

Hampshire

At a Meeting of Hampshire County Council held at The Castle, Winchester on 16 February 2017.

Chairman:

p Councillor Keith Chapman MBE

Vice-Chairman:

p Councillor Graham Burgess

Councillor:

p Phil Bailey
p John Bennison
p Ray Bolton
p Ann Briggs
p Zilliah Brooks
p Rita Burgess
p Adam Carew (pm only)
p Christopher Carter RD*
p Roz Chadd
p Peter Chegwyn
a Charles Choudhary
p Vaughan Clarke
p Adrian Collett
p Criss Connor
p Mark Cooper
p Shaun Cully
p Alan Dowden
p Peter Edgar
p Jacqui England
p Keith Evans
p Liz Fairhurst
a Philip Fawkes
p Ray Finch
p Jane Frankum
p Andrew Gibson
p Jonathan Glen
p Judith Grajewski
p Chris Greenwood
p Brian Gurden
p David Harrison
a Marge Harvey
p Edward Heron
p Geoff Hockley
p Tony Hooke
p Keith House
p Rob Humby
p Roger Huxstep
p Andrew Joy

Councillor:

p David Keast
a Mark Kemp-Gee
p Mel Kendal
p Rupert Kyrle
a Chris Lagdon
p Peter Latham
p Warwick Lovegrove
p Martin Lyon
p Robin McIntosh
p Anna McNair Scott
p Keith Mans
p Fiona Mather
p Chris Matthews
p Floss Mitchell
p Ken Moon
p Andy Moore
p Frank Pearce
p Roy Perry
p Jackie Porter
p Roger Price, JP
p Stephen Reid
p Alan Rice, TD
p Steve Rippon-Swaine
p Timothy Rolt
p Frank Rust
a David Simpson
p Patricia Stallard
a Mark Staplehurst
p Elaine Still
p Bruce Tennent
p Tom Thacker
p Ken Thornber, CBE
a Martin Tod
a Malcolm Wade
p John Wall (pm only)
a Sharyn Wheale
p Chris Wood
a Seán D. T. Woodward

Honorary Aldermen Roger Kimber and Michael Woodhall were also in attendance.

299. BROADCASTING ANNOUNCEMENT

The Chairman announced that the meeting was being recorded for broadcast on the County Council's website and would be available for repeated viewing. The press and members of the public were also permitted to film and broadcast this meeting. Those remaining at the meeting were consenting to being filmed and recorded, and to the possible use of those images and recording broadcasting purposes.

300. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Marge Harvey, Chris Lagdon, Robin McIntosh, David Simpson and Seán Woodward, and from Honorary Aldermen Phrynnette Dickens, Colin Davidovitz and Marilyn Tucker.

301. 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 and, having regard to 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, having regard to Part 5, Paragraph 4 of the Code, whether such interest should be declared, and having regard to Part 5, Paragraph 5 of the Code, considered whether it was appropriate to leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with the Code.

The Chairman reminded Members that a general dispensation had been granted by the Conduct Advisory Panel in regard to provisions of Section 31(4)(a) and (b) of the Localism Act enabling all Members of the County Council with a beneficial interest in land within the administrative area of the County Council to participate and vote in any business of the County Council relating to the setting of the Council Tax or Precepts.

302. MINUTES

The minutes of the meeting of the County Council held on 24 November 2016 were confirmed as a correct record and signed by the Chairman.

303. DEPUTATIONS.

Deputations were received as follows:

- a) Hannah Hall and Christine Tetlow regarding the installation of a pedestrian crossing in Ancells Road, Fleet.

- b) Paula Philp, Alex Leigh and Janet Herring regarding the withdrawal of funding to 'The Junction' in Andover.

304. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman took the opportunity to congratulate Carolyn Williamson, Director of Corporate Resources, on her appointment to the post of Junior Vice President of CIPFA (the Chartered Institute of Public Finance Accountants) for 2017/18. The appointment means that Carolyn will become the President of CIPFA during 2019.

The Chairman reported on the wide range of duties undertaken to represent and promote the County Council and its strong community leadership role. In particular the Chairman highlighted the Romsey & Beaulieu Abbey Concerts held on 22 December 2016 and 21 January 2017 and the outstanding performances of the County Council's Music Service and the Music Education Council Awards on 9 February at which the Music Service received a Runners Up Award for being an excellent music hub.

The Chairman's full list of engagements had been circulated; the full report is attached to these Minutes as Appendix 1.

305. **LEADER'S REPORT**

The Leader reported on a number of matters and in particular highlighted the outcome of the Joint Targeted Area Inspection carried out by Ofsted, the Care Quality Commission, Her Majesty's Inspectorate of Constabulary and Her Majesty's Inspectorate of Probation, of the multi-agency response to children living with domestic abuse. Some of the findings from this complex inspection are the best that have been published for any authority so far. The Leader also confirmed that the final validated results for 2016 published by the Department for Education indicate the most successful year to date for Hampshire children with outcomes for pupils exceeding the national average at every Key Stage, with 90% of Hampshire schools now graded as good or outstanding.

A meeting had recently been held with the National Infrastructure Commission with Leaders from across the South East to highlight the infrastructure needs of this area and Hampshire in particular such as better rail and road to help the economic prosperity of the area to sustain and prosper the economy of Hampshire and of its neighbours. The Commission had responded positively to the points made to them.

The Leader's full report is attached to these Minutes as Appendix 2.

