling Strategy

5. POLICY AND RESOURCES SELECT COMMITTEE

5.1 **Report of Chairman:** Councillor Jonathan Glen

5.2 **Light Touch Reviews undertaken / outcomes being monitored:** None in this period.

5.3 **Statutory Duties Undertaken:**

5.4 Crime and Disorder - This Select Committee has the remit to cover the statutory duty to scrutinise Crime and Disorder issues as per the Police and Justice Act 2006 (However, this does not cover the Police and Crime Commissioner, who is held to account by the Police and Crime Panel).

5.5 At the 1 November 2018 meeting, the Select Committee received a presentation relating to the strategic priority of serious and organised crime and child exploitation and the County-wide collaborative arrangements responding to this priority risk.

5.6 **Pre-scrutiny of Significant Executive Decisions:** None this period

5.7 **Call-in of Significant Executive Decisions:** None this period

5.8 **Referrals:** None this period

5.9 **Scrutiny of Budgets and Performance:**

- End of Year Financial Report - At the 13 June 2018 meeting the Select Committee considered the 2017/18 End of Year Financial Report
- Medium Term Financial Strategy to 2021 - At the 13 June 2018 meeting the Select Committee considered the Medium Term Financial Strategy to 2021.
- Annual Corporate Performance Report – At the 13 June 2018 meeting the Select Committee considered the ‘Serving Hampshire’ 2017/18 Annual Corporate Performance Report.
- Budget Setting – At the 18 January 2019 meeting the Select Committee considered a report on budget setting and provisional cash limits for 2019/20 that had been considered by Cabinet in December 2018.
- Revenue Budget for Policy and Resources for 2019/20 and the Proposed Capital Programme for Policy and Resources for 2019/20 to 2021/22 – At the 18 January 2019 meeting the Select Committee pre-scrutinised the proposed revenue budget for policy and resources for 2019/20 and the proposed capital programme for policy and resources for 2019/20 to 2021/22. Following debate, the proposals were supported to the Executive Member for Policy and Resources.

5.10 **Questioning and exploring areas of interest and concern:**

- General Data Protection Regulation – Compliance update - 1 November 2018
- Hampshire 2050 Commission – 1 November 2018
- Update on IT developments - 18 January 2019
- Broadband update – 18 January 2019
- Local Enterprise Partnerships (LEPs) – joint presentation regarding work of the Enterprise M3 and Solent LEPs - 7 March 2019

5.11 Management of the Scrutiny Function/Oversight of Other Scrutiny Committees:

5.12 The Policy & Resources Select Committee has a remit to manage the work taking place across the scrutiny function. This year this was achieved through oversight of proposals to establish task and finish groups by other Select Committees and receiving a summary of activity taking place through the other Select Committees at each meeting.

5.13 Upcoming topics:

5.14 The following topics feature on the Select Committee's Work Programme:

- Update on Local Enterprise Partnerships
- Annual IT Update
- Annual Crime and Disorder Scrutiny
- Transformation to 2021
- Update on Hampshire 2050 Commission

6. CONCLUSION

6.1 Since the period to which this report relates, membership and in some cases Chairmanship and Vice Chairmanship of the Select Committees has changed. Tribute is paid to all Members who played such an important scrutiny role through the Select Committees over the 2018/19 year.

COUNCILLOR JONATHAN GLEN
Chairman, Policy and Resources Select Committee

COUNCIL MEETING, 18 JULY 2019

REPORT OF THE
Health and Adult Social Care Select Committee
PART II

1. SUMMARY AND LEGISLATIVE CONTEXT

- 1.1. This report provides an update on the work of Hampshire County Council's Health and Adult Social Care Select Committee from April 2018 to March 2019.
- 1.2. For 2018-19, the Health and Adult Social Care Select Committee held the Local Government statutory responsibility for health scrutiny powers. These powers are intended to ensure that decisions about health services are taken with due regard to the people affected. The legislative framework within which the Committee functioned in this year allowed Members to consider any aspect of health that affects the population of Hampshire. It also placed very specific duties on the NHS with regard to consultation, information and responses to any recommendations made by the Committee.
- 1.3. The Committee was a statutory consultee on any potential substantial change being considered by the NHS, and had the power to refer contested decisions about health services to the Secretary of State for Health or to Monitor for Foundation Trusts.
- 1.4. In accordance with the Constitution of Hampshire County Council, the Health and Adult Social Care Select Committee also focuses on how the County Council is contributing to delivering the Wellbeing agenda for adults' social care; promoting independence and quality of life for older people; healthy and safe families; Public Health; the integration of Health and Care services and relevant financial management.

