

# *Serving Hampshire* – **Balancing the Budget Consultation**

Consultation on Hampshire County Council's  
financial options for 2020 – 2022

Information Pack



**Hampshire**  
County Council

[www.hants.gov.uk](http://www.hants.gov.uk)

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# Balancing the Budget

## Consultation Information Pack

Hampshire County Council is asking for residents' and stakeholders' views on ways it could balance its budget in response to continuing pressures on local government funding and increasing demand for core public services.

**Consultation period:** from midday on 5 June – 11:59pm on 17 July 2019.

### Introduction

The County Council provides a wide range of services to the people of Hampshire. Some of these services, like maintaining our roads and running libraries, may be familiar to you; others are less visible, but provide crucial support to some of the most vulnerable members of our communities – such as looking after older people, people with disabilities, or children in care.

In recent years the County Council has come under increased financial pressure. It has tried to find ways to protect its services by doing the same things for less money (efficiency), and by working differently (transformation), but the opportunities for reducing costs are getting harder to find. Despite careful financial planning and delivering savings of almost £480 million over the past 11 years, the organisation faces a further **estimated budget shortfall of £80 million by April 2021**. This is due to reductions in Government funding, growing demand for services, rising costs and inflation.

Local authorities are required by law to deliver a balanced budget and therefore, cannot spend more than is available. This means that **further decisions will need to be made** about what the County Council can and cannot provide. None of these decisions are easy and **one or more could affect you or someone you know** – for example, in terms of how much Council Tax you pay, which council services you may receive in the future, and how services are provided. Individuals, families and communities may also be encouraged to do more for themselves and each other.

This is why it is so **important to hear from you and for your responses to be taken into account when decisions are made**. Please take this opportunity to have your say and encourage others to do so too.

## Consultation scope

The County Council would like to hear your views on several options that could contribute towards balancing its revenue budget<sup>1</sup>, as well as any alternatives that you may wish to propose. It would also like to understand the potential impacts of these options, in order to help inform its final approach:

- introducing and increasing charges for some services;
- lobbying central Government for legislative change;
- generating additional income;
- using the County Council's reserves;
- reducing and changing services;
- increasing Council Tax;
- changing local government arrangements in Hampshire.

## Hampshire County Council's consultation policy

The County Council is committed to five principles of consultation:

- to consult on key issues and proposals;
- to consult in good time;
- to be inclusive but with clear and appropriate limits;
- to consult using clear, simple information;
- to ensure responses are taken into account when decisions are made.

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<sup>1</sup> This consultation is about the County Council's revenue budget. This means the ongoing expenditure for running the County Council and delivering its services. As such, the consultation does not cover capital expenditure which relates to any spending on buildings or new assets (e.g. schools, offices, roads, equipment, plant, vehicles) or extending or making improvements to existing assets (e.g. country parks, recycling centres). More information can be found in Section Two.

## How to have your say

This Information Pack gives an outline of the County Council's budget and how this is currently spent. It also outlines a range of options through which the organisation could continue to live within its means whilst meeting its statutory obligations and protecting vulnerable residents. Please read this information carefully before sharing your views.

**This consultation is open from midday on 5 June – 11.59pm on 17 July 2019.  
Please ensure that you respond within this period as responses received after the closing date will not be included in the consultation report.**

You can provide your feedback using the consultation Response Form, available:

- online at [www.hants.gov.uk/balancingthebudget](http://www.hants.gov.uk/balancingthebudget);
- via the County Council's consultation webpage at [www.hants.gov.uk/consultations](http://www.hants.gov.uk/consultations);
- via post – by requesting a paper copy from [insight@hants.gov.uk](mailto:insight@hants.gov.uk) or by calling **0300 555 1375\***;
- at local Hampshire libraries.

You can also email your response directly to [insight@hants.gov.uk](mailto:insight@hants.gov.uk).

If you have a paper Response Form, please return this in the Business Reply envelope provided. If you do not have a Business Reply envelope, or wish to submit a written response, please post your response to: **Freepost HAMPSHIRE** and write '*I and E Unit*' on the back of the envelope.

The Information Pack and Response Form can also be requested in other formats, including Braille, Easy Read, audio or large print.

If you require a different format or have any other queries about this consultation, please contact the County Council by emailing [insight@hants.gov.uk](mailto:insight@hants.gov.uk) or by calling **0300 555 1375<sup>2</sup>**.

The views submitted through this consultation will be collated and used to inform discussions at Executive Member, Select Committee, Cabinet and Council budget proposal meetings during 2019. A consultation report will be produced and published on the [www.hants.gov.uk/balancingthebudget](http://www.hants.gov.uk/balancingthebudget) webpage.

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<sup>2</sup> \*0300 calls are usually included in most landline and mobile call packages and if not, are charged at no more than a local rate call.

# Section One: About Hampshire County Council

The County Council's core role is to deliver public services to the 1.37 million residents of Hampshire (excluding Southampton and Portsmouth).

Responsibilities for local government services in Hampshire are divided between the County Council and the 11 district councils.

The County Council is responsible for 82% of local government spending in Hampshire, which contributes to the delivery of a wide range of public services including education, roads, waste disposal, libraries, countryside services, Public Health (including school nurses and health visitors) and social care for vulnerable adults and children.

Other public services, such as housing, local planning and bin collection, are carried out by district councils and therefore, fall **outside the scope** of this activity. There are also parish, town and neighbourhood councils with local responsibilities, but not in all areas of the county. Police and Fire services are provided separately by Hampshire Constabulary and Hampshire Fire and Rescue Service.

This consultation is about the **services provided by the County Council only**, and the budget that is used to run and deliver these services.

A more detailed summary of some of the key services currently delivered through various departments in the County Council are set out below.

- **Adults' Health and Care**

Social care (for people aged over 18 years old) including: residential and nursing care; day care and respite facilities for older people (aged 65 or over); services for people with a learning disability, mental health needs, autism or with a physical disability; support for carers and for people to maintain their independence; Public Health services.

- **Children's Services**

Early years education and childcare; child protection; services for children in care; fostering and adoption services; support for children and young people with learning difficulties and/or disabilities, and their families; school admissions (applying for a school place); school places planning; support to pupils not in education, employment or training; school improvement; support for pupils with special educational needs; and home-to-school transport.

- **Corporate Services**

Central support services such as Finance, IT and HR; the County Council's call centre; legal and democratic support; communicating to, and engaging with, residents; managing grants to voluntary organisations; planning for emergencies.

- **Culture, Communities and Business Services**

Archives; country parks and public Rights of Way; libraries; Discovery Centres; museums and arts centres; County Supplies; school meals; registration of citizenship, births, marriages and deaths; and Trading Standards.

- **Economy, Transport and Environment**

Economic development (supporting the local economy); transport and strategic infrastructure planning, new roads, footways and cycleways; highway repair and maintenance; street lighting; traffic management and road safety; household waste disposal and waste recycling centres ('tips'); minerals and waste planning; flood risk management, protecting the environment; and public community transport subsidies.

For more information on the key services please see the summary factsheets at [www.hants.gov.uk/balancingthebudget](http://www.hants.gov.uk/balancingthebudget).

## The County Council's strategic aims

The County Council continues to be high performing in the delivery of core services and its ambition is to continue to transform and shape services for the future, in line with the organisation's evolving financial strategy.

The **Serving Hampshire Strategic Plan for 2017-2021** sets out four strategic aims which guide the County Council's work. Each aim is supported by several priorities – actions being taken to deliver better outcomes for the people of Hampshire. The four aims are set out below.

- **Hampshire maintains strong and sustainable economic growth and prosperity** – supporting people into work, attracting inward investment, promoting Hampshire's competitiveness and providing the necessary infrastructure for growth.
- **People in Hampshire live safe, healthy and independent lives** – giving people the best start in life; enabling residents to live fulfilling lives by focusing resources where need is greatest, and where it can make the biggest difference.
- **Hampshire enjoys a rich and diverse environment** – ensuring that Hampshire's economic success goes hand in hand with protecting the county's environment and heritage.
- **Hampshire enjoys strong, inclusive communities** – recognising the resources, skills and strengths that exist in local communities which, when utilised, can help reduce demand and dependency on County Council services.

Some examples of how the County Council has delivered on its four strategic aims in 2017/18 can be found here:

[www.hants.gov.uk/aboutthecouncil/budgetspendingandperformance/performance#option-1](http://www.hants.gov.uk/aboutthecouncil/budgetspendingandperformance/performance#option-1)

# Section Two: About the County Council's revenue budget

## How the County Council is funded

The County Council has an overall gross budget of almost £2 billion for the financial year of 1 April 2019 – 31 March 2020.