306. **QUESTIONS UNDER STANDING ORDER 16.1.1.**

The list of questions submitted under Standing Order 16.1.1 is attached to these Minutes as Appendix 3. Executive Members responded to nine of the questions submitted within the 30 minutes permitted. A proposal pursuant to Standing Order 20.6 to suspend Standing Orders to allow a further 15 minutes for the remaining Questions to be taken at the meeting was proposed by Councillor

Perry. The proposal was put to the vote and carried. The remaining questions were answered.

307. **APPOINTMENTS**

The Council considered the report of the Chief Executive (Item 8 in the Minute Book), as presented by the Leader.

RESOLVED:

- a) That Councillor Andy Moore be appointed as the UKIP Substitute Member on the Conduct Advisory Panel to fill a vacancy that currently exists.
- (b) That Mr Neil Wood be appointed as the Active Scheme Member Representative on the Hampshire Pension Fund Panel and Board replacing Mr Reynolds.
- (c) That Simon Bryant be appointed as Deputy Member for the Director of Public Health on the Hampshire Health and Wellbeing Board.
- (d) That Phil Taverner be appointed as the Hampshire Voluntary Sector Consortium (HVSC) Member on the Hampshire Health and Wellbeing Board replacing Peta Wilkinson.

308. **REVENUE BUDGET AND PRECEPT 2017/18 AND CAPITAL PROGRAMME 2017/18 – 2019/20**

Before inviting the Leader to present the budget proposals, the Chairman reminded Members of the general dispensation granted by the Conduct Advisory Panel exempting Members from the restrictions otherwise imposed by the Localism Act 2011 in respect of Disclosable Pecuniary Interests, enabling Members with a beneficial interest in land within the administrative area of the County Council to participate in County Council business relating to the setting of the Council Tax or Precepts.

The Leader presented his Budget Speech regarding the Revenue Budget and Precept for 2017/18 and was assisted by the Executive Member for Economic Development in regard to the Capital Programme for the period 2016/17 to 2019/20. In commending the revenue budget proposals, the Leader highlighted the significant challenges the Council continues to face, requiring the County Council to close a funding gap of £98m by April 2017 and a further £140m by 2019. The County Council was doing its best to shield residents as far as possible from any impact whilst protecting the quality of local services. The pressure on the NHS was recognised and it was therefore considered important to put as much funding as possible into social care. Because of the strong financial stewardship over many years and careful forward planning, the County Council had been able to bear the brunt of these pressures whilst being in a position to invest in the future prosperity of the County.

In regard to the Capital Programme, Councillor Kendal highlighted a number of key points such as £6m for flood alleviation schemes; £5m for strategic land development – bringing land to the market as part of a land management approach; the allocation of funds for 500 units of accommodation for rent with a

range of on-site facilities such as medical care; the inclusion of 11 major projects in the school building programme; the replacement of street lights for bright light savings; the 35% carbon emission reduction since 2010 for which the cumulative savings in energy costs by 2015 exceeded £29m, and investigation into the possibility of expanding the sets of electric vehicle rapid charging points throughout Hampshire over the next five to 10 years.

The full speech is available to view on the County Council's website at www.hants.gov.uk/council/meetings.htm and using the reference number 8140.

Opposition Group Leaders responded to the proposals. Councillor Criss Connor, seconded by Councillor Jane Frankum proposed an amendment to the Revenue budget, as set out in Appendix 4 to these Minutes. No other amendments were proposed. However, Councillor Chris Greenwood asked that his request regarding proposals set out in Annex A, paragraph 4.34 of the report be placed on a future agenda of the Economy, Transport and Environment Select Committee, be included in the minutes.

Attention was drawn to and Members noted that the proposals in the Labour Group amendment required an update to the published Section 25 Report (page 62 of Appendix 7 to Annex A), which had led the Director of Corporate Resources to conclude as follows:

“At this stage therefore, I am concerned that the County Council is not taking full account of the flexibilities recommended by Central Government in order to further support the financial challenges facing Adult Social Care which therefore results in an increase in the inherent risks within the Medium Term Financial Strategy.”

The additional resolution arising from the Cabinet meeting held on 3 February was highlighted: “That Cabinet acknowledge the commitment of staff and thank them for their efforts and contribution.” It was agreed that this be amended to reflect the thanks of the Council as a whole and that it be treated as a separate proposal as it did not specifically relate to the budget.

The Labour Group amendment was put to the vote, which was a recorded vote in accordance with Standing Order 22.2. The outcome was as follows:

For:	3
Against:	56
Abstain:	1

The full recorded vote is attached to these Minutes as Appendix 5.

The substantive recommendations were put to the vote, which was a recorded vote in accordance with Standing Order 22.2. The outcome was as follows:

For:	41
Against:	18

Abstain: 1

The full recorded vote is attached to these Minutes as Appendix 6.

RESOLVED:

REVENUE

That the County Council approve:

- a) The Treasurer's report under Section 25 of the Local Government Act 2003 and take this into account when determining the budget and precept for 2017/18 (Appendix 7 to Annex A).
- b) The Revised Budget for 2016/17 set out in Appendix 2 to Annex A.
- c) The Revenue Budget for 2017/18 as set out in Annex 1 to this Part I report.
- d) Funding for one off priorities linked, both directly and indirectly, to additional capital investment and economic growth totalling £13.75m as set out in paragraphs 4.24 to 4.32 to Annex A.
- e) Delegated authority to the Director of Economy, Transport and Environment to explore investment options with Veolia for Material Recovery Facilities as set out in paragraphs 4.33 to 4.34 to Annex A and if favourable, to commit in principle funding to the scheme in consultation with the Executive Member for Environment and Transport, the Leader and Director of Corporate Resources.
- f) That the total **budget requirement** for the general expenses of the County Council for the year beginning 1 April 2017 be £729,371,254.
- g) That the **council tax requirement** for the County Council for the year beginning 1 April 2017 be £566,830,227.
- h) That the County Council's band D council tax for the year beginning 1 April 2017 be £1,133.10, an increase of 4.99% of which 3% is specifically for adults' social care.
- i) The County Council's council tax for the year beginning 1 April 2017 for properties in each tax band be:

	£
Band A	755.40
Band B	881.30
Band C	1,007.20
Band D	1,133.10
Band E	1,384.90
Band F	1,636.70
Band G	1,888.50
Band H	2,266.20

- j) Precepts be issued totalling £566,830,227 on the billing authorities in Hampshire, requiring the payment in such instalments and on such date set by them previously notified to the County Council, in proportion to the tax base of each billing authorities area as determined by them and as set out below:

Basingstoke and Deane	63,376.90
East Hampshire	48,900.79
Eastleigh	44,118.34
Fareham	42,371.60
Gosport	26,409.70
Hart	39,444.23
Havant	39,937.00
New Forest	70,155.20
Rushmoor	30,424.24
Test Valley	47,315.00
Winchester	47,794.31

- k) The treasury management and annual investment strategies, prudential and financial health indicators for 2017/18, in accordance with the recommendations in Appendix 8 to Annex A.
- l) Delegated authority be given to the Director of Corporate Resources, following consultation with the Leader and the Chief Executive, to make changes to the budget if required after the County Council meeting to take account of the impact of the delayed announcement of the final Local Government Finance Settlement.

CAPITAL

That the County Council approve:

- a) The capital programme for 2017/18 and the provisional programmes for 2018/19 and 2019/20 as set out in Appendix 3 to Annex B.

Revenue Budget 2017/18

	Original Budget 2016/17 £'000	Adjustment £'000	Budget 2017/18 £'000
<u>Departmental Expenditure</u>			
Adults' Health and Care	380,117	(24,530)	355,587
Children's - Schools	759,457	27,435	786,892
Children's - Non schools	167,116	(17,049)	150,067
Economy, Transport and Environment Policy and Resources	111,479	(3,465)	108,014
	94,352	(6,788)	87,564
	1,512,521	(24,397)	1,488,124
<u>Capital Financing Costs</u>			
Committee Capital Charges	116,719	18,545	135,264
Capital Charge Reversal	(117,122)	(19,367)	(136,489)
Interest on Balances	(7,334)	(1,061)	(8,395)
Capital Financing Costs	62,896	(11,121)	51,775
	55,159	(13,004)	42,155
<u>RCCO</u>			
Main Contribution	12,510	1,524	14,034
RCCO from Reserves	1,994	6,535	8,529
	14,504	8,059	22,563
<u>Other Revenue Costs</u>			
Contingency	40,477	(4,597)	35,880
Dedicated Schools Grant	(708,099)	(24,003)	(732,102)
Specific Grants	(159,152)	(669)	(159,861)
Pensions - Non Distributed Costs	16,632	1,894	18,526
Flood Protection Levy	603	20	623
Coroners Expenditure	1,367	283	1,650
Business Units (Net Trading Position)	(570)	734	164
	(808,782)	(26,338)	(835,120)
Net Revenue Budget	773,402	(55,680)	717,722

Contributions to / (from) Earmarked Reserves

Transfer to / (from) Earmarked Reserves	(37,688)	57,208	19,520
Trading Units Transfer to / (from) Reserves	679	(921)	(242)
Business Strategy Opportunities	(1,500)	1,500	0
RCCO from Reserves	(1,994)	(6,535)	(8,529)
	(40,503)	51,252	10,749
Use of General Balances	900	0	900
BUDGET REQUIREMENT	733,799	(4,428)	729,371
BUDGET REQUIREMENT	733,799	(4,428)	729,371
Funded by			
Business Rates and Government Grant	(192,724)	36,450	(156,274)
Business Rates Collection Fund Deficit / (Surplus)	1,226	(530)	696
Council Tax Collection Fund Deficit / (Surplus)	(9,642)	2,679	(6,963)
COUNCIL TAX REQUIREMENT	532,659		566,830

309. HAMPSHIRE COUNTY COUNCIL PAY STATEMENT FOR FINANCIAL YEAR 2017/18

The Council considered a report from the Chief Executive (Item 10 in the Minute Book), as presented by Councillor Stephen Reid in his capacity as Chairman of the Employment in Hampshire County Council (EHCC) Committee, which sought approval of the County Council's Pay Statement for the financial year 2017/18 as set out in Annex A to the report. Councillor Reid reported that this was largely the same at the previous year's statement with no significant changes.

During the course of debate Councillor House raised a query as to whether the Pay Statement also needed to include data relating to the pay ratio. The Head of Governance and Monitoring Officer confirmed that the Pay Statement followed the format of previous years and complied with both legal requirements and statutory guidance, but a note with a more detailed explanation would be sent to Councillor House.

RESOLVED:

That the County Council approve the Pay Statement for 2017/18 as detailed in the report to the Employment in Hampshire County Council Committee (Annex and Appendix C to this Report), and agrees that EHCC Committee remains the appropriate Committee to agree Chief Officer remuneration for Chief Officers above Grade K, including individual salary offers in respect of any new Chief Officer appointments, any changes to Chief Officer salaries after appointment and any severance packages for Chief Officers leaving the County Council, in

accordance with the Pay Statement.