2. WORK OF THE COMMITTEE

- 2.1 The annual report of the Health and Adult Social Care Select Committee is appended to this report.

COUNCILLOR ROGER HUXSTEP

Chairman, Health and Adult Social Care Select Committee Scrutiny

Scrutiny Annual Report: April 2018 to March 2019

Select Committee: Health and Adult Social Care

Report of Chairman: Councillor Roger Huxstep

1. In-depth or Light Touch Reviews undertaken / outcomes being monitored:

a) Social Inclusion Working Group:

The Health and Adult Social Care Select Committee (the HASC) had established a task and finish group looking into the detail of this service change. As a result of the work of the group, the Committee made recommendations to the Executive Member for Adult Social Care and Health.

b) Sustainability and Transformation Partnerships (STP) Working Group:

The HASC had agreed terms of reference for a working group to consider the STP plans for the Hampshire area. The Working Group continued to meet as required throughout 2018 and reported back to the HASC when relevant.

2. Statutory Duties Undertaken (actions, monitoring and information on proposals to develop or vary services) have included:

a) Hampshire Hospitals NHS Foundation Trust: Outpatient, X-Ray and Community Midwifery Services in Whitehill and Bordon: Re-provision of Services from alternative locations or by an alternative provider

In May 2018, Members heard from the Hampshire Hospitals NHS Trust regarding a proposal to withdraw some existing services from Chase Hospital in Whitehill and Bordon. Due to a reduction in the use of hospitals by users preferring closer locations, the low volume of referrals led to reduced efficiency in clinical staff time as well as duplication in the same services being offered. The Committee agreed that the proposal constituted a significant change and continued to receive regular updates throughout the period. The HASC is continuing to monitor the re-provision of these services in 2019.

b) Southern Health NHS Foundation Trust: Plans to develop Secure Forensic Mental Health and Learning Disabilities Services

At its May 2018 meeting, the Committee heard from the Southern Health NHS Foundation Trust regarding plans to develop a secure forensic mental health service, and associated proposals relating to learning disabilities services. This Trust was leading the work to modernise these pathways, providing places in Hampshire so that the number of out-of-area placements could be reduced. Members agreed the proposal was not a substantial change and would have a positive impact on patient groups.

c) South Eastern Hampshire CCG and Portsmouth Hospitals NHS Trust: Spinal Surgery Service

In July 2018, Members heard that elective spinal surgery was provisioned as a single-handed service at the Queen Alexandra Hospital in Portsmouth, which impacted on waiting lists. It was reported that efforts to hire new staff had been unsuccessful and a proposal was put forward to move the service to University Hospital Southampton (UHS) with an impact on approximately 204 patients. Additional staff were to be employed at UHS with non-surgical services remaining at Queen Alexandra Hospital. The HASC did not consider this a substantial change and continued to receive progress updates throughout 2018/19 to monitor the transition of services.

d) Hampshire Hospitals NHS Foundation Trust: North and Mid Hampshire Clinical Services Review Update

In January 2019, Members received a report providing an update on the latest position regarding the North and Mid Hampshire Clinical Services Review. This included the sustainability of continuing to provide services from both the Winchester and Basingstoke hospital sites, funding for improvements to both Emergency Departments and a separate children's pathway. The HASC noted the ongoing work and is continuing to monitor the outcomes of this review in 2019.