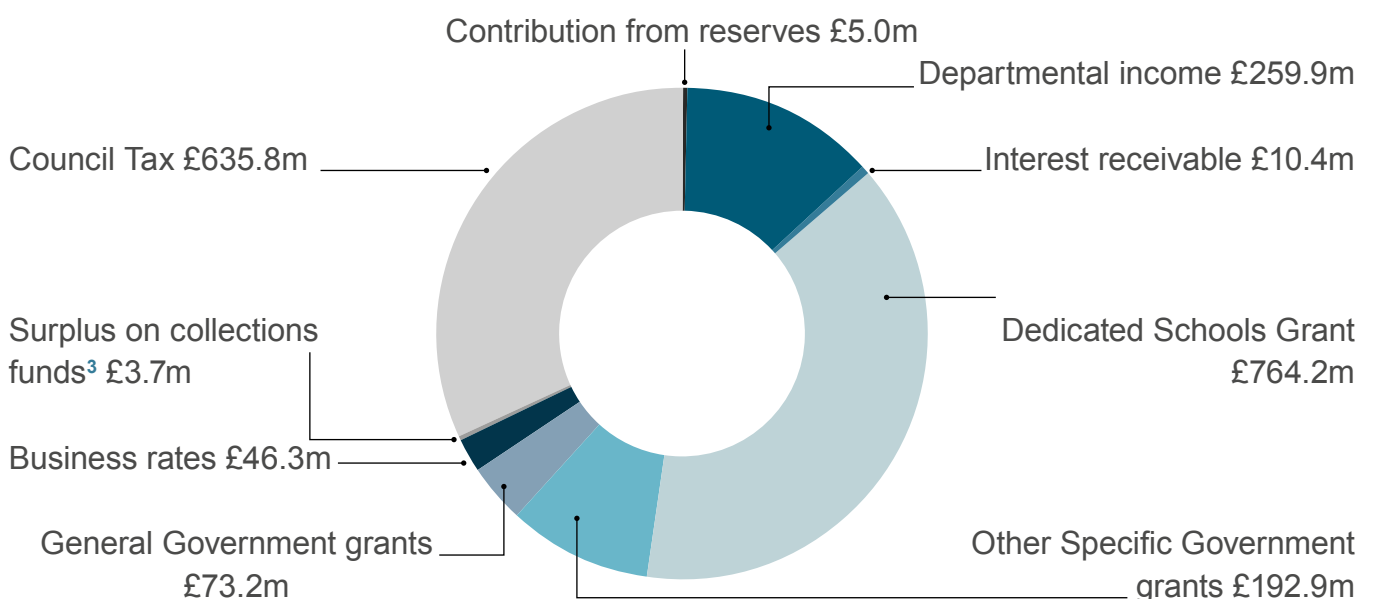
The majority of funding for services in Hampshire (excluding schools) comes from Council Tax (57%). The remaining amount is made up of income from a range of sources (20%), including fees paid by service users, and central Government funding (23%).

The amount the County Council receives from central Government has fallen significantly since funding reductions began in 2010. For example, the main, general, central Government grant (Revenue Support Grant) has reduced from £216 million (2010) to zero. This level of reduction is equivalent each year to supporting 525 older people within a nursing setting or maintaining over 6,500 miles of road.

Part of the County Council's revenue budget includes the use of some of its reserves. The majority of these funds are already committed to existing revenue or capital programmes or are being invested in services to generate future savings. See page 15 for further details on reserves.

The cost of schools is included within the County Council's budget, but this funding is protected for that purpose only and therefore, cannot be used towards savings.

## How the budget is currently funded (2019/20 data)





## How the budget is spent

A breakdown of how the £2 billion revenue budget is spent is shown below.

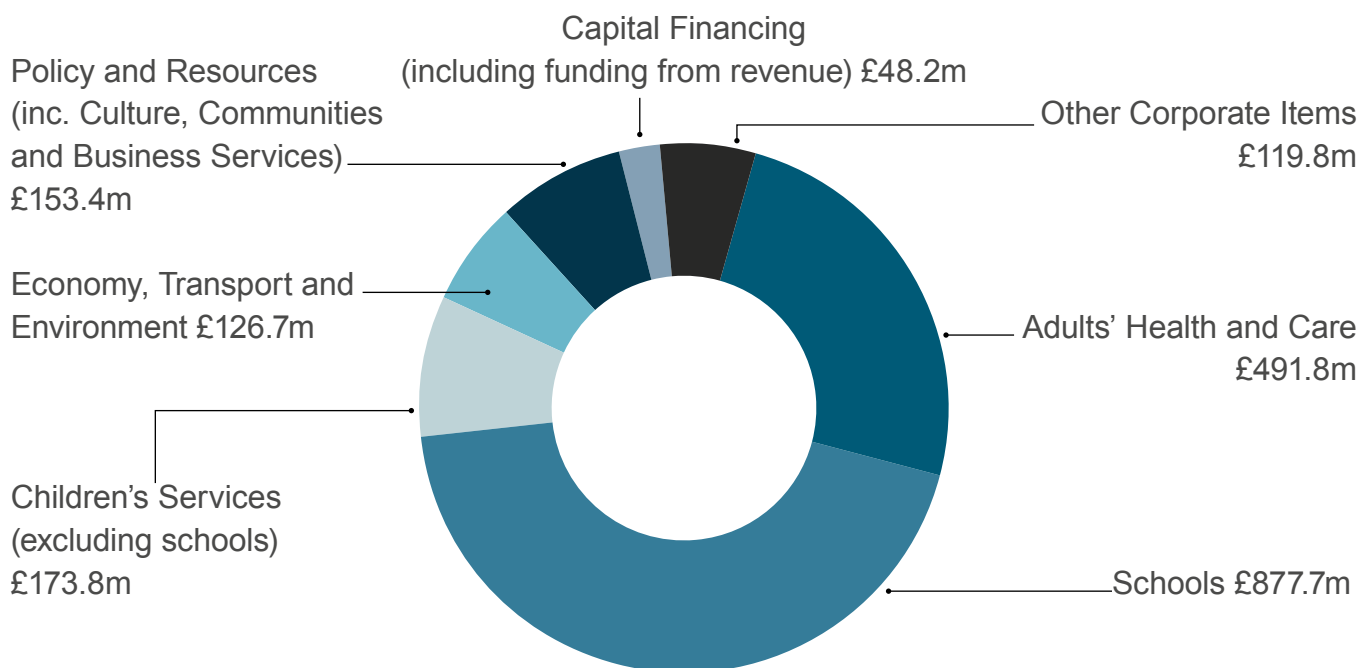
Nearly half of the gross budget is spent on schools, which is protected for that purpose only. Net revenue spending by the County Council's departments totals around £735 million.

The County Council's focus continues to be on protecting statutory services and meeting the needs of Hampshire's most vulnerable residents. Over the next three years, the number of people in Hampshire aged over 85 is expected to rise by 10%, increasing demand for social care. In recent years there has also been a substantial national rise in the number of children requiring care, which is reflected locally by the increase from 1,593 children in need of care in March 2018 to 1,673 in March 2019.

The County Council will continue to plan to meet these demand pressures, whilst providing a wide range of other services available to all.

More information about the County Council's Budget 2019/20 can be found in the Budget Book at <http://documents.hants.gov.uk/finance/HCCBudgetBook1920.pdf>

### How the budget is currently spent (2019/20 data)

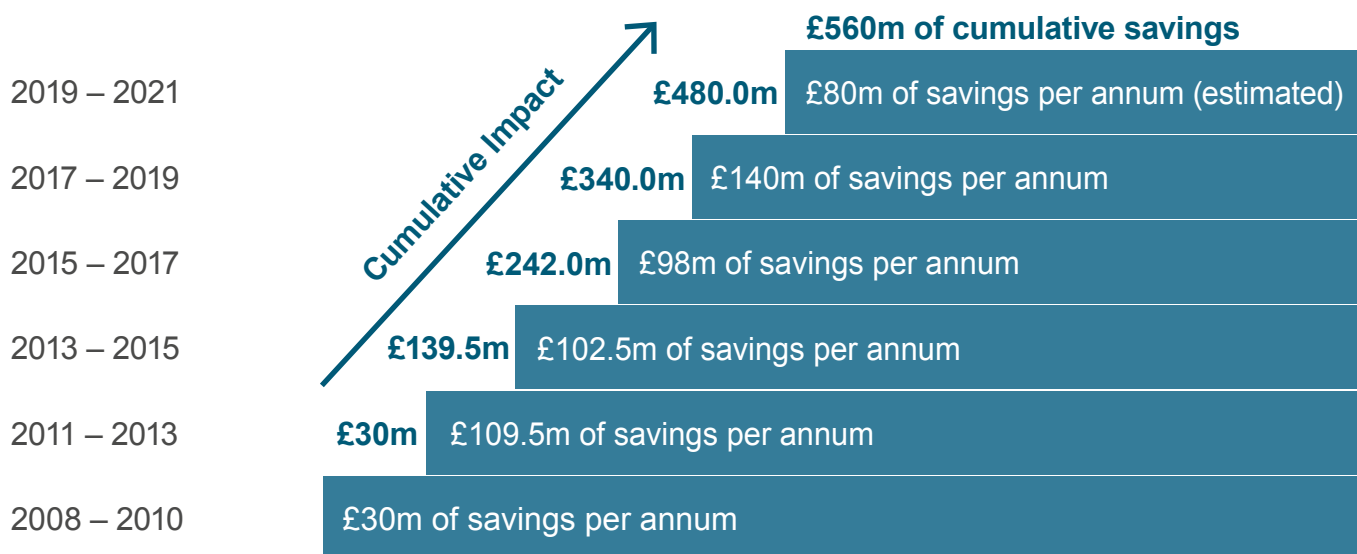


3 This is Council Tax income from the year before which exceeded the original estimate that was built into the budget. The surplus can then be used the following year as part of the funding for the budget. NB: income can also be less than estimated resulting in a deficit.