310. **PENSION FUND POOLING – INTER AUTHORITY AGREEMENT**

The Council considered a report from, and the recommendations of the Hampshire Pension Fund Panel and Board (Item 11 in the Minute Book), as presented by Councillor Mark Kemp-Gee in his capacity as Chairman of the Pension Fund Panel and Board. Councillor Kemp-Gee reported that the Government have brought forward a number of measures regarding the pooling of Local Government Pension Scheme (LGPS) investments. In regard to these measures, the Panel and Board had been negotiating not only with central government but also with the 10 other councils that form the ACCESS pool. Members noted that it was necessary to examine the Government's proposals carefully given the fiduciary and public law duties councils have to manage their funds in the best interests of their members and employees. Therefore further clarification had been sought from the Secretary of State for Communities and Local Government before deciding on the appropriate approach to implement pooling.

During the course of debate the importance of robust governance arrangements was emphasised to protect the very large funds in the ACCESS pool and to ensure control in regard to the nature of the fund investments being made. Councillor Kemp-Gee reported that the governance issue had been paid a great deal of attention and all 11 pool authorities will have one member on a joint governance committee that will report back on matters relating to ethics and governance to individual Pension Fund Panels and Boards.

RESOLVED:

That on a recommendation from the Hampshire Pension Fund Panel and Board, the County Council agrees:

- a) To delegate authority to the Director of Corporate Resources, in consultation with the Chairman of the Pension Fund Panel and Board to agree the approach to pooling that Hampshire County Council will take, based upon the Government's responses to the two options put forward by the ACCESS Pool and the views of the local authorities that make up the ACCESS Pool.
- b) If the Director of Corporate Resources, in consultation with the Chairman of the Pension Fund Panel and Board agrees to adopt pooling based on the use of a CIV Operator, then authority is delegated to the Director of Corporate Resources in consultation with the Chairman of the Pension Fund Panel and Board to finalise and agree the terms of the IAA in order to implement this model of Pooling, and the Council resolves to delegate the functions to the joint committee as specified in Appendix 2 with effect from the date of execution of the IAA.
- c) If the Director of Corporate Resources, in consultation with the Chairman of the Pension Fund Panel and Board agrees to adopt pooling based on Collaborative Joint Procurement, then authority is delegated to Director of Corporate Resources in Consultation with the Chairman of the Pension Fund Panel and Board to finalise and agree the terms of an IAA to

implement this model and the Council resolves to delegate the functions to the joint committee as specified in Appendix 3 with effect from the date of execution of the IAA.

- d) That authority is delegated to the Head of Law and Governance to make consequential amendments to the County Council's Constitution to reflect the agreed approach to pooling and the creation of the Joint Governance Committee. Any amendments to the Constitution will be reported to a future meeting of the County Council.

311. **CONSTITUTIONAL AND PROCEDURAL MATTERS**

The Council considered a report from the Employment in Hampshire County Council (EHCC) Committee (Item 12 in the Minute Book) detailing the outcome of a review of the current arrangements for hearing staff misconduct dismissal appeals together with the EHCC Committee's recommendations.

In presenting the report the Chairman of the EHCC Committee, Councillor Stephen Reid confirmed that the outcome of discussions by the EHCC Committee were mixed and he had therefore requested that the matter be discussed with a wider Member audience at a scheduled Members' Briefing, which was attended by the Chief Executive. As a result of that briefing a further recommendation was proposed and circulated:

"Recommendation (d) - Delegates authority to the Monitoring Officer in consultation with the Chairman of the EHCC Committee to agree a protocol for provision for attendance by a Member of the County Council at Staff Misconduct Dismissal Hearings as an observer. The Member will support the monitoring of the revised arrangements and identify any lessons learned, in keeping with the function of the EHCC Committee, and Paragraph 6 of the report."

During the course of the ensuing debate, views continued to be mixed. It was noted that under the current arrangements, the hearing of these often complex appeals was being delayed for a number of reasons, as set out in the supporting reports, which was not fair to the staff concerned. Some Members expressed dissatisfaction with the method used for consulting members of the Regulatory Committee however, it was noted that the Trade Unions welcomed the consultation and supported the proposed change to the arrangements in the interests of decisions being made in a timely manner. A number of Members expressed their support for the proposals and the additional recommendation having benefitted from the Member briefing. Councillor Cooper proposed that the matter be deferred.

In summing up, Councillor Reid reminded Members that the Chief Executive, as Head of Paid Service is the ultimate hirer and firer of staff and that the involvement of Members under the current arrangements was not adding value to the process. In conclusion and for the purposes of clarity, Councillor Reid confirmed that the EHCC Committee had not taken a decision on behalf of the Regulatory Committee in formulating its recommendations; it was carrying out its remit in accordance with its delegation in the Constitution.

Councillor Cooper confirmed that he wanted his proposal to defer the matter to allow for fuller consultation to go forward. The proposal was accordingly put to the vote and was lost. The original recommendations together with the additional recommendation set out above were put to the vote as the substantive recommendations and carried. It was therefore

RESOLVED:

That the County Council:

- a) Approves the delegation of responsibility for hearing staff misconduct dismissal appeals to Officers (other than for Chief Officers).
- b) Agrees that an Independent Panel appointed pursuant to the 2015 Regulations should comprise Independent Persons only.
- c) Authorises the Monitoring Officer to make suitable amendments to the Constitution to give effect to recommendations (a) and (b).
- d) Delegates authority to the Monitoring Officer in consultation with the Chairman of the EHCC Committee to agree a protocol for provision for attendance by a Member of the County Council at Staff Misconduct Dismissal Hearings as an observer.

312. NOTICE OF MOTION

The following Notice of Motion had been received in accordance with Standing Order 18.1.

