

HAMPSHIRE COUNTY COUNCIL

Decision report

Decision Maker:	Executive Member for Policy and Resources
Date of Decision:	26 January 2016
Decision Title:	Revenue budget report for Policy and Resources for 2016/17
Decision Reference:	7129
Report From:	Chief Executive, Director of Culture, Communities and Business Services, Director of Transformation, Director of Public Health and Director of Corporate Resources – Corporate Services

Contact name: Rob Carr

Tel: 01962 847508

Email: Rob.carr@hants.gov.uk

1. Executive Summary

- 1.1. The purpose of this report is to set out proposals for the Policy and Resources budget for 2016/17 in accordance with the Council's Medium Term Financial Strategy (MTFS) reported to Cabinet in October 2015.
- 1.2. The County Council's early action in tackling its forecast budget deficit over the 2010 Comprehensive Spending Review (CSR) period and providing funding in anticipation of the tougher times to come, placed it in a very strong financial position and has given the time and capacity to develop and implement the next phase of savings of £98m of savings by 2017/18.
- 1.3. In line with the financial strategy that the County Council operates, which works on the basis of a two year cycle of delivering Departmental savings to close the anticipated budget gap, there is no savings target set for the department in 2016/17. Any early achievement of savings proposals during 2016/17 as part of the Transformation to 2017 Programme will be retained by the Department to use for cost of change purposes.
- 1.4. The report also provides an update on the financial position for the current year. Overall departments within Policy and Resources are expected to achieve an underspend of £6.98 million.
- 1.5. The report also reviews the level of charges for the provision of services in section 6 and provides a summary of charges in Appendix 1.
- 1.6. The proposed budget for 2016/17 analysed by service is shown in Appendix 2 and the workforce implications of the budget proposals are set out in Appendix 3.
- 1.7. This report seeks approval for submission to the Leader and Cabinet of the revised budget for 2015/16 and detailed service budgets for 2016/17 for

Policy and Resources. The report has been prepared in consultation with the Executive Member and will be reviewed by the Policy and Resources Select Committee. It will be reported to the Leader and Cabinet on 5 February 2016 to make final recommendations to County Council on 18 February 2016.

2. Context and Priorities

- 2.1. The current financial strategy which the County Council operates works on the basis of a two year cycle of delivering Departmental savings targets to close the anticipated budget gap. This means that there are no Departmental savings targets built into the 2016/17 budget. Other factors will still affect the budget, such as council tax decisions and inflation.
- 2.2. Following the General Election in May 2015, it was announced that Government Departments had been asked to draw up plans to tackle real terms reductions of 25% and 40% over the next four years. However it was always recognised that the distribution of these reductions between Government Departments and consequently different tiers of local government would not be uniform.
- 2.3. The provisional local government finance settlement was announced on 17 December, which provided figures for local authorities for the next four financial years. Unusually, the settlement included a major revision to the methodology for distributing Revenue Support Grant (RSG), which has had a major impact on Shire Counties and Shire Districts. Significant changes to methodology like this are usually consulted on by the Government over the Summer ahead of the settlement announcement, but no such warning was given this year.
- 2.4. The impact of the change in methodology is that the County Council has had a reduction in grant of £48m in 2016/17, which is equivalent to a 37.4% cut compared to an adjusted 2015/16 base level of grant. This is £29m higher than anticipated in the Medium Term Financial Strategy.
- 2.5. Part of the reason for the significant impact on the County Council is that the re-distribution of RSG takes into account the ability to raise revenue through council tax. The Government is assuming that all classes of authority will increase council tax over the next four years by the maximum permissible.
- 2.6. For Hampshire our maximum council tax increase would include the additional flexibility of 2% for social care costs on top of the referendum limit of 1.99%, a total of 3.99% per annum, which is just over £41 for a band D property in 2016/17.
- 2.7. The County Council will respond to the Government's consultation on the provisional local government finance settlement, making it clear that this will have a significant impact on the County Council's ability to meet the predicted budget deficit over the next four years, particularly in the face of rising social care costs in respect of the impact of the National Living Wage on the private social care sector.
- 2.8. Based on the figures we have been given however, the additional reduction of £29m in Government grant announced in December, offset by an assumed increase in council tax of 3.99% and collection fund surpluses still means that

there is an anticipated budget gap for 2016/17 of around £55m that needs to be addressed.

