

AT A MEETING of the POLICY AND RESOURCES SELECT COMMITTEE of the COUNTY COUNCIL held at The Castle, Winchester on Thursday, 14 July 2016.

**PRESENT**

Chairman:  
p Councillor Elaine Still

Vice-Chairman  
p Councillor Keith Evans

Councillors:

p Ray Bolton	p Anna McNair Scott
p Adrian Collett	p Andy Moore
p Criss Connor	p Mark Staplehurst
a Keith House	p Bruce Tennent
a Roger Huxstep	a Ken Thornber
p Robin McIntosh	p Sharyn Wheale

135. **BROADCASTING ANNOUNCEMENT**

The Chairman announced that the press and members of the public were permitted to film and broadcast the meeting. Those remaining at the meeting were consenting to being filmed and recorded, and to the possible use of those images and recording for broadcasting purposes.

136. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllr Ken Thornber and Cllr Roger Huxstep. The conservative Substitute Member had been invited but was unable to attend. Apologies were also received from Cllr Keith House. The liberal democrat Substitute Member had been notified but was unable to attend.

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 3 Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Personal interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 4 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.

138. **MINUTES**

The Minutes of the Policy & Resources Select Committee meeting held on 21 April 2016 were confirmed as a correct record and signed by the Chairman.

139. **DEPUTATIONS**

No deputations were received at this meeting.

140. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman had no announcements to make on this occasion.

141. **2015/16 END OF YEAR FINANCIAL REPORT AND MEDIUM TERM FINANCIAL STRATEGY TO 2020**

The Select Committee considered two reports and a supporting presentation from the Director of Corporate Resources (see Items 6 and 7 in the Minute Book) regarding the 2015/16 final accounts and the Medium Term Financial Strategy to 2020.

Members heard that:

- Reserves had been built up in order to be used to meet budget pressures. For example, in 2016/17 £44m would be used from the Grant Equalisation Reserve to meet the budget gap
- The General Fund Balance was a contingency the County Council was required to hold, although the council can choose how much to hold. Hampshire County Council had chosen to retain an amount which represents 2.5% of the overall budget
- Appendix 2 to the Medium Term Financial Strategy report outlined the Reserves Strategy
- No allowance had been made by central government for the impact of the National Living Wage on local authorities. This was estimated to create a £45m budget pressure
- Given this and a number of other impacts, the budget gap in 2019/20 was now estimated to be £221.6m (assuming all planned 2017 savings targets are met)
- Government policy was now to assume increases in council tax by the maximum allowable, which for Hampshire County Council would be 3.99% each year. This would reduce the budget gap to £70m in 2018/19 and £140m in 2019/20
- It was planned to continue the strategy of taking two years to deliver savings programmes, with the budget gap in

the interim year to be met from reserves

- 100% of business rates would be retained by councils by 2019/20, however a system for re distribution would remain. A consultation on this had been launched the previous week, and the Government would also be carrying out a Fair Funding Review. It was expected that additional responsibilities would be devolved to local government alongside retaining business rates

- Adjustments had been made to enable the budget gap in 2018/19 of £70m to be met, using underspends from 2015/16, £19m transition funding from government, and adjustments to assumptions. However, this approach builds in greater levels of risk, as it assumes increases in council tax base and business rates

- A higher risk medium term financial strategy reduces the councils capacity to accommodate future financial shocks

- It was planned to continue the approach of applying the same percentage savings target across all departments, which for 2019 would be 19%

- The planned timetable allowed for using the 18 months leading up to April 2019 to deliver the £140m savings required by then

Following questions, Members heard:

- That the legislation underpinning home to school transport had not changed since 1948. The County Council would like to see this reviewed, to allow the flexibility to means test this provision.

- It was also considered that Concessionary Fares was underfunded, and greater flexibility in the application of this scheme would make this more manageable

- That funding for IT projects was changing so that projects could be prioritised corporately, and funded based on need rather than which department has funding available

- An increase to the base budget for Adult Social Care had been agreed to accommodate demand pressures and the impact of the National Living Wage

Members commented:

- Members requested a simplified version of the reserves strategy, to assist with explaining to residents how the County Councils reserves are earmarked

- Cllr Connor expressed concern that under the concessionary fares scheme it was not possible to use the tokens for shop mobility. It was suggested this topic be referred to the appropriate committee for scrutiny.

- Cllr Collett noted that the underspend against the winter maintenance budget in 2015/16 was due to be reinvested in additional planned highway maintenance in 2016/17 and requested further information on how this additional funding would be used. It was agreed to provide this information to members after the meeting.