3. Responses to Health Inquiries received have included:

3.1. Care Quality Commission (CQC) Inspection Outcome and Monitoring

a) Portsmouth Hospitals NHS Trust (PHT):

In May 2018, as part of their ongoing monitoring of progress against the Quality Improvement Plan, the HASC received an update following an unannounced inspection of PHT's urgent care services. Members heard that this inspection had focused upon the Trust's response to winter pressures. Members noted progress and responses to inspection findings. In September 2018, Members received a presentation on the CQC Inspection Report and the Trust's overall rating of 'Requires Improvement'. It was noted that some areas had seen significant improvement since the last inspection and that, despite some areas still needing further attention, it was a positive step. Members noted the CQC findings as well as the Trust's response to the findings. The HASC is continuing to monitor this item in 2019.

b) Local System Review of the Hampshire Health and Care System

In July 2018, Members heard of the CQC Local System Review of Hampshire which had reviewed how health and care services worked together to support care for people aged 65 and over across the county. The findings included areas of strength and eleven recommendations for improvement. It was agreed that the Hampshire Action Plan to address the recommendations would be overseen by the Health and Wellbeing Board.

At its November 2018 meeting, Members received a 3-month gateway update on the Action Plan and heard that between April and September 2018 there had been a 32% reduction in delayed transfers of care due to social care delays. Members were also provided with information on the development of an 'App' called 'Connect to Support Hampshire' which had recently been launched as a further route to provide information about social care to the public. The HASC is continuing to monitor the Action Plan progress in 2019.

c) Southern Health NHS Foundation Trust:

In November 2018, Members heard that the overall rating given to the Trust was 'Requires Improvement' after an inspection undertaken in summer 2018. The Trust had devised an action plan to respond to these areas. Members noted the findings of the inspection and the approach of the Trust in response to these. The HASC is continuing to monitor this item in 2019.

d) Hampshire Hospitals NHS Foundation Trust

In November 2018, Members received a presentation on the comprehensive inspection of the Trust undertaken in June 2018. Members heard that the overall rating given to the Trust by the CQC was 'Requires Improvement', which was a degrading from the previous rating of 'Good'. A presentation was provided that summarised the actions the Trust was taking in response. Members noted the CQC findings as well as the Trust's response to the findings and received a further report on update progress made against the recommendations in February 2019.

3.2. Temporary and Permanent Closures or Restriction of Hours of Services

a) Hampshire Hospitals NHS Foundation Trust: Andover Minor Injuries Unit Update

Members received an update in July 2018 regarding Minor Injuries Unit at the Andover War Memorial Hospital provided by Hampshire Hospitals NHS Foundation Trust. In recent years, a temporary variation to the commissioned opening hours had been implemented. The HASC continues to monitor the outcomes of this change in 2019.

b) Southern Health NHS Foundation Trust: Update on temporary closure of Beaulieu Older People's Mental Health Ward

In November 2018, Members heard from representatives of Southern Health NHS Foundation Trust on staffing issues affecting two older people's mental health wards. The Poppy Ward in Gosport had been temporarily closed to admissions in October 2018 due to shortages of registered mental health nurses but had re-opened in November 2018. The Beaulieu Ward at the Western Community Hospital in Southampton had also been temporarily closed to admissions, and it was anticipated this would remain the case for up to six months while additional staff were recruited. The HASC heard (at its meeting in May 2019) that the Beaulieu Ward was planned to re-open on 3 June 2019.

4. Pre-scrutiny of Significant Executive Decisions:

a) Orchard Close Respite Service

At the November 2018 and January 2019 meetings, the Chairman announced that the County Council had undertaken a public consultation on proposals to close the Orchard Close Respite Service with a view to providing more personalised and tailored respite solutions for service users. At its meeting in February 2018, the Committee pre-scrutinised the proposals prior to a decision of the Executive Member for Adult Social Care. While supporting some of the substantive recommendations, the Committee also made amendments and additional to the recommendations to the Executive Member.