- 2.9. The County Council had always planned to meet the deficit in 2016/17 by drawing on the Grant Equalisation Reserve in line with the MTFS and fortunately, sufficient funding already exists within the reserve to meet the predicted gap of £55m outlined above, however the implications on the Medium Term Financial Strategy are significant both in terms of the impact of the Transformation to 2017 Programme and the financial outlook to 2019/20, further details of which will be included in the Budget report to Cabinet in February.
- 2.10. As part of the ongoing transformation programme across the County Council, departments within Policy and Resources have been developing service plans and budgets for 2016/17 and future years in keeping with the County Council's priorities and the key issues, challenges and priorities for the departments are set out below

Departmental Challenges and Priorities

Corporate Resources

- 2.11. Having successfully launched a new operating model for joint working between the County Council, Police and Fire during 2014/15 and with Oxfordshire County Council in July 2015, all functions within Corporate Resources are now moving forward with their transformation to 2017 programmes to achieve further efficiencies and greater resilience.
- 2.12. Technology has been and continues to be a key enabler for transformation. In September 2015, Cabinet endorsed the next four phases of the Digital Programme, to support the Council through to 2017, and to position the core digital architecture to take advantage of further transformation opportunities that will further realise the potential of our digital platform.
- 2.13. Work commenced in December 2015 on 3 key projects: Hantsdirect2 (new customer platform), Hantsweb 2 (new web platform) and Analytics Service Centre (reporting and future predictive analytics capability). These 3 projects will contribute directly or enable savings targets across the Council through delivering multi-channel citizen interaction, improved self-service, increasing productivity by integrating systems, making them user-friendly and intuitive.
- 2.14. In order to meet the requirements of the Council's transformation priorities and the Digital Programme, a revised operating model for IT Services was designed and implemented in 2015 with input from our private sector partner and reference to industry best practice.
- 2.15. A significant challenge alongside the Digital and transformation programme generally, is the need to encourage and enable the business and cultural change required to drive out efficiencies and work in new ways. Key to achieving this is the implementation in 2015 of the new performance management and people development framework known as Valuing Performance, and HR business partners and Workforce Development staff will continue to work with departments to gain maximum benefit from the new approach.

- 2.16. Furthermore, the Transformative Leadership Programme (TLP) commenced in 2015 and is proving to be very successful in equipping senior managers to successfully implement transformation programmes and ensuring a continued high calibre of leadership across the County Council during this sustained period of change. A contribution from the Corporate Services cost of change reserve will enable additional cohorts of managers to participate.
- 2.17. Alongside the transformation programmes, significant changes are occurring in business as usual areas including statutory payroll changes following changes in National Insurance, the living wage and allowances, BACS system upgrade, pensions re-enrolment, enhanced reports and dashboards on the portal, the triennial valuation of the pension fund, financial planning and earlier deadlines for statutory financial reporting.

Policy and Governance

- 2.18. The spending review has confirmed that the second half of this decade is going to be tougher, financially, than what has gone before. It has placed a premium on the transformation of services and working differently. Implementation of the agreed Transformation to 2017 savings will accelerate further through the first half of 2016. Programme leadership and key programme and project management input will continue to be organised from Policy and Governance. We will continue with the approach of blending internal transformational resource and specialist contributions from our Private Sector Partner. This approach has served us well previously and has enabled strong progress to be made with the Transformation to 2017 programme to date.
- 2.19. Legal Services will continue to look to broaden its offer and seek to support a wider range of external customers. This will enable the net cost of the service to be steadily and sensibly reduced, whilst we retain the highest quality capacity and capability to meet the varied needs of the County Council. Looking ahead, and with one eye on the successor programme to Transformation to 2017, we will also continue with the modernisation and rebuilding of the internal Transformation Team to ensure we are well placed for the challenges that the next round of cost reduction will present.