Response to  
be provided

- Cllr Connor expressed disappointment that there had been an underspend in Economy Transport & Environment Department, as he was aware of a drainage issue that needed clearing to avoid flooding and had yet to be addressed

Following the debate, a number of Members proposed additional recommendations:

Cllr Moore, seconded by Cllr Staplehurst, proposed the following recommendation to County Council:

That any monies left in budgets be used to support Sure Start Centres.

A vote was taken on this recommendation and lost, with 5 votes for and 6 votes against.

Cllr Connor, seconded by Cllr Collett, proposed the following recommendation to County Council:

That any underspend be spent by the department the budget sits with.

A vote was taken on this recommendation and lost, with 4 votes for, 6 against and 1 abstention.

Cllr Collett, seconded by Cllr Tennent, proposed the following recommendation to County Council:

That the underspend in the Economy Transport & Environment Department be spent on Economy Transport & Environment Services.

A vote was taken on this recommendation and lost, with 5 votes for and 6 against.

The Chairman proposed that the Select Committee support the recommendations to County Council as written in the reports. A vote was taken and carried, with 6 votes for and 5 votes against. Therefore it was:

#### RECOMMENDED:

The Policy and Resources Select Committee support the recommendations to Council listed in section 9 of the 2015/16 End of Year Financial Report, and section 10 of the Medium Term Financial Strategy to 2020 report.

In addition, the Chairman proposed and it was agreed that:

RESOLVED:

The topic of Concessionary Fares be referred to the Economy Transport & Environment Select Committee for further scrutiny.

Add to ETE SC  
work  
programme

142. **'SHAPING HAMPSHIRE' 2015/16 ANNUAL CORPORATE PERFORMANCE REPORT**

The Select Committee considered a report and supporting presentation from the Chief Executive (see Item 8 in the Minute Book) regarding performance in 2015/16 against the priorities within the Shaping Hampshire strategic plan for 2013-2017.

Members heard:

- That 72% of performance measures saw improvements compared to benchmarks in 2015/16, with overall performance rated Good
- The outcomes demonstrated the benefits of the council's investment strategy, for example in school buildings, which was supporting the County Council to offer a large proportion of parents a place for their child at a school of their choice
- Regarding areas for improvement, delayed transfers of care from hospital were highlighted as an issue, seeing an increase from 11% to 16% in 2015/16. This area had been designated a medium risk, as there was significant partnership working taking place to address the issue
- Another area where performance had deteriorated was numbers of people killed and seriously injured on Hampshire roads. In response a new approach had been agreed to target traffic management measures to treat causes of injury accidents. Cllr Wheale highlighted that the Economy Transport & Environment Select Committee would be scrutinising this issue.
- In December 2015 Cabinet agreed to review the performance framework. It was proposed to make the revised framework more customer focused
- A new corporate strategy would also be required by April 2017

Following questions, members heard:

- That Delayed Transfers of Care was being monitored closely in this new performance year, with reports to Cabinet, and work with health partners to address the situation including as part of the Sustainability and Transformation Plan
- There was no longer a national framework for comparing performance across authorities, although some performance measures are reported across all authorities. The overall corporate performance framework adopted by Hampshire County Council had been developed locally, and

therefore was not directly comparable to other authorities

- The Self Assessment part of the performance framework would be paused in 2016 and reviewed, however performance monitoring against agreed measures would still take place

Members commented:

- Cllr Staplehurst commented on delays in getting packages in place for Children with Special Educational Needs and queried why this was not mentioned. It was noted that this had not been a corporate priority area within the Shaping Hampshire Plan, therefore had not been covered in this report. However, this would be being monitored by Childrens Services

- Cllr McIntosh commended the use of plain English in the report

RESOLVED:

That the report is noted.

143. **APPROVAL OF TASK AND FINISH GROUP**

The Chairman presented a report regarding a task and finish group proposed by the Economy Transport & Environment Select Committee (see Item 9 in the Minute Book). It was noted that the task & finish group would be formed on a proportional basis.

RESOLVED:

That the Task & Finish Group on Road Safety be supported.

144. **WORK PROGRAMME AND ONGOING WORK ACROSS ALL SCRUTINY COMMITTEES**

Members noted the work programme for the Committee and the overview of scrutiny activity across all Committees (see Item 10 in the Minute Book).

It was noted that the next meeting would include the duty to scrutinise crime and disorder issues. Cllr Collett noted that in his area three Crime and Disorder Reduction Partnerships (CDRPs) had merged into one, and suggested the impact of this be considered under that item.

RESOLVED:

That the work programme is agreed, subject to any amendments arising from this meeting.

CDRP issue considered for Crime and Disorder scrutiny meeting

Work programme be updated