5. Call-In of Significant Executive Decisions:

a) Orchard Close Respite Service

Following the decision of the Executive Member for Adult Social Care and Health in February 2018, a call-in request was made by a quorum of Members and an additional HASC meeting was held on 14 March 2019. At this meeting, the HASC agreed to request that the Executive Member reconsider her decision to close Orchard Close and that the possibility of a Working Group be considered for inclusion on the next HASC agenda.

6. Referrals: No topics were referred to the HASC for consideration.

7. Scrutiny of Budgets and Performance:

a) *Revenue Budget for Public Health:*

The Committee reviewed the revenue budget for Public Health in January 2019 and resolved to support the recommendations being proposed to the Executive Member for Public Health.

b) *Revenue Budget for Adults' Health and Care and Capital Programme for Adults' Health and Care:*

The Committee reviewed the revenue and capital budgets for the Adults' Health and Care Department in January 2019 and resolved to support the recommendations being proposed to the Executive Member for Adult Social Care and Health.

8. Policy Review: No policy reviews were undertaken during this period.

9. Questioning and exploring areas of interest and concern:

- Substance Misuse Model in Hampshire
- Annual Update on Adult Safeguarding

- Respite service at Orchard Close, Hayling Island
- Gosport Independent Panel
- NHS 10 Year Plan
- Procurement of a new contract for health visiting and school nursing services
- Hampshire & Isle of Wight Sustainability and Transformation Partnership Update

10. Upcoming topics:

The following topics feature on the Select Committee's Work Programme:

- Adult Safeguarding
- Public Health Policies
- Scrutiny of Health and Wellbeing Board
- Andover Minor Injuries Unit monitoring
- Budget Scrutiny
- CQC Local System Review of the Hampshire Health and Care System
- Care Quality Commission inspections of NHS Trusts serving the population of Hampshire
- Dorset Clinical Services review
- Frimley Sustainability and Transformation Plan
- Hampshire and Isle of Wight Sustainability and Transformation Plan
- Integrated Intermediate Care
- Chase Community Hospital service provision changes
- North and Mid-Hampshire 'new models of care' clinical services review
- West Surrey Stroke Services monitoring
- Move of Patients to Eastleigh & Romsey Community Mental Health Team
- Move of Spinal Surgery from Portsmouth Hospital Trust to University Hospital Southampton
- Temporary Service Closures

COUNCIL MEETING, 18 JULY 2019

REPORT OF THE
Leader / Cabinet
PART II

1. Transformation to 2019

- 1.1. On 17 June 2019 Cabinet agreed a report regarding the Transformation to 2019 Programme This was the seventh dedicated report setting out the latest Programme position.
- 1.2. Members were advised on the salient points within the report and noted that the secured savings figure continued to track closely to the forecast savings profile developed by each of the Departments at the outset of the Programme.
- 1.3. The Director of Transformation and Governance highlighted the ‘outstanding in all areas’ Children’s Services Ofsted inspection outcome. As part of their inspection judgement, Ofsted commented favourably on the impact of the Department’s Transforming Social Care programme of work. Notwithstanding, the on-going challenges of the programme were outlined in demand and cost graphs within the report.
- 1.4. Cabinet were also advised that further to the on-boarding of three London Boroughs (Westminster City Council, London Borough of Hammersmith and Fulham, and Royal Borough of Kensington and Chelsea) to the high performing shared service arrangements that the Council has successfully implemented and built upon over the past 5 years, operational performance over the first six months of the new arrangement had gone exceptionally well with the three London Boroughs content and pleased with the quality of the service they were benefitting from. This on-boarding is in line with a deliberate strategy to grow the shared services platform bringing further resilience to our shared Corporate Services arrangements with partners.
- 1.5. It was also reported that the new agency staff, known as “Connect2Hampshire” had established itself well over the first two months of operation. It is delivering against the needs of the different business interests of the Council and had aided permanent recruitment in key service areas.
- 1.6. In relation to the successor Transformation to 2021 programme, Members were made aware of the lead-in arrangements for further saving proposals being submitted to the Executive Decision Days in September. This will include the outputs from the recently launched public consultation exercise on closing the budget gap.