Proposed by Councillor Tim Rolt and seconded by Councillor Jacqui England:

“This Motion calls on Hampshire County Council to try to find extra funding to allow the charity ‘Alabare’ to continue to operate its unique ‘one stop’ support service, colloquially known as “The Junction”, for the young people of Andover.”

Councillor Keith Mans, seconded by Councillor Roy Perry proposed the following amendment:

Text with ‘strike through’ = delete words

Text in ***italics and bold*** = additional words

“This Motion calls on Hampshire County Council to try to find ~~extra funding~~ ***ways to help*** to allow the charity ‘Alabare’ to continue to operate its ~~unique~~ ‘one stop’ support service, colloquially known as “The Junction”, for the young people of Andover, ***and invites representatives of the charity to meet with the Director of Children’s Services and Executive Lead Member.***”

In proposing the amendment Councillor Mans confirmed that he was very happy to meet with representatives of Alabare and clarified that their original request for a meeting was refused because it was requested as part of the bidding process which was not appropriate. Alabare had entered a bidding process and were not successful on this occasion for a number of reasons. Furthermore, the work in Andover would continue but would be provided in a different way by a

different provider therefore the funding had been allocated and was not lost.

During the ensuing debate a number of Members expressed their support for the amendment. The suggestion that Members could consider support for The Junction via their devolved grant, through the usual application process, was noted.

Councillors Rolt and England confirmed their acceptance of the amendment which was put to the vote as the substantive recommendation. The majority of the Members present supported the amendment and it was therefore carried.

RESOLVED:

“This Motion calls on Hampshire County Council to try to find ways to help to allow the charity ‘Alabare’ to continue to operate its ‘one stop’ support service, colloquially known as “The Junction”, for the young people of Andover, and invites representatives of the charity to meet with the Director of Children’s Services and Executive Lead Member.”

313. HAMPSHIRE FIRE AND RESCUE AUTHORITY.

No questions had been received pursuant to Standing Order 16.3. There was no report of the Authority on this occasion.

314. REPORTS FOR INFORMATION.

The Council received the reports of the following Executive Members and Chairmen:

- a) The Cabinet/Leader
 - * Shaping Hampshire – Q2 2016/17 Annual Performance Report
 - * Hampshire Superfast Broadband
- b) Executive Member for Culture, Recreation and Countryside
 - * Hampshire Talented Athlete Scheme
- c) Executive Member for Adult Social Care
 - * Chesil Lodge – Delivering Older Persons Extra-Care Services into the new Winchester development
- d) Executive Member for Education
 - * Determination of 2018/19 Admission Arrangements
 - * Investment in Hampshire Schools

The Chairman closed the meeting. He thanked all Members for their support during his year as Chairman and wished them well for the future.

(The meeting closed at 5.07pm).

CHAIRMAN'S ANNOUNCEMENTS

May I welcome on your behalf those Honorary Aldermen who have graced us with their presence today: Honorary Aldermen Roger Kimber and Michael Woodhall. Thank you for your support.

Members, I would like to start by congratulating Carolyn Williamson, Director of Corporate Resources, on her appointment to the post of Junior Vice President of CIPFA (the Chartered Institute of Public Finance Accountants) for 2017/18. The appointment means that Carolyn will become the President of CIPFA during 2019.

Romsey & Beaulieu Abbey Concerts – 22 December and 21 January

Members, what can I say, for those of you unable to attend you missed some outstanding performances from the Music Service. Our young people are an inspiration to us all. Donations raised from these two concerts, in aid of Cancer Research UK, have amounted to £1915.12. I hope to be able to raise more money from future concerts.

Music Education Council Awards – 9 February

I was fortunate enough to attend the Awards night with Jill Larner and Helen Walton at the Sheraton Hotel in London. Our music service received a Runners Up Award for being an excellent music hub.

Other music services praised me for attending as they do not receive the same political support.

Members, you have received a list of the engagements to which your Vice Chairman and I have had the privilege of representing you, since we last met here. I will not go into detail about them all, but I will single one:

- The Institution and Installation of the 38th Dean of Winchester. Saturday 11th February was the beginning of a new era when The Very Reverend Catherine Ogle was instituted by the Bishop. I have never witnessed anything like this before. It was a spectacular event and I firmly believe the Cathedral will be in safe hands with Dean Catherine.

Other News

Let our Young Musicians Shine – Saturday 18 February, 7pm, St Luke's Church, Grayshott,

This is certainly going to be a thoroughly inspiring event for performers and audience alike. 40 young string players will have spent the morning with the illustrious London Mozart Players (LMP). In the evening the youngsters will perform on their own, also side-by-side with members of the LMP. Any local members are welcome to attend.

School's Concert – Monday 13 & Tuesday 14 March

Councillor Jonathan Glen has been invited as immediate Past Chairman to take part in this year's HMS Giant Sing for primary aged pupils. There will be around 900 children in the audience for each of four concerts at 10.30 and 1.15 each day. Councillor Glen will narrate the Oscar Wilde story of The Happy Prince, accompanied on stage by 150 singers, a band of HMS teachers and a group of dancers from Perins School, Alresford.

At one point in the story a group of councillors, rushing to a very important 9am meeting, see that the statue of The Happy Prince has been stripped of all its gold and jewels. They discuss the need for a new statue, and each prefers it to be in the likeness of themselves. At this stage Councillor Glen will step through "the 4th wall" donning a mayoral chain, and join the action, bursting into song (a la Rex Harrison), to convince people the new statue should actually be of him!

I know HMS are hugely grateful to Councillor Glen, for sharing his theatrical university background, and for supporting their performance, bringing this tale to life in a way that has never been done before.