## How savings have been managed to-date

Since 2008, the County Council has been changing the way it works to respond to continuing pressures on local government funding. In total, this has resulted in savings of over £480 million being removed from the budget in the last 11 years. The County Council predicts it will need to find a further £80 million in the next two years, bringing the cumulative recurring amount to £560 million.

### Per annum savings achieved via cost reduction exercises



The financial strategy to-date has involved targeting resources on those who need them most (i.e. vulnerable children and adults), planning ahead and securing savings early, which has helped the County Council to invest in new, more efficient ways of working. The careful use of reserves has helped to address gaps in funding and enabled the County Council to meet the cost of additional pressures in demand for some services, such as social care.

Each of the County Council's departments have been required to reduce spending by the same proportion (i.e. find the same percentage spending reduction).

In addition, departments have generated additional income to help sustain services and reduce the budget deficit.

Specific areas of focus have included:

#### Reducing costs and earning income by:

- sharing services with, and selling to, other public sector organisations;
- charging people to use some services;
- securing better value for money from contracts and when purchasing goods and services.

## Case Study: Shared Services

Over the past six years, the County Council has developed a 'Shared Services Partnership', sharing HR, Payroll, Finance, IT and Audit Services with a variety of partners including the Police, schools and Fire and Rescue Services and other local authorities.

Costs have been reduced by using a digitally enabled self-service operating model. This allows employees and managers to complete their tasks and activities more effectively and reduces the costs of the 'back office' through digital automation.

The growth of the Partnership has also delivered significant financial benefits, by spreading fixed costs and overheads across several organisations, as well as building a more resilient workforce.

Cost efficiencies of over 20% have been delivered and continue as the partnership grows and develops. In 2019/20 the partnership will generate income of £18.8 million.

### Changing behaviours by:

- adopting new and digital ways of working to improve productivity;
- moving services online to make them more efficient;
- encouraging people to seek other forms of help and support to reduce the demand for some services.

## Case Study: Digital First

Over the past four years, the County Council has invested in digital technology, such as mobile working, robotic process automation and customer relationship management to enable transformation across the organisation and provide more effective ways of delivering services. This has been key to delivering cost efficiency targets by increasing employee productivity, automating processes, and streamlining customer and supplier contact. Examples include:

- Using a software robot in the Highways Operations Centre. This has saved over 200 days of staff effort annually through automating the processing of vehicle damage claims.
- Deploying mobile technology within Children's and Adult's social care. This has resulted in increased client engagement and has enabled staff to update plans and records whilst working remotely. This removed the need to carry out non-value adding tasks such as travelling back to the office and duplicating paper records onto the case management system. As well as unlocking productivity, this has also led to savings in both printing and travel costs.

## Case Study: Digital First (continued)

- Enabling over 6,000 suppliers to register and manage their accounts through an online portal, including validating and updating business details, and submitting and checking invoices. This has significantly reduced back-office effort in managing the County Council's supply chain.

### Investing resources and assets wisely by:

- developing joint ventures that yield additional income or generate a return;
- using assets creatively to maximise return on investment;
- investing in the short-term, in order to achieve greater savings in the longer-term.

## Case Study: Assistive Care Technology

Over the past five years, the County Council has invested in Assistive Care Technology as an alternative to more costly options like home care for vulnerable adults.

This has included alarms and sensors that enable remote safety checks and automatically trigger support when it is required, location devices for people with dementia, and use of 'Alexa' to control lights, mains sockets and offer medication reminders.

Assistive Care Technology has enabled people to take control of the things around them, build meaningful independence and reduce reliance on carers.

Almost 10,000 people are using Assistive Care Technology and this has contributed towards a £2 million net saving for the County Council. Around 95% of those who have used the service report that they feel safer and more secure at home and 98% would recommend Assistive Care Technology to others.

The County Council remains in a relatively strong financial position and has done its best to minimise the impact on frontline services as far as possible, and to keep Council Tax low. However, under current funding arrangements, it cannot maintain financial sustainability in the longer-term – opportunities for reducing costs are getting harder to find, whilst inflation and demand for services continues to rise. That is why the County Council is seeking your views on potential ways to balance its budget.

# Section Three: Options for balancing the budget

The County Council anticipates that it will have to reduce its spending by at least an extra £80 million by April 2021 to deliver a balanced budget. These savings are driven by further reductions in central Government funding, increases in demand for some services, rising costs and inflationary pressures that are expected over a two-year period.

## Funding pressures for the two-year period 2020/21 to 2021/22

Total net budget £749.9m	Inflation £76m	Growth pressures £45.25m	Service growth £15.35m
Total required spending – £886.5m			

Combined with the £480 million savings the County Council has already had to find since 2008, this will bring total reductions to **over half a billion pounds**. Therefore, securing a further £80 million of savings to meet the remaining funding gap will be extremely challenging.

Some of the potential options that could contribute towards balancing the budget are outlined below.

## Introducing and increasing charges for some services

In the last *Balancing the Budget* consultation, many residents agreed that the County Council should raise existing charges or introduce new charges to help cover the costs of running local services<sup>4</sup>. This approach was implemented for some services – for example, charging entrance fees to visitor attractions, such as the Great Hall in Winchester. However, to meet ongoing pressures and reductions in central Government funding, the County Council may need to extend charging further by:

- increasing some existing charges;
- introducing new charges in other services currently provided free of charge – for example, access to digital archives and records; events and activities in libraries.

Any fees and charges would be aimed at recovering the costs of running the services only and not designed to make a profit.

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<sup>4</sup> <http://documents.hants.gov.uk/corporate/ServingHampshireBalancingtheBudgetconsultation-finalreport.pdf>

## Lobbying central Government for legislative change

There are other areas where the County Council would like to introduce a charge to sustain services but is currently prohibited from doing so by legislation.

The County Council could lobby central Government to change current statute. Here are examples of where legislative change could help to maintain current services:

- allowing means testing/ charging for Home to School Transport;
- enabling councils to charge residents £1 per visit to use local Household Waste and Recycling Centres could raise a potential £3 million per year;
- allowing councils to charge £10 for issuing an Older Person's Bus Pass (which lasts for five years) could raise a potential £400,000-£500,000 per year;
- permitting councils to charge 25% of the per journey fare for concessionary travel. A charge of 50p per journey could raise a potential £4.7 million per year. The County Council would continue to pay 75% of the fare and would place a cap on the daily charge per person;<sup>5</sup>
- diverting some income from speeding fines or driver awareness course fees (that currently go to Police) could help to fund school crossing patrols;
- allowing charging for library membership and services.

## Generating additional income

The County Council generates other income to help offset overall service costs. For example, selling support to schools, and specialist property and consultancy services to other organisations.

Some functions are entirely funded through this type of income. The County Council could look to generate additional income but is not legally allowed to make a profit. As a result, there are limitations as to how much income it can generate over and above how much it costs to provide the services.

In addition, the County Council invests in a wide range of properties across the country, through pooled funds. This approach poses less risk and supports a more stable financial return on investment, as opposed to speculating in individual properties or specific stocks and shares.

Funds are also generated through the sale of County Council owned land and assets. However, this cash is one-off and cannot legally be used to fund day-to-day services.

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<sup>5</sup> In Autumn 2018, the County Council's open consultation into Street Lighting and Passenger Transport indicated that over half of current Older Person's Concessionary Bus Pass users would be willing to pay towards their journeys (NB: data based on 2,104 respondents).

## Using the County Council's reserves

The County Council holds reserves to support its Medium-Term Financial Strategy and provide funding to mitigate risks that the County Council faces. On 31 March 2018, the reserves held by the County Council were £645.6 million.

82% of these reserves are already committed to purposes such as:

- the building of new schools, roads and other facilities;
- the redesign of services to make them more cost effective, sustainable and to deliver future savings;
- new technology, to deliver more modern and efficient services;
- self-insurance and covering investment risks;

or are held on behalf of other organisations (such as schools and the Local Enterprise Partnership). Of the remaining 18%, the majority is used to plug gaps in the budget that arise from the two-year cycle of savings programmes, or to help fund the delayed delivery of savings in some departments.

The County Council could use more reserves to plug the budget gap – however, as reserves can only be spent once, this would only provide a temporary fix. In the context of the scale and scope of the County Council's operation, remaining uncommitted reserves **only leave enough money to run services for around 27 days**. This does not offer a realistic long-term solution to the financial challenges faced.

More information about the County Council's reserves can be found in Appendix Five of the **Budget Report 2019/20**.

## Reducing and changing services

In the related Response Form, you will be asked to what extent you agree or disagree with the principle of reducing or changing the way services are delivered in order to save money.

The County Council is required to provide many services by law, such as education, social services and roads. However, the level at which these services are provided is discretionary. The County Council could choose to spend additional money to enhance services and enable more people to access them, or to reduce services provided it continues to meet its legal requirements.

Other services are not required by law but are still provided by the County Council. One option is to review these types of services to see if money could be saved by providing them differently, or at a more basic level.

Examples of possible ways that the County Council could reduce or change the level of service currently provided, in order to sustain future services, are set out below.