2. Serving Hampshire – 2018/19 Performance Report

- 2.1. On 17 June 2019 Cabinet agreed a report on the County Council's performance during 2018/19 against its Serving Hampshire Strategic Plan for 2017-2021.
- 2.2. The report evidenced strong performance in the delivery of core services – achieved whilst managing increased demand and cost pressures. The County Council continued to use its resources prudently to drive innovation and efficiency. Maintaining quality services was balanced with sound financial stewardship, enabling the County Council to provide consistent value for money for Hampshire residents.
- 2.3. Performance highlights, all of which are externally or empirically assessed, included:
 - The County Council was ranked the joint top authority nationally for Highways service delivery according to the National Highways and Transport Network (NHT) Highways Satisfaction survey (2018), and the highest performing authority in the South East. The County Council was also in the upper top quartile nationally for highway conditions.
 - Hampshire's young students outperform the national average at Key Stage 2 – and performance had improved on last year. Similarly, schools in Hampshire delivered better GCSE results than the national average, with 67% of GCSE pupils attaining grade C in both English and Mathematics, compared with an average of 64% for England.
 - Academic performance for the children of service personnel remained an area of strength. 79% of service pupils in Hampshire attained the good level of development at the end of early years compared to 72% of all pupils nationally.
 - CO2 emissions continued to fall year-on-year, down to 78,685 tonnes in 2017/18 (the most recent data). This was a decline from 83,992 tonnes in 2016/17 and exceeds the 2025 target of 79,080 tonnes. This demonstrated that the County Council was reducing its carbon footprint – delivering environmental benefits whilst reducing energy costs.
 - £3 million match funding was allocated by the County Council in 2018/19 to finance additional resources to tackle potholes on Hampshire roads.
 - Delayed Transfers of Care in Hampshire continued to reduce, reflecting significant partnership effort and focus. The number of days of delay reported in February 2019 was 1,170 - a reduction of 46% compared with the 2,163 days experienced in February 2018.
 - The broadband programme reached over 115,000 premises, with 65,000 paying customers on the network - representing a take-up of 57% in December 2018, up from 48% at the start of the year.
- 2.4. Members were made aware that OFSTED had recently rated the County Council's Children's Services "outstanding in all areas". Such an overall inspection result was all but unprecedented with only one other upper tier authority achieving the same outcome.

- 2.5. The report also demonstrated how the County Council was placing increasing reliance on the outcomes of external assessment and feedback in judging the organisation's performance – including that of staff. Over the previous 12 months employee feedback was sought through two surveys which, through positive engagement, have the potential to enhance organisational performance.
- 2.6. Members received an update on the County Council's work to advance inclusion and diversity, which has included an update to the organisation's Equality Objectives to:
- ensure that services are inclusive and diverse, proactively increasing understanding between and within communities;
 - attract and retain a diverse workforce, with equal opportunities for career progression; and
 - ensure zero tolerance of harassment, discrimination, bullying and abuse, dealing effectively with incidents when they occur.
- 2.7. The annual report which is published by the Local Government and Social Care Ombudsman (LGO) in July each year with assessment decisions on Complaints received was highlighted. Evidence from the latest period available (2017/18) demonstrated that the LGO received significantly fewer complaints regarding Hampshire County Council than those received relating to comparator councils and also less findings of fault in cases where the Ombudsman accepts a complaint for investigation.

Further details on these items can be found at the following link:

[Cabinet - 17 June 2019](#)

COUNCILLOR KEITH MANS
Leader and Executive Member for Policy and Resources

This page is intentionally left blank

COUNCIL MEETING, 18 JULY 2019

REPORT OF THE
Executive Member for Recreation and Heritage
PART II

1. RIVER HAMBLE COUNTRY PARK

- 1.1. On 25 February 2019, the Executive Member for Recreation and Heritage approved proposals for improvement works at River Hamble Country Park totalling £800,000. This project is part of the ongoing Country Parks Transformation (CPT) Programme which is enhancing the existing country park provision across the county.
- 1.2. The agreed improvements at River Hamble Country Park include:
 - A new hub with indoor visitor facilities, catering, seating and play space also including an area for hire for learning activities and children's parties.
 - Investment in adventure play and the trail network to make it more accessible in all weather conditions.
 - Clearance of vegetation to make better use of car parking and the installation of automatic number plate recognition to increase income from car parking.
- 1.3. The overarching aim of the CPT Programme is to develop a suite of modern 21st Century Country Parks that are operationally self-financing. The parks will attract more people from Hampshire, and beyond, to visit more often, stay longer, spend more and return. By achieving this, the parks aim to become operationally and financially sustainable in the long term.