Public Health

- 2.20. The Health and Social Care Act (2012) transferred responsibility for the local leadership of public health from the NHS to upper tier and unitary authorities and conferred on them a new duty to take appropriate steps to improve the health of the people in their area. A ring-fenced public health grant enables local authorities to discharge this responsibility. There has been an overall reduction in the public health grant allocation for Hampshire as a result of the in year reduction of 6.2% in 2015/16 and ongoing reductions announced in the Government's spending review in November 2015.
- 2.21. A reduction in the public health grant inevitably presents challenges for Public Health, however, careful planning, delivery and evaluation of evidence-based interventions will ensure that available public health resources are focused on the key public health priority areas that are set out below.

- 2.22. A key priority is to ensure efficient delivery of the public health mandated services to best meet the needs of Hampshire's residents and to ensure that these services are good value for money. These include: delivery of the National Child Measurement Programme through the enhanced school nursing service that went live on 1 August 2015; delivering quality assured NHS healthchecks with the aim of reducing future ill health, particularly dementia, and demand for health and social care services; enabling access to comprehensive good value for money sexual health services, and providing public health expertise and leadership to Clinical Commissioning Groups to inform the planning and commissioning of health services.
- 2.23. Responsibility for the commissioning of public health services for children aged 0-5 (the Healthy Child Programme) transferred to the County Council on 1 October 2015 with the novation of the contract for the health visiting service. The services are supported by a mandate that requires universal delivery of five key child development reviews. The Healthy Child Programme is an evidence based prevention and early intervention public health programme that is offered to all families. It supports parents and promotes child development, leading to improved child health outcomes and reduced inequalities while ensuring that families at risk are identified at the earliest opportunity. There is compelling evidence that what happens at the start of life is vital in laying the foundations for good adult outcomes.
- 2.24. Focusing on prevention and promoting healthy lifestyles particularly for young and school age children (through the school nursing service) and their families and in adults of working age is key to keeping people healthy , in employment and independent for longer and to reducing future demand for services. This will be achieved through appropriate nutrition, including reducing obesity, promoting physical activity and supporting people to stop smoking. We know that poor lifestyle choices are already having an impact on public services with considerable costs and this is likely to get worse over time due to the increasing age of our population.
- 2.25. Addressing social isolation and malnutrition, falls and reduced mobility in our vulnerable and older residents are areas for increased focus.
- 2.26. Domestic abuse is a serious public health problem and through joint commissioning at a local level we have been able to start reshaping victim services. This work will continue and there will be an increased focus on reducing violence by taking forward work with perpetrators.
- 2.27. Poor mental health represents a significant burden of disease and increases the risk of developing physical illness. We will continue to work to improve the mental wellbeing of our communities, including children, and maintain our focus on preventing suicide.
- 2.28. The re – commissioned substance misuse service will take forward a robust drug and alcohol treatment system that fully meets the diverse needs of the Hampshire population and empowers and enables people to recover from alcohol and/or drug dependency. Work will continue to support responsible drinking and promote safe and healthy places for people to live and work.
- 2.29. Public Health will continue to contribute to the 'Transforming the Council to 2017 Programme' and explore how we can enhance our contribution, for

example through working to align public health services for children with children's services, the transformational programme to drive out efficiencies in sexual health and other existing public health services, delivery of the agreed re-procurement schedule to maximise the value and quality of commissioned services and providing public health technical expertise to the development of outcome measures and the evaluation of interventions in the programme.