**These examples are illustrative** – any changes to specific services may also be subject to further, more detailed consultation

<b>Trading Standards</b>			
Current service budget: £1.86 million	Estimated savings target: £200,000		
<b>About this service</b>			
<p>The County Council’s Trading Standards Service ensures fair trading in Hampshire by enforcing consumer protection legislation and providing support and advice to the county’s businesses and residents. It also has enforcement responsibilities concerning the health and welfare of livestock.</p> <p>The Service is responsible for providing a range of statutory activities. These are delivered alongside several non-statutory services which help to generate income:</p> <table border="0" style="width: 100%;"> <tr> <td style="vertical-align: top; width: 50%;"> <p><b>Statutory Services</b></p> <ul style="list-style-type: none"> <li>• Animal disease control</li> <li>• Animal feed</li> <li>• Food Standards (labelling and composition)</li> <li>• Product safety</li> <li>• Explosive licensing</li> <li>• Petroleum – storage licensing</li> <li>• Metrology</li> <li>• Investigations</li> <li>• Intelligence and early intervention</li> <li>• Prosecutions</li> </ul> </td> <td style="vertical-align: top; width: 50%;"> <p><b>Non-Statutory Services</b></p> <ul style="list-style-type: none"> <li>• Safeguarding vulnerable adults who are victims of financial abuse</li> <li>• Trader Approval Scheme – Buy with Confidence</li> <li>• Consumer education</li> <li>• Financial investigations</li> <li>• Chargeable business advice</li> <li>• Petroleum – vapour recovery (on behalf of district councils)</li> <li>• Providing services to Portsmouth, Southampton and Winchester City Councils (Animal Health, Metrology, Explosives, Legal Support)</li> </ul> </td> </tr> </table>		<p><b>Statutory Services</b></p> <ul style="list-style-type: none"> <li>• Animal disease control</li> <li>• Animal feed</li> <li>• Food Standards (labelling and composition)</li> <li>• Product safety</li> <li>• Explosive licensing</li> <li>• Petroleum – storage licensing</li> <li>• Metrology</li> <li>• Investigations</li> <li>• Intelligence and early intervention</li> <li>• Prosecutions</li> </ul>	<p><b>Non-Statutory Services</b></p> <ul style="list-style-type: none"> <li>• Safeguarding vulnerable adults who are victims of financial abuse</li> <li>• Trader Approval Scheme – Buy with Confidence</li> <li>• Consumer education</li> <li>• Financial investigations</li> <li>• Chargeable business advice</li> <li>• Petroleum – vapour recovery (on behalf of district councils)</li> <li>• Providing services to Portsmouth, Southampton and Winchester City Councils (Animal Health, Metrology, Explosives, Legal Support)</li> </ul>
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<p>More information can be found at: <a href="http://www.hants.gov.uk/business/tradingstandards">www.hants.gov.uk/business/tradingstandards</a></p>			
<b>Potential service changes</b>			
<p>Potential ways of reducing costs, or generating income to sustain services, could include:</p> <ul style="list-style-type: none"> <li>• stopping, or reducing the range of non-statutory services provided;</li> <li>• finding lower-cost ways to provide preventative, consumer protection activities, such as enabling volunteers and local communities to provide support and information;</li> <li>• using more cost-effective online and digital channels to deliver services to businesses and consumers – potentially instead of face-to-face services;</li> <li>• creating new revenue streams and enhancing current income generation activities (e.g. chargeable business advice, contracts with businesses to provide statutory advice, new contracts to provide services to other local authorities).</li> </ul>			



## Trading Standards (table continued)

Current service budget: £1.86 million

Estimated savings target: £200,000

### Potential impacts

The potential service changes could have the following impacts:

- capacity to provide preventative support to consumers at risk of financial abuse and doorstep crime could be reduced. This may particularly impact on more vulnerable adults;
- resources may be more focused on activities which only deliver the statutory obligations and/or generate additional income which may impact on some businesses and Hampshire residents;
- increased reliance on support from the voluntary and community sector;
- some consumers and businesses may not be able to access services in the way(s) they currently do but equally may benefit from being able to access services in alternative ways.

## Library Service

Current service budget: £11.01 million

Estimated savings target: £1.76 million

### About this service

The County Council's Library Service is one of the largest in the country with over 4.5 million visits and 4 million book issues a year. In addition, more than 700,000 eBooks and audiobooks are issued a year. The service has nearly 170,000 active Hampshire customers using a range of services including: books and learning resources, digital resources and computers, events and activities.

The Service is now developing a new 'Strategy to 2025' building on the previous 'Strategy to 2020'. This aims to re-design library provision to deliver a modern and sustainable service which meets the needs of local communities, at a reduced cost.

More information about the library service can be found at:

[www.hants.gov.uk/librariesandarchives/library](http://www.hants.gov.uk/librariesandarchives/library)

### Potential service changes

Reductions to the cost of providing library services may be possible through:

- charging for some services and activities that are currently free and/or increasing charges for some already chargeable services;
- attracting donations and sponsorship and introducing 'Friends of' charitable associations;
- reducing the opening hours at some/all libraries;
- increasing the number of library volunteer hours from the local community;
- using library space more effectively and renting space out to other organisations to generate income;
- relocating, or closing libraries, based on performance and financial data.

### Potential impacts

The potential service changes could have the following impacts:

- some library customers may need to pay more to access some services;
- library customers may have less flexibility on when they can visit a library, but impact on users would be reduced as more library services would be accessible online;
- people may be able to access a broader range of services and organisations within library buildings, potentially enabling them to receive more joined-up support;
- additional travel could be required for some customers if libraries are relocated or closed;
- there may be fewer library staff if opening hours were to be reduced;
- library staff could receive training and development in order to increase their skill set and improve ways of working;
- an increased reliance on volunteers to deliver the service.

## Countryside Service

Current service budget: £2.58 million

Estimated savings target: £300,000

### About this service

The County Council's Countryside Service owns and manages land and access routes across Hampshire, providing safe, high-quality opportunities for people to experience and explore the countryside.

The Service manages five country parks, two farm attractions and a significant number of local countryside sites. It has statutory responsibilities relating to visitor safety, the protection and management of landscape, ecology and heritage features within its sites, and the management of Rights of Way across the county.

Alongside these areas, several additional services are provided to enhance visitor enjoyment, such as events and activities.

More information can be found at: [www.hants.gov.uk/thingstodo/countryside](http://www.hants.gov.uk/thingstodo/countryside)

### Potential service changes

Potential changes that could help to sustain existing countryside services include:

- increasing income by introducing car parking charges, or asking for voluntary car parking contributions at countryside service sites where it is currently free to park;
- increasing income by introducing new charges, or increasing existing charges for the public and organisations applying for changes to Rights of Way in Hampshire;
- reducing costs through development of more efficient procedures using digital solutions, increased partnership working and improving staff utilisation.

### Potential impacts

The potential service changes could have the following impacts:

- visitors could be charged a fee to park at some countryside sites;
- visitors may choose not to park at sites where charging is in place, or to shorten their visits;
- visitors may need to consider alternative ways to access sites;
- the public and organisations may have to pay higher fees for applying for changes to be made to Rights of Way in Hampshire.

## Street Lighting

Current service budget: £10.12 million

Estimated savings target: £500,000

### About this service

The County Council provides and maintains over 150,000 street lights and illuminated signs and bollards. This is a non-statutory service.

The main street lighting cost that the County Council can control is energy consumption, which accounts for approximately £2.7 million per year. Since 2010, it has more than halved street lighting energy consumption in Hampshire by using more efficient bulbs, dimming street lights and switching lights off in residential areas for part of the night. Further efficiencies in the design of LED bulbs means that additional savings in this area may now be possible.

More information about street lighting can be found at:

[www.hants.gov.uk/transport/roadmaintenance/streetlighting](http://www.hants.gov.uk/transport/roadmaintenance/streetlighting)

### Potential service changes

Reductions to the energy cost of managing Hampshire's street lighting network may be possible through:

- using energy efficient LED bulbs;
- switching off street lights for slightly longer periods during the night;
- switching off street lights during the night in some non-residential roads;
- additional dimming of street lights.

### Potential impacts

The potential service changes could have the following impacts:

- a reduction in the amount of energy used by street lights;
- if street lights were switched off for extended periods, affected residential streets would be dark for longer overnight;
- if street lights were switched off in some non-residential roads, these would be darker for road users.

Please note:

- the introduction of LED bulbs would not affect light levels;
- evidence from other UK local authorities and published research indicates there has been little, or no, impact on crime and disorder arising from similar measures. The County Council would work with Hampshire Constabulary to ensure suitable lighting levels based on local evidence;
- road signs and markings would continue to be visible to traffic as they are reflective and appear bright in vehicle lights.

## Waste Services – Household Waste Recycling Centres

Current service budget: £1.77 million

Estimated savings target: £1 million

### About this service

The County Council recycles and disposes of waste collected at the 24 Household Waste Recycling Centres (HWRCs) within Hampshire. It has a responsibility to accept household waste (e.g. household contents arising from the day-to-day running of a household) at no charge but is not required to accept non-household waste (e.g. construction and demolition waste or items from the repair or improvement of private properties).

There are some non-household waste materials that are already accepted on a charged for basis at the HWRCs in Hampshire (charges are set based on the amount of waste, to cover the cost of onward disposal). These are:

- soil and rubble;
- plasterboard;
- asbestos.

More information about waste services can be found at:

[www.hants.gov.uk/wasteandrecycling/recyclingcentres](http://www.hants.gov.uk/wasteandrecycling/recyclingcentres)

### Potential service changes

Potential changes that could help to sustain existing HWRC services include:

- introducing a charge for non-household wood waste (such as fence panels, sheds and window frames) to cover the costs of disposal. This charge would bring the County Council in line with several other local authorities who already charge for this service, with charges ranging from £1.50 to £10 depending on the type of wood waste.