Further details can be found at the link below:

[Executive Member for Recreation and Heritage Decision Day – 25 February 2019](#)

COUNCILLOR SEÁN WOODWARD
Executive Member for Recreation and Heritage

This page is intentionally left blank

COUNCIL MEETING, 18 JULY 2019

REPORT OF THE
Executive Member for Adult Social Care and Health
PART II

1. CONTINUING HEALTHCARE – DISCHARGE TO ASSESS PATHWAY – 2019/20 SECTION 75 AGREEMENT

- 1.1. On 3 June 2019 the Executive Member for Adult Social Care and Health gave approval to enter into a Section 75 Agreement with Hampshire Clinical Commissioning Groups for Hampshire County Council to be the Lead Commissioner and for a Pooled Budget, with a maximum spend of £0.89m for the County Council's financial contribution, to enable joint working between health and social care in Hampshire for the delivery of a continuing healthcare discharge to assess pathway.
- 1.2. Authority was delegated to the Director of Adults' Health and Care in consultation with the Executive Member, to finalise the terms and conditions of the Section 75 Agreement which is required to support the Continuing Healthcare Discharge to Assess (CHC D2A) pathway.
- 1.3. The introduction of the CHC D2A pathway has demonstrated the positive impact that the pathway can have on the performance of Adult's Health and Care in ensuring that individuals are assessed for CHC eligibility 'at the right time and in the right place' to avoid deterioration in health associated with remaining within the acute environment. It can also enable a joined up approach with shared objectives in supporting the individual through the pathway and that the process is carried out in a timely manner.

Further details can be found at the link below:

[Executive Member for Adult Social Care and Health Decision Day– 3 June 2019](#)

COUNCILLOR LIZ FAIRHURST
Executive Member for Adult Social Care and Health

This page is intentionally left blank

COUNCIL MEETING, 18 JULY 2019

REPORT OF THE
Executive Member for Countryside and Rural Affairs
PART II

1. RURAL COMMUNITIES FUND

- 1.1. At his decision day on 13 June 2019, the Executive Member awarded grant funding to Hursley Community Shop Association for contributions to support the internal refit and improvement of the Hursley Village Store and Post Office. This grant was awarded from the Rural Communities Fund (RCF).
- 1.2. The RCF continues to offer support to Hampshire's rural communities by providing small grants and support for locally led initiatives. The fund provided a total award of £73,000 through 2018/19, with four to five times match funding achieved. Uptake by rural communities increased in the latter half of the year setting a trend which continues into 2019/20, with forecast awards for the current year at £100,000 to £120,000.

2. PARISH AND TOWN COUNCIL INVESTMENT FUND

- 2.1. At his decision day on 13 June 2019, the Executive Member awarded grant funding to Fawley Parish Council to enable the purchase of specialist exercise equipment for a community led activity programme for those with physical mobility challenges. This grant was awarded from the Parish and Town Investment Fund (PTIF).
- 2.3. The PTIF of £500,000, launched in November 2018, seeks to encourage innovation in response to growing pressures upon County Council Services. Investing in locally led initiatives it looks to build community capacity and resilience through supporting pilots for new ways of working. Offering both capital and revenue investments to local councils and community groups, there has been a strong early uptake with over 100 enquiries and with 25 applications in progress.

Further details can be found at the link below:

[Executive Member for Countryside and Rural Affairs Decision Day – 13 June 2019](#)

COUNCILLOR EDWARD HERON
Executive Member for Countryside and Rural Affairs

This page is intentionally left blank