Culture, Communities and Business Services (CCBS)

- 2.30. The Department delivers a wide range of different services with gross expenditure in the region of £87 million a year and income streams of around £51 million, leaving a net cash limit of £36 million.
- 2.31. Many of the services including Libraries, Outdoor Centres and Countryside are implementing major transformation programmes.
- 2.32. The restructure of the Library Service has already delivered significant early savings of £908,000. The new management team has developed a new strategy for the service which is currently out for public consultation. The outcomes from the consultation will be reported to the Executive Member for Culture, Recreation and Countryside at his future meetings.
- 2.33. The Country Parks Transformation (CPT) Programme is proceeding well although lack of senior management capacity requires to be addressed. The external funding targets are likely to be exceeded. It has been confirmed that the application to Heritage Lottery Fund (HLF) for Staunton Country Park has been successful. This will provide a development grant of £125,400 to prepare a detailed bid to the HLF for a further £2.8 million next year. The project also includes funding from Highbury College with the total cost of the project likely to be in excess of £4m. Hampshire County Council will contribute £40,000 in the development stage and anticipate funding a further £750,000 from the CPT Programme towards the total project costs. (This is embargoed until 14 January)
- 2.34. In all these services community engagement and volunteering are strong themes.
- 2.35. Alternative business models are being developed for the Sports Team and Trading Standards where it is hoped to form a Community Interest Company (CIC) and a potential partnership model with Southampton Trading Standards initially.
- 2.36. The Department has recently been successful in receiving £400,000 funding from the Government Property Unit to support the delivery of the One Public Estate Wider Hampshire Partnership. This will support the on-going work to reduce and share public sector assets.
- 2.37. The Department is also responsible for 4 Business Units with a turnover of over £50 million. The Business Units' surpluses, estimated to be £8 million at the end of the current financial year, are held primarily for reinvestment within the Businesses, but in recent years have supported corporate programmes around the development of Trading, Community hubs and to support the Council's overall savings target. Together these will have amounted to £3.6 million by the end of 2016/17. After allowing for earmarked trading unit spend

there are surpluses totalling £2.3 million for future investment and risk contingency. Going forward, a more flexible use of business unit and CCBS department reserves is planned to maximise investment opportunities and share risk arising in either the business units or the CCBS cash limited services. It is now planned to invest up to £250,000 into replacement equipment at the County Council's Outdoor Centres and to support the on-going programme of minor improvements, mainly in Libraries, such as self service.

Non-departmental budgets

- 2.38. The Policy and resources portfolio includes provision for a range of grants to the voluntary and community sector including Members' devolved budgets. It has also included the Supporting Troubled Families programme and from 2016/17 this budget will transfer to Children's Services.

3. 2015/16 Budget

- 3.1. The cash limited budget for 2015/16 reflects the savings proposals that were developed as part of the Transforming the Council to 2015 programme, which was formally closed in March 2015. For Policy and Resources the savings plan fully met the target of £16.509 million. Enhanced financial resilience monitoring has continued through monthly reports to the Corporate Management team and periodic reports to Cabinet.
- 3.2. It is now anticipated that savings of £17.846 million will be achieved in 2015/16 with the surplus savings contributing further to the Departments' cost of change reserves. The main reason for the over achievement relates to additional savings achieved by the Library and Countryside Services through restructuring and a review of cost and scope of the HPSN contract.
- 3.3. The budget for Policy and Resources has been updated throughout the year and the revised budget is shown in Appendix 4. This takes account of the in year reduction in the Public Health grant. The over achievement of savings has contributed to an expected outturn forecast for 2015/16 of £138.9 million, an underspend against the revised budget of £6.98 million.

Budget 2016/17

4. Revenue Savings Proposals

- 4.1. In line with the current financial strategy, there are no new savings proposals presented as part of the 2016/17 budget setting process. Savings targets for 2017/18 were approved as part of the 2015/16 budget setting process and detailed savings proposals have been developed through the Transformation to 2017 Programme and were approved by Executive Members, Cabinet and County Council in September and October last year.
- 4.2. Some savings will be implemented prior to April 2017 and any early achievement of savings in 2016/17 can be retained by departments to meet cost of change priorities. It is anticipated that £7.023 million of savings will be achieved in 2016/17, but these reductions have not yet been reflected in the detailed estimates contained in Appendix 2.