### Potential impacts

The potential service change could have the following impact:

- residents would be required to pay to take non-household wood waste to the HWRC sites.

Please note:

- based on the experience of other local authorities that have introduced similar charging schemes, there is unlikely to be a direct long-term impact on fly-tipping.

## Highways and winter maintenance

Current service budget: £17.37 million

Estimated savings target: £500,000

### About this service

The County Council works closely with its highway service provider to look after Hampshire's 5,400 miles of roads and 1,320 road bridges. Its duty is to maintain these roads and bridges to ensure that they are safe and can handle an 'ordinary' amount of traffic. This includes salting and snow clearance on priority roads during the winter.

Amenity maintenance relating to the Highway environment is also carried out, for example weed killing and grass cutting (which have both been reduced in recent years to help reduce overall highways costs and prioritise repairing defects). Funding is also provided to parish and town councils through the *Parish Lengthsman Scheme*, which provides for such work as cutting back hedges, cleaning signs and clearing ditches.

More information about highways services can be found at:

[www.hants.gov.uk/transport/roadmaintenance](http://www.hants.gov.uk/transport/roadmaintenance)

### Potential service changes

Reductions to the cost of delivering Highways and winter maintenance services may be possible by:

- reducing and potentially stopping County Council funding for the *Parish Lengthsman Scheme* altogether, and potentially inviting parish and town councils to contribute to or fully fund their local scheme;
- making small reductions in winter service activity – such as reducing the number of routes which are treated as a priority for winter service activity;
- working with our contracted provider to identify further business efficiencies that should not affect the overall highways service.

### Potential impacts

The potential service changes could have the following impacts:

- parish and town councils may need to contribute to, or directly fund, their local *Parish Lengthsman Scheme* in order to keep it going;
- local communities could lose the *Parish Lengthsman Scheme* if other ways of funding or sustaining it cannot be found;
- some roads may no longer be treated as a priority for winter service activity.

Please note:

- salting on major roads carrying most traffic within Hampshire would not be impacted.

## Home to School Transport

Current service budget: £31.68 million

Estimated savings target: £3 million

### About this service

The County Council provides transport assistance for some children to attend school. This statutory service is largely provided to children attending their catchment school as well as specialist Home to School Transport for Hampshire pupils with Special Educational Needs and/or disabilities. In both circumstances transport assistance is provided where children meet the County Council's eligibility criteria.

£30 million is currently spent per financial year on providing Home to School Transport assistance to around 15,000 students. Of these, 12,000 attend mainstream schools (at a cost of c£12 million) and 3,000 attend schools that meet their Special Educational Needs and/or disabilities (at a cost of c£18 million).

More information about the Home to School Transport service can be found at:

[www.hants.gov.uk/educationandlearning/schooltransport](http://www.hants.gov.uk/educationandlearning/schooltransport)

### Potential service changes

Reductions to the cost of providing the Home to School Transport service may be possible through:

- reducing the need to transport students over longer distances by engaging more proactively with parents to identify the closest schools to the family home that will meet their child's needs;
- optimising the service by undertaking a full-scale review of existing routes using new technology and geographic information systems (GIS). This will take into account aspects which influence delivery costs such as: the location of eligible children, size of vehicles, road conditions and links with public bus networks;
- increasing the number of schools using the **Spend to Save scheme** in which the County Council provides schools with fully-funded vehicles for their daily use in exchange for transporting pupils who are eligible for local authority funded Home to School Transport;
- making greater use of mileage allowances for parents who are willing to transport their child to/ from school, or who do not need to use the service on a daily basis. This may mean that more cost-effective vehicles can be used on some routes or that routes can be shortened or simplified to generate a saving;
- reducing external contractor spend by using fewer suppliers and renegotiating lower cost contracts through improving contract management with third parties.

## Home to School Transport (table continued)

Current service budget: £31.68 million

Estimated savings target: £3 million

### Potential impacts

The potential service changes could have the following impacts:

- service users could see improvements in communication between them, the service and schools. Users may also benefit from shorter journey times;
- current service users could also be impacted by a change of pick-up/ drop-off location, in some cases reducing and others increasing travelling distance to the bus stop;
- new entrants to the service, those transitioning between primary and secondary school and children with an Education Health and Care Plan for the first time will find transport eligibility restricted to the closest suitable school;
- if a) parents wish to transport their child and receive a mileage allowance or b) a child does not attend their closest suitable school and therefore becomes ineligible for Home to School Transport, then schools could see a larger number of vehicles at the school gates during peak times;
- schools may benefit from the *Spend to Save scheme* which enables more regular contact with parents and increases schools' presence within the local community.

Please note:

- the County Council would continue to meet its statutory requirements.



## Short Breaks Activities Programme

Current service budget: £1.82 million

Estimated savings target: £1 million

### About this service

Hampshire's Short Break Activities Programme seeks to offer a range of activities for children and young people with disabilities and additional needs so that their parents or carers can have a rest from their caring responsibilities. The County Council has a statutory duty to offer this service. However, there is flexibility and discretion in how short breaks are delivered.

Grant funding is provided to enable voluntary sector organisations, special schools and other community-based services, such as sport and leisure centres (collectively referred to as 'providers') to provide or facilitate access to Short Break Activities.

The County Council also commissions a range of services for families eligible for social care including support to help children access community activities, advice and guidance for families to understand direct payments, and opportunities to explore the use of technology to support care packages.

Further information about this service can be accessed at:

[www.hants.gov.uk/socialcareandhealth/childrenandfamilies/specialneeds/shortbreaks](http://www.hants.gov.uk/socialcareandhealth/childrenandfamilies/specialneeds/shortbreaks)

### Potential service changes

Reductions in the cost of delivering the Short Breaks Activities Programme may be possible by:

- focussing on meeting the highest priorities identified by stakeholders. This will result in a reduction in the range of activities available and therefore, a decrease in total funding required;
- reducing funding to Hampshire Parent Carer Network, which is an independent, parent-led group that enables families and carers to be involved in the development of Hampshire services;
- reducing funding for the Buddy Scheme. (Community buddies are for children and young people aged between 7 and 19 years old who have a disability or additional needs and need support to take part in leisure/ recreational activities).

### Potential impacts

The potential service changes could have the following impacts:

- a loss or reduction in quantity and/or quality of the Short Breaks service;
- a reduction in the availability of the Hampshire Parent Carer Network who act as a sounding board for the County Council, which could result in it having to look at new ways to engage with families and carers;
- funding would be directed to ensure that each district within Hampshire offers a targeted Short Breaks Programme which meets the priorities identified by the priority setting panel (consisting of parents/carers, schools, providers, commissioners). This could lead to less choice of activities and increased travel time to access the available activities;
- providers of Short Break Activities that do not meet the priorities could see a reduction in funding;
- demand could increase for statutory or partner services – such as care support and/or overnight respite – or requests for financial support to enable families to access Short Break Activities.

## Transforming Children's Social Care

Current service budget: £68.34 million

Estimated savings target: £4.7 million

### About this service

The County Council is required by law to deliver statutory services to support children and families in need and safeguard children who are at risk of significant harm. The way in which these services are delivered is being transformed to make them more efficient.

Steps have already been taken to transform the approach to delivering children's social care by:

- providing effective early help and support to enable more children to live at home and reduce the number of children coming into the County Council's care;
- supporting more children who could, with appropriate support, leave care and return to their family home safely;
- bringing together staff from different professional backgrounds to support the whole family unit (with issues such as mental health, substance misuse and domestic abuse) increasing the resilience and wellbeing of families and creating lasting change.

More information about The Hampshire Approach can be found at:

<http://hampshire.moderngov.co.uk/documents/s29531/The%20Hampshire%20Approach.pdf>

More information about Children's social care can be found at:

[www.hants.gov.uk/socialcareandhealth/childrenandfamilies](http://www.hants.gov.uk/socialcareandhealth/childrenandfamilies)

### Potential service changes

Reductions to the cost of providing Children's Social Care may be possible through extending the approach described above and, in so doing:

- reducing demand for costly care placements by keeping more children safely at home;
- reducing placement costs for disabled children by helping families to care for their child at home;
- working with providers to reduce the costs they charge for care placements;
- supporting and encouraging staff to use available technology, and further investing in technology, to drive efficiencies. This could increase the capacity of social workers to deliver lasting change in families and thereby reduce the need for higher-level interventions.

### Potential impacts

The potential service changes could have the following impacts:

- children and families may benefit from children being able to safely remain/return home;
- families and communities could benefit from support for wider issues (such as mental health, substance misuse and domestic abuse), enabling them to become more resilient;
- children who require social care may be positively impacted by an increase in the availability of social workers able to work with families;
- staff may be positively impacted by having increased capacity, allowing them more time to spend working with families, greater job satisfaction, leading to increased retention of staff;
- improved use of technology could mean several administrative roles become redundant;
- partners could be impacted as there are increased expectations that they will fully engage in multi-disciplinary working, potentially diverting their resources away from other services.

## Older Adults

Current service budget: £108.1 million

Estimated savings target: £9.3 million

### About this service

The County Council's vision is to support older people in Hampshire to stay healthy and live independently for longer. To achieve this, social care practitioners use strengths-based practice. This focuses on supporting individuals to support themselves by identifying and drawing on their own skills, resources, and social connections.