If anyone would like to attend a performance please contact Hampshire Music Service to get tickets.

Chairman's Concert – 19 March

Members, you have already received an invitation to my Chairman's Concert at The Anvil on Sunday 19 March at 4pm. I very much hope you will join me

for a thrilling performance of Carmina Burana, with 300 singers, accompanied by the Hampshire County Youth Orchestra, conducted by Jonathan Willcocks. The first half provides a lively contrast, raising the roof with a medley from West Side Story.

Tickets are £10 and available through the Box Office on 01256 844244. When phoning the Box Office, please indicate you are a guest of mine.

Lastly, I will not be able to attend any engagements towards the end of March as I am taking a well deserved break to celebrate my Golden Wedding Anniversary. The Vice Chairman will deputise for me as appropriate.

END

[CHECK ON DELIVERY]

LEADER'S REPORT

As the annual budget setting meeting this is likely to be longer than our average Council so I will try to be brief.

It is also the last scheduled meeting before our elections in May and I would like to place on record my appreciation to members of all political groups for your efforts on behalf of the people of Hampshire. Local Government is an essential part of this nation's democracy and councillors are needed to make the democratic process work.

Particularly I wish to thank those Councillors who have decided to stand down and for whom this will be their last meeting. We will find an opportunity to thank you in an appropriate manner in due course but thank you for all your efforts.

The Hampshire Music Hub led by the Hampshire Music Service was a finalist in the Music Education Council Awards Evening putting it in the top seven of Music Hubs in the Country. Mr Chairman you are renowned for your support for our Music Service and one of the Councillors standing down but I trust Hampshire's support for our young musicians will continue well into the future based on your foundation.

There are two particular achievements of our Children's Service that I must bring to members' attention.

The first is the outcome of the Joint Targeted Area Inspection between 5 and 9 December 2016. Ofsted, the Care Quality Commission (CQC), HMI Constabulary (HMIC) and HMI Probation undertook a joint inspection of the multi-agency response to abuse and neglect in Hampshire including a 'deep dive' focus on the response to children living with domestic abuse.

The findings, which were published on 1st February, and it would be fair to say that the outcomes for Hampshire from this complex inspection are the best that have been published for any authority so far.

The comments, which are direct quotes, are as follows:

- A clear culture of strong, coordinated leadership which is underpinned by a commitment to continuously improving services.
- This shared commitment results in strong, established and mature partnership working. A key aspect of this maturity is the ability and openness to challenge and be challenged.
- The partnership has sustained and continued to build upon its work, despite challenges that include constraints on finances and external pressures such as significant re-structuring in some agencies.
- Good examples of a sophisticated understanding of domestic abuse are evident through the innovative role of the domestic abuse workers in the family intervention team (FIT), which is based within the local authority child in need teams. These examples of good practice evidence a highly effective service that provides one of many examples where the strategic intention of the partnership has been successfully translated into practice.

- Overall, frontline practice is strong
- Senior leaders in Hampshire ensure that there is good planning and long-term foresight to promote the protection of children living with domestic abuse.
- The partnership in Hampshire has thoughtful and accessible senior managers who are visible to practitioners and who know their services well. There are clear performance management arrangements in each agency, and these are particularly strong in the local authority.
- Co-located agencies work well together to share information, which supports effective decision-making about the next steps.
- Children are promptly seen by social workers and their needs assessed in a timely manner.
- There has been significant investment to co-locate key partner agencies, including children's social care, police and health in the MASH. This supports effective and timely communication between these agencies.
- The voice of the child is well understood and is given a high profile across partners.
- The local authority shows a clear commitment to partnership working. The open style of leadership and innovation is creatively driven by the director of children's services. Considerable support for this innovation is offered from both the lead member and the chief executive.
- Frontline social workers are committed and highly knowledgeable about individual children and strive to ensure that each child has their needs met at an appropriate level of intervention.
- There is a considerable willingness and commitment to address complex issues and not seek single-issue solutions.

The second point I would like to say something about is children's attainment in schools in Hampshire.

We can now say that with the final validated results having been published by the DfE, 2016 was the most successful year ever for Hampshire children, with outcomes for pupils exceeding the national average at every Key Stage. Furthermore, 90% of Hampshire schools are now graded as good or outstanding, up from 84% last year. I pay tribute to the children, their teachers and the County's School Improvement Service and to Councillor Edgar, our Executive Member for Education.

I will make some brief comments on the latest state of play regarding Devolution, which is an ongoing saga but all indications are that it seems the Government has no intention of dividing Hampshire by creating a Solent Combined Authority potentially taking powers away from the County Council. Of course there has also been a change of administration on the Isle of Wight and it is my understanding the new administration will abide by the view of the Council and not ignore it as their former Leader and Cabinet did.

I have met with MPs and Peers and also had a meeting with the Secretary of State where he made it clear to me that he only wants to progress bids where there is general agreement between all the local authorities in the area. I read in the press that the Leader of Portsmouth and some District Leaders now want a greater Portsmouth Unitary. Frankly I think that would do even more damage and I urge those Leaders who want to split Hampshire to listen to the Secretary of State who clearly wants broad agreement.

We met a few weeks ago the National Infrastructure Commission with Leaders from across the South East. It was clear made clear with the Commission that to meet the infrastructure needs of this area and Hampshire in particular such as better rail and road connection we need to think on a bigger scale if we are to help our economy prosper to the benefit of all. We will be doubling our efforts with the Commission to see that we get that investment which is necessary to sustain and prosper the economy of Hampshire and of our neighbours. The Commission have responded positively to the points that have been made to them.