5. Review of charges

- 5.1. For Policy and Resources, the 2016/17 revenue budget includes income of £10.448 million from fees and charges to service users. This is an increase of £0.29 million (2.85%) on the adjusted original budget for 2015/16.
- 5.2. Details of current and proposed fees and charges (where these are specifically defined) for 2016/17 are outlined in Appendix 1.

6. Other expenditure

- 6.1. The budget includes some items which are not counted against the cash limit. This includes business units whose costs are covered by customer income and also the Coroner's service which is budgeted for outside of the Policy and Resources cash limit, as the County Council has no direct control over service levels provided and costs incurred. It also includes adjustments for pension and early retirement costs in accordance with International Accounting Standard 19 (IAS19).
- 6.2. Budgets to cover depreciation on assets used to deliver Policy & Resources services and recharges to direct services of central support services and repair and maintenance of buildings will be included in the presentation of the budget to the County Council in February, together with recharges from other services to Policy and Resources to reflect corporate management and support for the democratic process.

7. Budget summary 2016/17

- 7.1. The budget setting report presented to Cabinet in December included provisional cash limit guidelines for each department. The cash limit for Policy and Resources in that report was £145.699 million. This includes £14.4 million transferred from the capital programme relating to on-going repair and maintenance of the County Council's estate; this is essentially a technical budget adjustment required by proper accounting practice.
- 7.2. The cash limit will be adjusted to reflect the Public Health grant for 2016/17 which is expected to be announced in January 2016. For budget planning purposes, a Public Health grant of £53 million is assumed, taking account of the full year funding for services to children aged 0 – 5 that were transferred to the County Council from October 2015 and an anticipated reduction of 2.2% following the in year reduction in 2015/16. This, together with the planned use of unspent grant from previous years of £2.128 million produces an adjusted cash limit for Policy and Resources of £149.48 million.
- 7.3. Appendix 2 sets out a summary of the proposed budgets for the service activities provided by Policy and Resources for 2016/17 and shows that these are within the cash limit set out above. Following the realignment of the capital programme mentioned above, the total revenue budget for repair and maintenance is now shown under Policy and Resources other support services reflecting the cross council nature of this budget; the Director of CCBS retains responsibility for operational management.

- 7.4. In addition to these cash limited items there are further budgets which fall under the responsibility of this department, which are shown in the table below :-

	2016/17 £000
Cash limited expenditure	149,480
Coroners	1,367
Trading Unit net surplus	-544
Government Grants:	
Inshore Fisheries and conservation	-204
Local Reform and Community Voices	-540
Public Health (estimated)	-53,000
Total net expenditure	96,559

- 7.5. This net position excludes recharges relating to repairs and maintenance, support service charges and capital charges which will be added as part of the overall budget reported to Cabinet and County Council in February.

8. Workforce implications

- 8.1. The workforce implications of the proposed budget for 2016/17 are set out in Appendix 3. At the end of 2016/17 the planned workforce for Policy and Resources, including business units, is 4,040 full time equivalent (FTE) staff. This compares with the revised estimate at the end of 2015/16 of 4,093 FTEs which is a reduction of 53 FTEs. The revised estimate at the end of 2015/16 takes account of the Voluntary Redundancy (VR) process that was agreed after the 2015/16 budget was set together with transfers of staff into Policy and Resources from other departments within the County Council and also from other organisations including Oxfordshire County Council in relation to the shared service arrangement. In addition, income generating services and business units have increased staff as a result of trading activity. These changes are summarised in the table below:

	FTEs
FTE staff as at 31 March 2016:	
Original estimate	4,060
Changes relating to early VR	-120
Transfers and other changes	+153
Revised estimate at 31 March 2016	4,093

Impact of savings proposals	-43
Transfers and other changes	-10
FTE staff as at 31 March 2017	4,040

9. Recommendations

To approve for submission to the Leader and Cabinet:

- 9.1. The annual review of income and charges (as set out in Appendix 1).
- 9.2. The revised budget for 2015/16 (as set out in Appendix 2).
- 9.3. The summary budget for 2016/17 (as set out in Appendix 2).
- 9.4. The workforce implications of the proposed budget for 2016/17 (as set out in Appendix 3).