Some of the ways that older people aged 65 and above with eligible needs are supported include:

- helping people to remain in their own homes for as long as possible, with the aid of services such as Assistive Care Technology, domiciliary care and Direct Payments;
- supporting health, recovery, and wellbeing through the work of community, hospital-based and Reablement teams and equipment services, working closely with the NHS;
- providing day care, short-stays, long-term placements and specialist dementia care in County Council residential and nursing homes;
- commissioning residential and nursing placements within the private market;
- investing in alternative accommodation options that help older people to remain independent while meeting the need for 24-hour care in the most cost-effective way, such as **Extra Care Accommodation** and **Shared Lives stays**.

More information can be found at:

[www.hants.gov.uk/socialcareandhealth/adultsocialcare/olderpeople](http://www.hants.gov.uk/socialcareandhealth/adultsocialcare/olderpeople)

### Potential service changes

Reductions to the cost of providing services for Older Adults may be possible through:

- delaying the need for people to access more costly, statutory services by making sure they receive early support before their needs escalate and ensuring they can support themselves by drawing on their skills, resources and social connections;
- reducing commissioned domiciliary care by ensuring the needs of individuals are met by other means where appropriate, including through family and friends, local community and voluntary sector organisations, better use of technology and increased use of Direct Payments for Personal Assistants;
- reducing the number of commissioned long-term residential care placements in the private market by increasing the availability of more cost-effective alternatives, including: Extra Care Accommodation, community services, short-term residential care placements, day care, carer support, in-house residential services, more flexible non-24-hour services, and technology enabled care;
- expanding the Shared Lives offering for Older Adults (as an alternative to day, residential and respite care), whereby eligible individuals are provided with a permanent home, short stay or day care within an ordinary home setting in the community;
- working with providers of residential and nursing care to ensure that self-funding residents understand how long their care budget could last in different residential settings and the implications of their funds depleting so that the County Council does not need to intervene and bridge the financial gap between private and local authority provided care;

## Older Adults (table continued)

Current service budget: £108.1 million

Estimated savings target: £9.3 million

### Potential service changes

- developing and implementing the use of Cobots (exoskeleton technology) to support the lifting and handling of individuals.

### Potential impacts

The potential service changes could have the following impacts:

- eligible older adults could benefit from increased independence and a more personalised service, with more people able to remain living at home or within an ordinary home setting;
- more older people would have their support needs met through alternatives to traditional forms of social care, such as through family and friends, community and voluntary sector organisations and increased use of technology;
- service users who reach the financial threshold for funding by the County Council could be required to move to an alternative care setting;
- service users would see an increased availability of Extra Care Accommodation through the opening of five new schemes;
- more individuals could be supported without the need for two or more carers through the introduction of innovative Cobot exoskeleton technology;
- social workers would have greater autonomy and options to offer alternative services to residential care, where appropriate.

Please note:

- the County Council would continue to meet its statutory requirements.

## Younger Adults

Current service budget: £143.1 million

Estimated savings target: £7.6 million

### About this service

The County Council's vision is to support younger adults (people aged over 18 and under 65 years old) in Hampshire to stay healthy and live independently for longer. To achieve this, social care practitioners use strengths-based practice. This focuses on supporting individuals to support themselves by identifying and drawing on their own skills, resources, and social connections.

When someone living with a learning disability, a physical disability, a mental health problem, autism or a substance misuse issue needs care and support, the County Council works with that person and their carer to support them to live with as much independence and choice as possible.

Some of the services provided to younger adults with eligible needs include:

- social care, delivered alongside partners within the NHS to provide the best support for people's health, independence and wellbeing;
- social care in prisons;
- support for people living in **Extra Care** and Supported Living accommodation;
- services to support younger people to **transition to adulthood** – helping to increase independence and plan for the future;
- **substance misuse** support;
- alternative options that support people's independence, such as supported employment, Supported Living and innovative care technology solutions;
- County Council-owned care facilities for people with learning disabilities and physical disabilities, including day services and six residential homes providing long-term, respite and crisis care.

More information can be found here:

[www.hants.gov.uk/socialcareandhealth/adultsocialcare/learningdisabilities](http://www.hants.gov.uk/socialcareandhealth/adultsocialcare/learningdisabilities)

### Potential service changes

Reductions to the cost of providing services for younger adults may be possible by:

- reducing the number of people needing social care services by increasing use of community-based support services, extending strengths-based practices and applying technology solutions earlier;
- reducing reliance on higher cost and less personal residential care settings by expanding Extra Care and Supported Living schemes for individuals with learning disabilities and physical disabilities;
- limiting costly and restrictive interventions by upskilling commissioned providers to apply approaches that reduce challenging behaviour (Least Restrictive Practice) amongst people with learning disabilities;
- working with partners and Children's Services to help 14-18 year olds with Special Educational Needs and Disabilities (SEND) to become more independent in adulthood;
- using more volunteers to provide some elements of personal support plans for people with learning and physical disabilities (e.g. cooking, shopping, accompanying);

## Younger Adults (table continued)

Current service budget: £143.1 million

Estimated savings target: £7.6 million

### Potential service changes

- increasing partnership work with the NHS to achieve a ‘person-centred’ approach to care provision, improving experiences through joined-up working and pooling budgets to reduce overall costs;
- developing and implementing the use of Cobots (exoskeleton technology) to support people with disabilities and their carers.

### Potential impacts

The potential service changes could have the following impacts:

- more people would enjoy a higher level of independence for longer due to the expansion of Extra Care and Supported Living schemes;
- people with learning disabilities and challenging behaviours could be supported by fewer carers and enabled to lead more independent lives;
- children with SEND aged 14-18 could be better able to help themselves and have a lower level of support needs in adulthood;
- younger adults with physical disabilities, learning difficulties and mental health needs may be able to access more paid employment opportunities;
- individuals’ needs could be understood holistically rather than in isolation and met through organisations working in a joined-up way;
- more individuals could be supported without the need for two or more carers through the introduction of innovative Cobot exoskeleton technology;
- service users and residents could benefit from stronger links with community-based support services and activities, helping to reduce the risk of social isolation;
- service users may have their non-personal care needs (e.g. cooking assistance) met through volunteers. However, personal care needs (e.g. assistance with dressing) would continue to be met by a regular support provider;
- service users would benefit from an increasingly modern and efficient social care service, enabled through further use of technology.

Please note:

- the County Council would continue to meet its statutory requirements.

## HCC Care (In-House Services)

Current service budget: £41.7 million

Estimated savings target: £1.6 million

### About this service

The County Council's in-house service, HCC Care, provides care and support for older people with eligible needs in Hampshire. It is the largest care provider in the county with 1,000 beds across 16 residential and nursing homes, rated *Good* by the Care Quality Commission.

As well as community-based, residential, nursing and specialist dementia care, the County Council's services include day and respite care.

A review of HCC Care older person's services is currently being undertaken to consider how a different approach to service delivery may help to reduce budget pressures, whilst also enabling people to live independently for longer.

More information about HCC Care can be found here:

[www.hants.gov.uk/socialcareandhealth/adultsocialcare/careservices](http://www.hants.gov.uk/socialcareandhealth/adultsocialcare/careservices)

### Potential service changes

Reductions to the cost of providing HCC Care services may be possible through:

- delaying the need for people to receive residential and/ or nursing care where they could continue to receive support in a less costly, community-based alternative e.g. through Extra Care options;
- restructuring services across target locations around the county in order to better respond to current increasing and future demand pressures;
- improving productivity by making better use of technology and advanced record management systems;
- reducing reliance on higher cost agency staff by increasing the number of internally employed staff, reducing the number of internal staff vacancies and reviewing ways of working and management processes to help free up internal staff capacity;
- saving money on recruitment and training by reducing the rate of employee turnover and improving recruitment and resourcing processes.

### Potential impacts

The potential service changes could have the following impacts:

- access to residential/ nursing care places would continue to be available across Hampshire to respond to current and future demand and population pressures;
- following any potential restructure, current service users could be impacted by potential home closure(s) and/ or changes in how homes are used, with care potentially being provided in alternative locations or facilities. However, people's eligible needs will continue to be met;
- service users could benefit from more efficient and personalised services through further investment in directly employed staff and technology;
- service users could receive more consistent services due to more staff being directly employed, as there would be less reliance on agency staff to cover vacancies.

Please note:

- the County Council would continue to meet its statutory requirements.

## Public Health

Current service budget: £52.4 million

Estimated savings target: £6.8 million

### About this service

The County Council's Public Health team works with a range of partners to improve health and wellbeing outcomes for everyone in Hampshire. This includes supporting people to live longer and healthier lives, thereby reducing future dependency on health and social care provision.

Public Health services are delivered through a range of programmes and commissioned services<sup>6</sup>, driven by population health need, including: Domestic Abuse, Weight Management, **NHS Health Checks**, Substance Misuse, Quit Smoking and tobacco control, Sexual Health, Falls Prevention, Health Visiting and school nursing services (including the National Child Measurement Programme), providing advice to NHS commissioners, oral health surveys and oral health promotion.