END

[CHECK AGAINST DELIVERY]

**QUESTIONS SUBMITTED IN ACCORDANCE WITH STANDING ORDER
16.1.1**

1. From Councillor Andy Moore to Councillor Rob Humby, Executive Member for Environment and Transport:

“Would the Executive Member please give an answer to the question asked at the full Council in September 2016 as to whether or not the County Council has a much needed road building programme in place to deal with all the house building planned in and around the Eastleigh and surrounding areas now that Eastleigh are going to support its forward plan for thousands of houses.”

2. From Councillor Jackie Porter to Councillor Andrew Gibson, Executive Member for Culture, Recreation & Countryside:

“I understand that the average waiting time for a footpath application is 8 years. What can Hampshire County Council do to catch up so that the waiting times are more reasonable, and preferably less than 12 months?”

3. From Councillor Chris Carter to Councillor Peter Edgar, Executive Member for Education:

“Would the Executive Member for Education outline the reasons for the success of Hampshire primary schools as they continue to perform better than primary schools in other authorities.”

4. From Councillor Ray Bolton to Councillor Peter Edgar, Executive Member for Education:

“Please would the Executive Member for Education briefly explain the progress of the Basic Needs Capital Programme, which is in place to meet the demands for school places in Hampshire up to 2019/20?”

5. From Councillor Tom Thacker to Councillor Andrew Gibson, Executive Member for Culture, Recreation & Countryside:

“Could the Executive Member provide an update on how the Capital funding identified in 2015 has been used to improve the right-of-way access to our extensive countryside estate.”

6. From Councillor Jonathan Glen to Councillor Keith Mans, Executive Lead Member for Children’s Services:

“How many Hampshire families have now been part of the Supporting Troubled Families programme?”

7. From Councillor Chris Wood to Councillor Andrew Gibson, Executive Member for Culture, Recreation and Countryside:

“Would the Executive Member for Culture, Recreation and Countryside please confirm that the Council has no plans to either reduce the opening hours of, nor to close any of Hampshire’s libraries?”

8. From Councillor Martin Tod to Councillor Rob Humby, Executive Member for Environment and Transport:

“Given that the National Institute for Health and Care Excellence (NICE) has highlighted the role that 20 mph zones can have in improving air quality, and the critical importance of improving air quality across Hampshire, when does the Executive Member expect to have completed the evaluation of the 20 mph speed limits introduced across the county from 2014 onwards?”

9. From Councillor Peter Latham to Councillor Rob Humby, Executive Member for Environment and Transport:

“Will the Executive Member for Transport and Environment update the Council on Operation Resilience with particular regard to the problem of potholes on the highway network?”

10. From Councillor Edward Heron to Councillor Rob Humby, Executive Member for Environment and Transport:

"Please can the Executive Member provide an update on the current situation regarding the Hythe ferry?"

11. From Councillor Chris Greenwood to Councillor Rob Humby, Executive Member for Environment and Transport:

“According to the recent housing white paper entitled 'Fixing our broken housing market' the Prime Minister notes that 'the starting point is to build more homes'. The paper then goes on to say, 'the Government expects infrastructure providers to deliver the infrastructure that new housing needs, in good time so that development is not delayed'. Does the Member for Environment & Transport consider this to be strategically and economically feasible for Hampshire given the current significant underfunding and proposed cuts for county wide infrastructure works all directly associated with mass house building?”

12. From Councillor Martin Lyon to Councillor Patricia Stallard, Executive Member for Public Health:

“Within the context of the Sustainability and Transformation Plans (STPs) and much publicised 'social care in crisis', does the Executive Member for Public Health believe that this Local Authority has the credibility, conviction and capability to bring about the required level of improvements now sought within our local health and care system, and what evidence is there to support such a view?”

**LABOUR GROUP BUDGET AMENDMENT
COUNTY COUNCIL – 16 FEBRUARY 2017**

**ITEM 9 – REVENUE BUDGET AND PRECEPT 2017/18 AND CAPITAL PROGRAMME
2017/18 TO 2019/20**

Proposed by Councillor Criss Connor and seconded by Councillor Jane Frankum.

Introduction

This amendment proposes two changes to those set out in the County Council papers. The first is to reduce the proposed council tax increase from 4.99% to 3.99% and the second is to use any underspends in Members Devolved Budgets for the next three years to provide funding for food banks across the County in light of the 'no carry forward' decision made at Cabinet on 3 February.

Recommendations

That the County Council approve the following amendments and additions to the recommendations contained in Item 9 (all other recommendations remain the same):

- (c) The Revenue Budget for 2017/18 as set out in Annex 1 to this amendment.
- (f) That the total budget requirement for the general expenses of the County Council for the year beginning 1 April 2017, be £723,968,583.
- (g) That the council tax requirement for the County Council for the year beginning 1 April 2017, be £561,427,556.
- (h) That the County Council's band D council tax for the year beginning 1 April 2017 be £1,122.30, an increase of 3.99% of which 2% is specifically for adults' social care.
- (i) The County Council's council tax for the year beginning 1 April 2017 for properties in each tax band be:

	£
Band A	748.20
Band B	872.90
Band C	997.60
Band D	1,122.30
Band E	1,371.70
Band F	1,621.10
Band G	1,870.50
Band H	2,244.60

- (j) Precepts be issued totalling £561,427,556 on the billing authorities in Hampshire, requiring the payment in such instalments and on such date set by them previously notified to the County Council, in proportion to the tax base of each billing authorities area as determined by them and as set out below:

Basingstoke and Deane	63,376.90
East Hampshire	48,900.79
Eastleigh	44,118.34
Fareham	42,371.60
Gosport	26,409.70
Hart	39,444.23
Havant	39,937.00
New Forest	70,155.20
Rushmoor	30,424.24
Test Valley	47,315.00
Winchester	47,794.31

- (l) This council tax proposal will therefore reduce the amount available in the Grant Equalisation Reserve for 2017/18 by £5.4m and 2018/19 by £5.4m, a total of £10.8m.
- (m) That any underspends in Members Devolved Budgets for 2016/17, 2017/18 and 2018/19 be allocated to provide funding to food banks around the county.