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	Yes
Corporate Business plan link number (if appropriate):	
Maximising well-being:	Yes
Corporate Business plan link number (if appropriate):	
Enhancing our quality of place:	Yes
Corporate Business plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Direct links to specific legislation or Government Directives		
<u>Title</u>		<u>Date</u>
None		

Section 100 D - Local Government Act 1972 - background documents

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

<u>Document</u>	<u>Location</u>
Medium Term Financial Strategy Update and Transformation to 2017 Savings Proposals	Cabinet – 5 October 2015
Budget Setting and Provisional Cash Limits 2016/17	Cabinet – 7 December 2015

IMPACT ASSESSMENTS:

1. Equality Duty

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

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

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

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

1.2. Equalities Impact Assessment:

The budget setting process for 2016/17 does not contain any proposals for major service changes which may have an equalities impact. Proposals for budget and service changes which are part of the Transformation to 2017 Programme were considered in detail as part of the approval process carried out in September and October 2015 and full details of the Equalities Impact Assessments relating to those changes can be found in Appendices 3 to 6 in the October Cabinet report linked below :

http://www3.hants.gov.uk/councilmeetings/advsearchmeetings/meetingsitemdocuments.htm?sta=&pref=Y&item_ID=6920&tab=2&co=&confidential=

2. Impact on Crime and Disorder:

2.1. N/A

3. Climate Change:

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

N/A

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

N/A

Department**Review of income 2016/17****Mandatory/National Charges:**

**Total income
Budget
2016/17
£**

Comments**Culture, Communities & Business Services
department**

Statutory Registration Fees:

Birth, Death, Marriages, Civil Partnership certificates
and citizenship

767,000 Statutory Fees set nationally

Trading Standards Licenses:

Patroleum licensing and Vapour recovery

26,000 Statutory Fees set nationally

Corporate Services Department

Blue Badge disabled parking scheme

257,000 Maximum Statutory Fees set nationally

Discretionary Charges:	Total income Budget 2016/17 £	Comments
Community		
Rentals/lettings and annual conference	43,000	Charges for hire of community facilities vary by site and have not been increased for 2016/17. No change is proposed to the annual conference delegate fee.
Libraries		
Various charges are made including:	1,156,000	No changes are currently proposed. They will be reviewed during the year.
<ul style="list-style-type: none"> • Fines for overdue books, audio books, scores and music sets • Hire income (music CDs, DVDs, computer games, audio books and language packs) • Reservations and inter-library loans • Printing and photocopying • Room hire, ticketed events and adult learning 		
Countryside Service		
Admissions income	879,000	The Countryside Service has, over previous years, been able to make significant increases to its fees and charges in order to bring these into line with local or national averages. This includes entrance, season tickets and membership prices. During 2016/17 a Transformation Programme will begin at a number of Country Parks. Once these improvements have been delivered, admission prices will be reviewed, but currently no increases are planned for 2016/17. Overall income is expected to reduce slightly whilst the transformation work is carried
Car Parking	602,000	

out.

Since April 2015 the Countryside Service has incorporated Staunton Country Park, formerly a Joint Management Committee (admissions income budget £570,000).

Other income

730,000 Other income to country parks includes rent, catering income, shop sales and charges for various activities. These charges are reviewed annually, but for 2016/17 they will be reviewed as part of the Transformation project.
Again, since April 2015 the Countryside Service has incorporated Staunton Country Park (other income budget £122,000).