More information can be found at: [www.hants.gov.uk/socialcareandhealth/publichealth](http://www.hants.gov.uk/socialcareandhealth/publichealth)

### Potential service changes

Reductions to the cost of providing Public Health services may be possible by:

- making services more targeted (focussing on people at higher risk of poor health outcomes) rather than universal (available to everyone);
- concentrating on activities which have the highest proven impact;
- renegotiating contracts to further improve efficiency and reduce, or potentially stop, some non-statutory commissioned services;
- identifying different ways to fund, or deliver, some services – such as falls prevention and care home activity co-ordinators;
- withdrawing the Oral Health Promotion Service and the biannual oral health survey for five-year-olds;
- reducing the Public Health contribution to the **Family Support Service**.

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<sup>6</sup> A commissioned service is one which is arranged and paid for by the County Council on a person's behalf.



## Public Health (table continued)

Current service budget: £52.4 million

Estimated savings target: £6.8 million

### Potential impacts

The potential service changes could have the following impacts:

- fewer people overall would be able to access Public Health services;
- services may be delivered in a different way – for example online, by volunteers, or by helping people to self-manage their conditions;
- people may be required to travel further to access services;
- families could receive less support as a result of potential changes to services including health visiting, school nursing and funding for Children's Services;
- people living in County Council care homes could receive a smaller range of activities (e.g. games and entertainment) if services are delivered differently e.g. care home activity co-ordinators;
- some children could experience increased tooth decay as a result of reduced oral health promotion services;
- stopping or reducing preventative services could lead to poorer health and wellbeing outcomes. This could increase demand for health, social care, mental health and other public services (e.g. Police, Fire and Rescue);
- whilst the aim would be to focus on people at higher risk of poor health outcomes, changes could have a greater impact on vulnerable groups and therefore, worsen health inequalities.

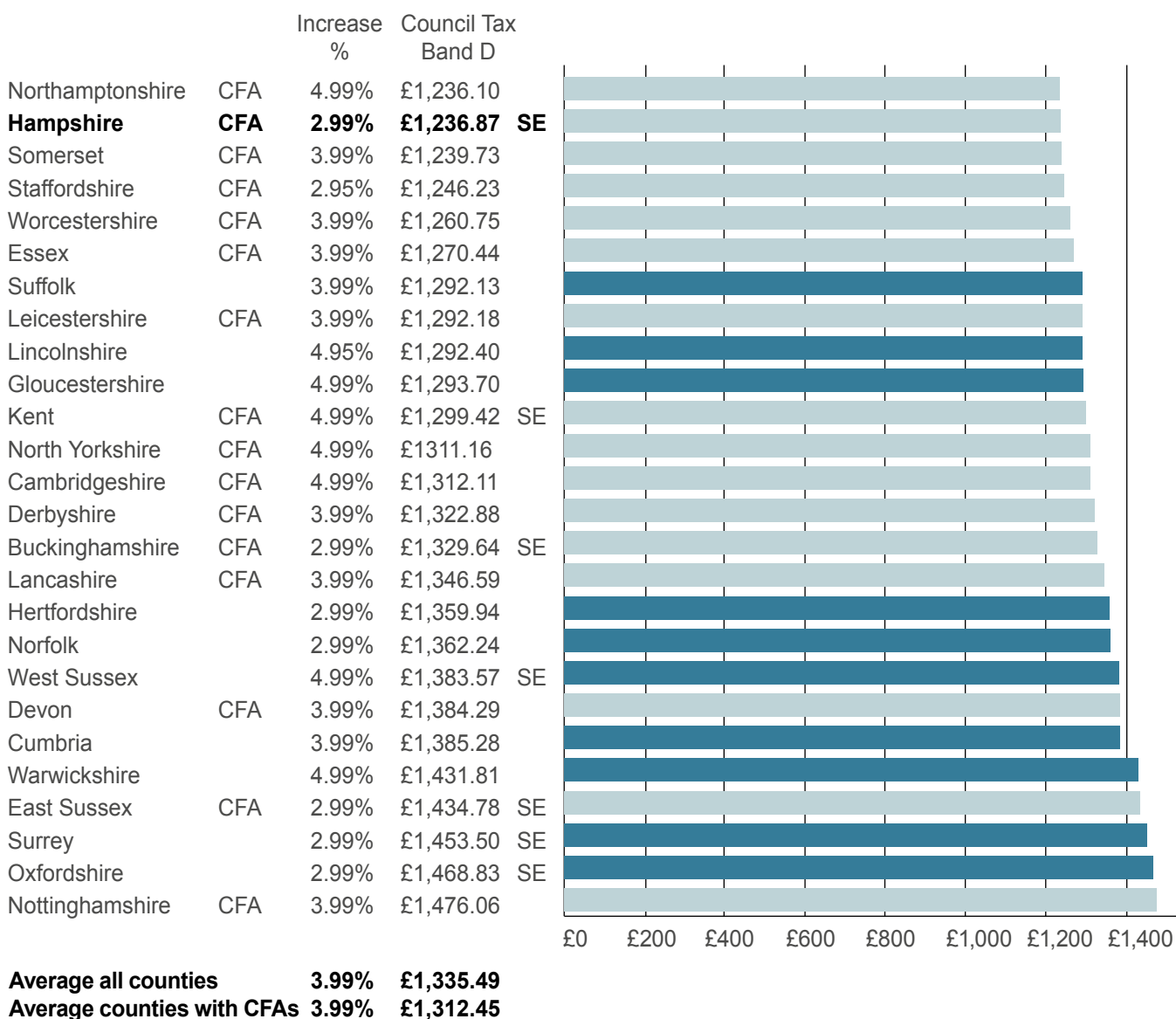
## Increasing Council Tax

The County Council could choose to increase Council Tax to help plug the anticipated budget gap in order to help sustain services that residents value, but the amount is limited by the Government who set a 'referendum limit' each year. If councils wish to increase Council Tax above the referendum limit they would have to ask all council tax payers in their area if they agree with the increase. Carrying out a referendum in Hampshire would cost around £1.7 million.

### About Council Tax in Hampshire

The County Council has the second lowest level of Council Tax of any County Council in England, with Hampshire residents in Band D paying at least £230 less per year than residents of county councils with the highest levels of Council Tax.

### Comparative County Councils Council Taxes 2019/20

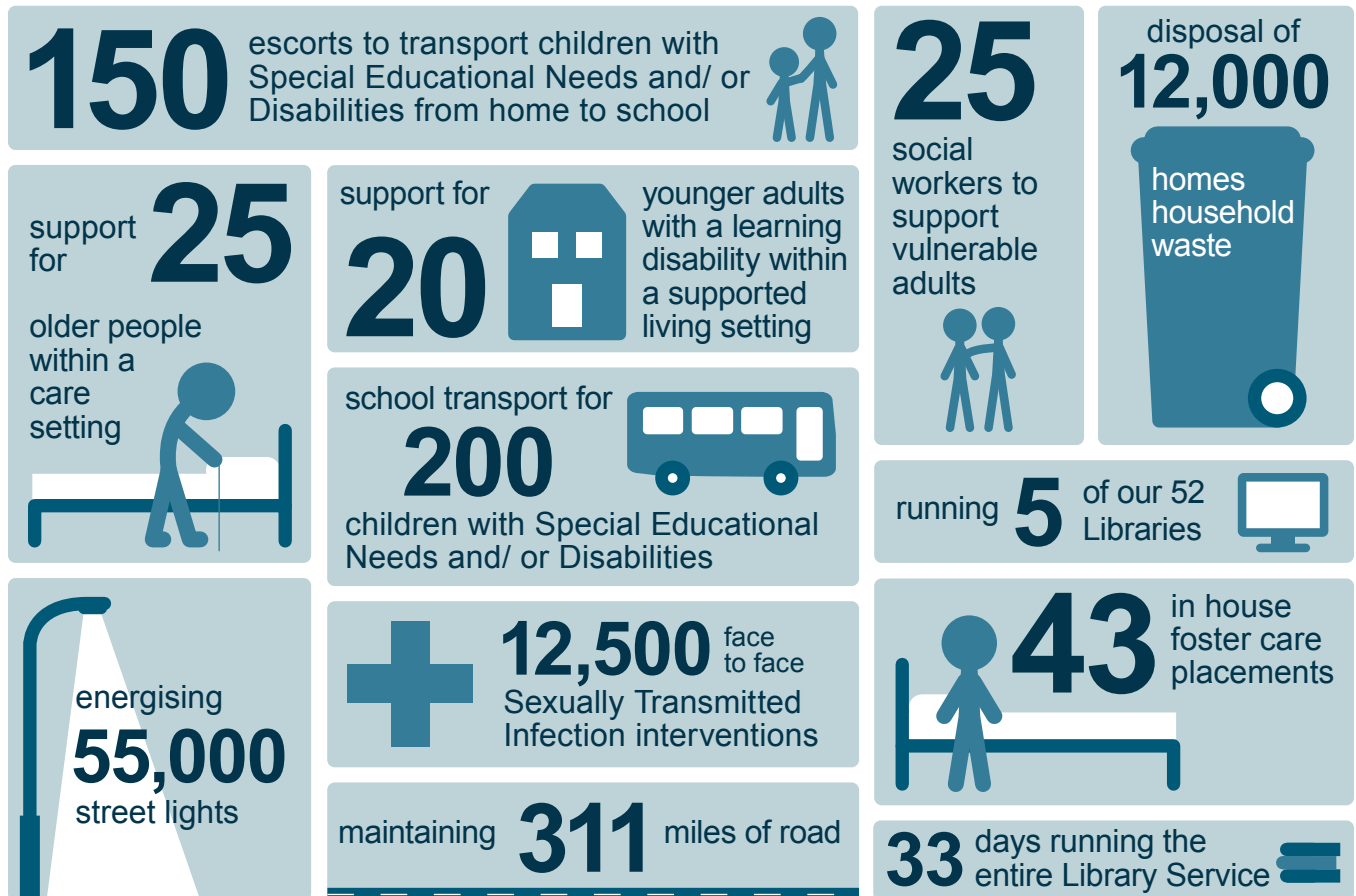


Council tax payers in Hampshire and other English counties with Combined Fire Authorities (CFA) are charged for fire services by the CFA. As a result, the council tax figures for counties with CFAs are not directly comparable with those for counties without CFAs. SE indicates counties in the South East.