Annex 1**Revenue Budget 2017/18**

	Original Budget 2016/17 £'000	Adjustment £'000	Budget 2017/18 £'000
<u>Departmental Expenditure</u>			
Adults' Health and Care	380,117	(24,530)	355,587
Children's - Schools	759,457	27,435	786,892
Children's - Non schools	167,116	(17,049)	150,067
Economy, Transport and Environment	111,479	(3,465)	108,014
Policy and Resources	94,352	(6,788)	87,564
	1,512,521	(24,397)	1,488,124
<u>Capital Financing Costs</u>			
Committee Capital Charges	116,719	18,545	135,264
Capital Charge Reversal	(117,122)	(19,367)	(136,489)
Interest on Balances	(7,334)	(1,061)	(8,395)
Capital Financing Costs	62,896	(11,121)	51,775
	55,159	(13,004)	42,155
<u>RCCO</u>			
Main Contribution	12,510	1,524	14,034
RCCO from Reserves	1,994	6,535	8,529
	14,504	8,059	22,563
<u>Other Revenue Costs</u>			
Contingency	40,477	(4,597)	35,880
Dedicated Schools Grant	(708,099)	(24,003)	(732,102)
Specific Grants	(159,152)	(669)	(159,861)
Pensions - Non Distributed Costs	16,632	1,894	18,526
Flood Protection Levy	603	20	623
Coroners Expenditure	1,367	283	1,650
Business Units (Net Trading Position)	(570)	734	164
	(808,782)	(26,338)	(835,120)
Net Revenue Budget	773,402	(55,680)	717,722
<u>Contributions to / (from) Earmarked Reserves</u>			
Transfer to / (from) Earmarked Reserves	(37,688)	51,806	14,118
Trading Units Transfer to / (from) Reserves	679	(921)	(242)
Business Strategy Opportunities	(1,500)	1,500	0
RCCO from Reserves	(1,994)	(6,535)	(8,529)
	(40,503)	45,850	5,347
Use of General Balances	900	0	900
BUDGET REQUIREMENT	733,799	(9,830)	723,969

	Original Budget 2016/17 £'000	Adjustment £'000	Budget 2017/18 £'000
BUDGET REQUIREMENT (repeated)	733,799	(9,830)	723,969
Funded by			
Business Rates and Government Grant	(192,724)	36,450	(156,274)
Business Rates Collection Fund Deficit / (Surplus)	1,226	(530)	696
Council Tax Collection Fund Deficit / (Surplus)	(9,642)	2,679	(6,963)
COUNCIL TAX REQUIREMENT	532,659	28,769	561,428

Section 25 Report update related to the Labour Group Amendment

I would like to draw your attention to Appendix 7 to the Cabinet report, page 57 in your papers, this is the Section 25 Report from the Chief Financial Officer, I am required to provide this report to Full Council when setting the council tax advising you on:-

- The robustness of the estimates included in the budget, and
- The adequacy of the financial reserves in the budget

Currently this report concludes, on page 62, that I am 'satisfied that the County Council is responding positively and appropriately to the longer term financial challenge that it faces'.

There are a number of specific issues regarding the Labour Group Proposed Amendment which are at odds with the Section 25 report:

- Page P59 – Risks in the budget – section c) Council Tax. The proposed amendment is counter to the recommendation to take the extra flexibility of a 1% increase in the social care precept brought forward to contribute to the ongoing financial resilience and stability.
- Page 60 – Adequacy of Reserves – last bullet point at the top of page 61 refers to the Grant Equalisation Reserve, currently standing at £75 million with planned use of £44 million in 2016/17 and £70 million in 2018/19, therefore the Proposed Amendment would reduce the ability to hold sufficient GER to support the Medium Term Financial Strategy.
- Page 62 – paragraph 4 – removing the additional level which aims to acknowledge the financial risk and pressure inherent in the Medium Term Financial Strategy and fails to take every opportunity to aim to address the rising costs of social care.

Your proposed budget amendment would have led me to conclude as follows on page 62:

“At this stage therefore, I am concerned that the County Council is not taking full account of flexibilities recommended by Central Government in order to further support the financial challenges facing Adult Social Care which therefore results in an increase in the inherent risks within the Medium Term Financial Strategy.”

Carolyn Williamson
Chief Financial Officer
16 February 2017

POLITICAL GROUP	TOTAL NUMBER OF COUNCILLORS VOTING	FOR	AGS	ABS
Conservative	39	0	38	1
Liberal Democrat	11	0	11	0
UKIP	4	0	4	0
Labour	3	3	0	0
Independents	2	0	2	0
Unaffiliated	1	0	1	0
TOTALS	60	3	56	1

POLITICAL GROUP	TOTAL NUMBER OF COUNCILLORS VOTING	FOR	AGS	ABS
Conservative	39	38	0	1
Liberal Democrat	11	0	11	0
UKIP	4	1	3	0
Labour	3	0	3	0
Independents	2	2	0	0
Unaffiliated	1	0	1	0
TOTALS	60	41	18	1