Outdoor Centre

Fees and Charges for Outdoor Activities

528,000 Fees and charges for outdoor activities are reviewed regularly and take into consideration overall market conditions. The charges are dependent on activities, group size and length of stay and are set to recover costs. Charges for 2016/17 will be reviewed and are expected to increase to reflect the rising costs of delivering these services

	Total income Budget 2016/17 £	Comments
Calshot Activities Centre		
Schools income	1,191,000	Fees and charges for activities are reviewed annually and take into consideration overall market conditions. The charges are dependent on activities, group size and type of course, and are set to recover costs. Charges for 2016/17 will be reviewed and are expected to increase to reflect the rising costs of delivering these services.
Recreational courses	569,000	
Recreational non-taught income	441,000	
 Archives		
Sales, Services and Events	82,000	Charges for sales, services and events vary according to the nature of the item, service or event. Charges are reviewed annually and are set to recover costs, except where the fee is a statutory charge (for certificates which is a £38,000 budget).
 Business Support		
Great Hall shop sales	140,000	Great Hall shop prices are reviewed annually, considering market conditions and are set to recover full costs. The layout of the Great Hall shop was redesigned during 2015, which is expected to generate additional sales, as well as additional income from sales of guide books.
Great Hall Wedding hires and related income	15,000	Weddings at the Great Hall are charged at £3,600. These charges are set in order to recover full costs and are due to be reviewed during 2016.

	Total income Budget 2016/17 £	Comments
Trading Standards 'Buy with Confidence'	67,000	The 'Buy with Confidence' scheme has three levels of fees, set according to number of employees. Fees are reviewed annually and an increase of 2.2% is proposed for 2016/17.
Registration Services	2,304,000	The Registration Service has a variable set of fees depending on the type of event or certificate, and the venue and timing of ceremonies. The majority of charges for ceremonies have been increased by 1.9% for 2016/17.
Property Services		
County Farms: Agricultural lettings	614,000	Rent charges for county farms are reviewed as part of a rolling programme led by Estates. Charges will vary according to market conditions, size and nature of the farms.
Other Income	37,000	Other income to county farms includes contributions to repairs and improvements, and recovery of utility charges.
Policy and Resources Income Total	<u>10,448,000</u>	

**Policy and Resources
Budget summary 2016/17**

Service Activity	Original Budget 2015/16 £000	Revised Budget 2015/16 £000	Proposed Budget 2016/17 £000
Culture, Communities and Business Services			
Transformation and Business Management:			
Transformation	0	217	337
Rural Broadband	94	94	97
Community and Regulatory Services:			
Regulatory Services	1,807	1,651	1,345
Community Grants & Policy Fund	1,472	1,421	1,226
Sport	196	196	214
Community	303	277	228
Library Services	12,410	12,085	11,695
Business Support	799	791	741
Scientific Services	-10	-10	-13
Asbestos	-25	-121	-12
Culture & Heritage:			
Countryside	2,881	3,042	2,682
Outdoor Centres	385	361	332
Arts & Museums	2,989	3,129	2,967
Archives	892	861	799
Risk, Health & Safety	214	196	190
Sir Harold Hillier Gardens	412	412	412
Property Services and Facilities:			
Direct Services	-966	-968	-1,006
Property Services	1,337	1,457	2,144
Office Accommodation/Workstyle	5,642	5,640	5,560

