

AT A MEETING of the Cabinet of HAMPSHIRE COUNTY COUNCIL held at the Castle on 7 February 2014.

Chairman:
p Councillor Roy Perry

Councillors:

p	Keith Chapman	p	Mel Kendal
p	Peter Edgar	p	Keith Mans
p	Liz Fairhurst	p	Stephen Reid
p	Andrew Joy	p	Seán Woodward

Also present with the agreement of the Chairman: Councillors R Bolton, C Carter, C Connor, A Dowden, K. Evans, R. Finch, A Gibson, T Hooke, K. House and E. Still.

41. APOLOGIES FOR ABSENCE

All Cabinet Members were in attendance.

42. 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 the circumstances described in Part 3, Paragraph 1.5 of the County Council's 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 Non-Pecuniary Interest in a matter being considered at the meeting should consider whether such interest should be declared, and having regard to Part 5 Paragraph 2 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.

43. CONFIRMATION OF MINUTES

The minutes of the meeting held on 9 December 2013 were confirmed as a correct record and signed by the Chairman.

44. DEPUTATIONS

No deputation requests had been received.

45. CHAIRMAN'S ANNOUNCEMENTS

The Chairman noted that high levels of rainfall across the County was causing major problems for a number of communities, in particular Hambledon. He paid

tribute to the Council staff for the efforts they had put in to support people, and praised the community spirit that had emerged through the crisis.

46. **REVENUE BUDGET AND PRECEPT 2014/15**

The Cabinet considered the report of the Director of Corporate Resources (Item 6 in the Minute Book) setting out the County Council's proposals for the revenue budget and precept for 2014/15.

The Chairman introduced the budget report, noting the difficulties of the current economic situation, which had seen a cumulative 43 percent reduction in expenditure, including pressure in the 2014/15 year that amounted to £90 million, whilst the Council received the third lowest grant per head from central Government of any Authority in the Country. He explained that the proposal to freeze Council Tax for a fifth year was to support struggling families and confirmed that in meetings he had held, representatives from Trade Unions and Chambers' of Commerce had appreciated the approach being put forward.

The Director of Corporate Resources highlighted key elements of the report, noting that this was the conclusion of a four year financial strategy. She confirmed use of the grant equalisation fund and that the budget had been prepared based on a Council Tax freeze. The proposals would impact on a number of staff posts, however this was not necessarily the number of staff who would be affected. Specific financial reduction in the appendices to the report were drawn to the attention of Members.

With the agreement of the Chairman, three non-executive Members spoke on the budget proposals:

Cllr Connor acknowledged that there was little money available and therefore significant changes to the proposals were not realistic. He highlighted a particular service reduction relating to the mobile library in Rooksdown, Basingstoke as well as the presentation of proposals relating to staff reductions in Trading Standards. Cllr Connor asked that both of these matters be re-considered.

Cllr Hooke claimed that the proposed cuts would be disastrous for the County and questioned why the Cabinet were not fighting for a higher grant from central Government. He suggested that the budget would lead to a loss of support for the Conservative Group in future polls. Cllr Hooke reminded Cabinet that his Group had sought to work with the Administration and the Trade Unions, but had been rejected and pledged to object to the proposed budget at Government level.

Cllr House decried the irresponsible and out of touch approach of Cllr Hooke and explained that he had been working to promote the needs of the whole South East. He agreed that the majority of proposals in the budget were necessary and would receive his support. Cllr House highlighted some concerns relating to highways, children's centres, adults' services, short breaks and ACSOs, which he would address through alternative proposals at the forthcoming County Council meeting.

Cabinet Members considered the budget proposals, and felt that they reflected the best possible options in the circumstances. In particular it was noted that work with partners helped to position the County Council as a provider of services and would potentially create employment opportunities in the wider community, furthermore that staff reductions would be taken forward with maximum sensitivity. It was also reported that staff morale was high and that the relationship with partners, especially with schools was very good. The Chairman noted that he had met with a number of senior Government Ministers and could report that Hampshire was held in high esteem and listened to at a national level. He also confirmed that he had requested clarification of the funding formula that left significant differences between Authorities.

It was proposed that the Councillor “Have Your Say” grants of £200,000 be continued on a one-off basis for 2014/15 and that the Councillors’ devolved budgets be maintained at £8000 per Member. With these amendments, the recommendations in the report were agreed. The decision record is attached to these Minutes as Appendix 1.

47. CAPITAL PROGRAMME 2014/15 TO 2016/17

The Cabinet considered the report of the Director of Corporate Resources – Corporate Services (Item 7 in the Minute Book), setting out the proposed capital programme for 2014/15 to 2016/17 of £554 million

The report was introduced and the £554 million of investment to enable the Council to deliver services to the people of Hampshire was highlighted. In particular the Cabinet’s attention was drawn to the money being spent on provision of school places and the use of the New Homes bonus.

Cabinet members discussed the proposals and emphasised the summary in paragraph 1.4, setting out what would be achieved with the money that was being committed. It was also noted that in many cases, capital investment by the County Council would lever in complementary investment from the private sector. Cabinet felt that this investment supported the core fabric of Hampshire and would support local economic growth, employment and prosperity for the County. In particular Members were supportive of the positive impact that respective projects would have on local communities and a number of examples were drawn from the report to demonstrate this, including school projects, investment in culture and heritage and in transportation.

The recommendations in the report were proposed and agreed. The decision record is attached to these Minutes as Appendix 2.