Each 1% rise in Council Tax generates £6.35 million to support services. This amount is equivalent to the cost of providing over 150 social workers to support vulnerable adults or maintaining almost 2,000 miles of road each year.

For an average (Band D) property, a 1% rise equates to an increase of just over £1 a month (£12.37 per year).

**Did you know that, each year, £1million could pay for either:**



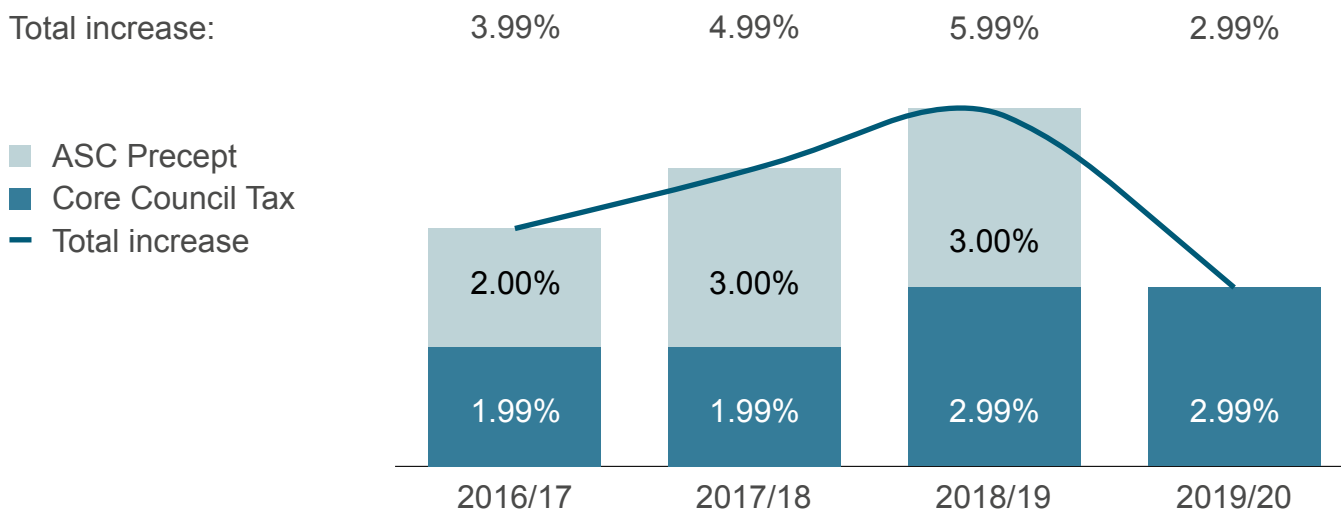
**The national context**

In recent years, the Government has allowed councils to raise further funding through Council Tax increases of up to 3%. It has also introduced an ‘Adult Social Care Precept’ to allow councils with social care responsibilities to increase their share of Council Tax by a further 3% in any given year to a maximum of 6% over 3 years.

Following feedback received from residents in the *2017 Balancing the Budget Consultation*<sup>7</sup>, the County Council has increased Council Tax in line with Government policy in each of the last four years.

<sup>7</sup> <http://documents.hants.gov.uk/corporate/ServingHampshireBalancingtheBudgetconsultation-finalreport.pdf>

## Council Tax increases in Hampshire 2016-2020



Central Government has yet to confirm plans for Council Tax, including the Adult Social Care precept, beyond 2019/20. For the purposes of financial planning, the County Council has assumed it will be able to increase 'core' Council Tax by up to 3% plus a further 2% for the Adult Social Care precept – a total assumed increase of 4.99% in both 2020/21 and 2021/22.

These increases have been taken into account when calculating the estimated £80 million budget shortfall over the two years.

### Potential options for balancing the budget through Council Tax

The County Council could:

- increase Council Tax by less than 4.99% – but this would lead to a significant increase in savings required on top of the £80 million gap already forecast;
- increase Council Tax by 4.99% (the assumed maximum allowed by Government legislation) in order to maintain the budget gap at £80 million;
- increase Council Tax by more than 4.99% in future years in order to address the funding gap. This would require a public referendum at an estimated one-off cost of £1.7 million.

Any of the above options could require the County Council to identify savings through other means – such as those outlined elsewhere in this Information Pack.

The table below is for illustration only. It demonstrates the amount of money that would still need to be saved after each level of Council Tax rise, and the impact the increase would have on the Council Tax for a Band D property<sup>8</sup>.

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<sup>8</sup> Impacts on other Council Tax bands can be viewed in the consultation Response Form.

Percentage increase in Council Tax for 2020/21	Additional Council Tax income generated in 2020/21	Impact on Band D Council Tax annual bill	Level of expected savings still needed by 2021/22
0%	£0	No change	£111.7m
1.99%	£12.7m	+ £24.61	£99.0m
2.99%	£19.0m	+ £36.98	£92.7m
3.99%	£25.4m	+ £49.35	£86.3m
4.99% (assumed in budget forecasts)	£31.7m	+ £61.72	£80.0m
10% *	£63.6m	+ £123.69	£48.1m
17.57% *	£111.7m	+ £217.32	£0.0m

\* For these options a referendum would be required with a one-off cost of £1.7 million

More information about Council Tax can be found here (page 13):

<http://documents.hants.gov.uk/finance/HCCBudgetBook1920.pdf>

More information about how Council Tax is calculated can be found here:

[www.hants.gov.uk/aboutthecouncil/budgetspendingandperformance/council-tax-calculations](http://www.hants.gov.uk/aboutthecouncil/budgetspendingandperformance/council-tax-calculations)

More information about the Adult Social Care Precept can be found here:

[www.hants.gov.uk/aboutthecouncil/budgetspendingandperformance/adultsocialcareprecept](http://www.hants.gov.uk/aboutthecouncil/budgetspendingandperformance/adultsocialcareprecept)

## Changing local government arrangements in Hampshire

Following an independent review of local government arrangements in Hampshire, the County Council consulted the public in 2016 on different ways that councils in Hampshire could change, or be reorganised, to help sustain the delivery of core public services in the future.

Different options for changing local government arrangements in Hampshire, outlined in the independent review, identified ways for how savings per year could be achieved by, for example: removing duplication across the 12 existing councils, having fewer councillors and senior managers, reducing back office functions, disposing of surplus buildings and equipment, and finding opportunities for economies of scale in purchasing goods and services. The review calculated savings of £40 million as a prudent minimum – with the potential for figures to be considerably higher. More information about the independent review can be found here:

[http://documents.hants.gov.uk/communications/  
HampshireCountyCouncilExecutiveSummaryReport.pdf](http://documents.hants.gov.uk/communications/HampshireCountyCouncilExecutiveSummaryReport.pdf)

Changes to the structure of local government in Hampshire would require a decision by central Government and a period for implementation. As a result, savings would take several years to be fully realised.

The County Council's current policy position is clear. The Full Council agreed in November 2016 that it remains committed to the two-tier system of local government in Hampshire and to avoiding re-organisation, if possible. The County Council would prefer to hold this position but acknowledges that it may be subject to external factors, including central Government decisions and financial circumstances.

# Conclusion

## Thank you for reading through this Information Pack.

You are invited to give your views on the various options available to the County Council for balancing its budget.

You can provide your feedback using the consultation Response Form, available:

- online at [www.hants.gov.uk/balancingthebudget](http://www.hants.gov.uk/balancingthebudget);
- via the consultation webpage at [www.hants.gov.uk/consultations](http://www.hants.gov.uk/consultations);
- via post – by requesting a paper copy from [insight@hants.gov.uk](mailto:insight@hants.gov.uk) or by calling **0300 555 1375\***;
- at local Hampshire libraries.

You can also email your response directly to [insight@hants.gov.uk](mailto:insight@hants.gov.uk).

If you have a paper Response Form, please return this in the Business Reply envelope provided. If you do not have a Business Reply envelope, or wish to submit a written response, please post your response to: **Freepost HAMPSHIRE** and write '*I and E Unit*' on the back of the envelope.

The Information Pack and Response Form can also be requested in other formats, including Braille, Easy Read, audio or large print.

If you require a different format or have any other queries about this consultation, please contact the County Council by emailing [insight@hants.gov.uk](mailto:insight@hants.gov.uk) or by calling **0300 555 1375<sup>9</sup>**.

Your feedback will help to inform the approach the County Council takes to balance its budget, up to 2021/22.

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<sup>9</sup> \*0300 calls are usually included in most landline and mobile call packages, and if not, are charged at no more than a local rate call

If you have any queries about this consultation or the information provided, please email [insight@hants.gov.uk](mailto:insight@hants.gov.uk) or call **0300 555 1375\***.

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