Service Activity	Original Budget 2015/16 £000	Revised Budget 2015/16 £000	Proposed Budget 2016/17 £000
Facilities Management	2,925	3,087	2,824
Print Sign Workshop	190	148	0
Planned contribution to cost of change reserve	1,277	947	3,740
Total CCBS	35,224	34,913	36,502
Public Health			
Central Public Health	2,482	2,732	2,497
Information and intelligence	39	10	18
Nutrition, Obesity and Physical Activity	1,594	1,416	1,158
Drugs and Alcohol	9,475	9,621	9,621
Tobacco	3,149	2,157	2,438
Dental	180	180	116
Children 5 – 19	4,121	3,955	4,036
Healthchecks	1,527	1,583	1,477
Miscellaneous Health Improvement & wellbeing	6,351	6,342	5,923
Sexual Health	11,329	10,571	10,377
Infection Prevention and control	116	28	29
Children 0 – 5	8,843	8,829	17,438
Public Health	49,206	47,424	55,128
Other Direct Services:			
Grants to Voluntary Organisations	247	247	236
Grants/contributions to Councils of Community	888	888	907
Members Devolved budgets	624	624	624
Supporting Troubled Families	1,622	2,574	0
Other Direct and Corporate Services	664	466	724
Total other direct services	4,045	4,799	2,491

Service Activity	Original Budget 2015/16 £000	Revised Budget 2015/16 £000	Proposed Budget 2016/17 £000
Corporate Services:			
Policy and Governance			
Legal	2,272	2,321	2,399
Governance	1,453	1,575	1,706
Performance & Communications	1,510	1,660	1,585
Transformation	1,867	1,778	1,906
Corporate Resources			
Customer Business Services (CBS)	7,165	7,079	7,091
HR	2,623	2,792	2,882
Finance	3,510	3,496	4,050
Internal Audit	684	683	709
IT	18,465	16,993	17,183
Other Corporate Services	3,980	1,980	2,978
Total Corporate Services	43,529	40,357	42,489
Repair and Maintenance	-905	15,758	10,166
Members Support Costs	1,706	1,706	1,726
Other Central Support Services	974	974	978
Total P&R Cash limited Services	133,779	145,931	149,480
Coroners	1,331	1,331	1,367
Transfers to/from reserves:			
School Library Service	-48	-48	-121
River Hamble	-27	-20	-51
Segensworth Unit Factories	-12	-12	-12
Hampshire Printing Services	-30	-131	0
Corporate Procurement County Supplies	-141	-259	-288

Service Activity	Original Budget 2015/16 £000	Revised Budget 2015/16 £000	Proposed Budget 2016/17 £000
HC3S	-484	-484	-219
Hampshire Transport Management	0	-147	-22
Education Financial Services	0	78	78
Education Personnel Services	-113	159	91
Government grants:			
Inshore Fisheries and Conservation	-204	-204	-204
Supporting Troubled Families	-1,622	-1,662	0
Local Reform and Community Voice	-540	-540	-540
Public Health	-49,206	-46,160	-53,000
Total net expenditure Policy and Resources	82,683	97,832	96,559

**Policy and Resources
Workforce Implications (full time equivalent)**

Service activity	Original estimate 31.3.2016	Changes relating to early VR	Transfers and other changes	Revised estimate 31.3.2016	Changes relating to early VR	Transfers and other changes	Estimate 31.3.2017
Culture, Communities and Business Services							
Transformation and Business Management	51	-4	-37	10	-	-	10
Business Support	289	-	-289	0	-	-	0
Community and Regulatory Services	530	-51	85	564	-	-11	553
Culture and Heritage	202	-9	55	248	-	-	248
Property Services and Facilities	352	-14	167	505	-	23	528
CCBS Trading Units	1,152	-	44	1,196	-	-10	1,186
Total CCBS department	2,576	-78	25	2,523	-	2	2,525
Corporate Services:							
Central Budget and Chief Executive's Office	13	-	-1	12	-	-	12
Corporate Resources	1,162	-36	77	1,203	-43	-	1,160
Policy and Governance	168	-6	22	184	-	-	184
Trading Units	62	-	19	81	-	-	81
Total Corporate Services	1,405	-42	117	1,480	-43	-	1,437

Service activity	Original estimate 31.3.2016	Changes relating to early VR	Transfers and other changes	Revised estimate 31.3.2016	Changes relating to early VR	Transfers and other changes	Estimate 31.3.2017
Public Health	33	-	3	36	-	-	36
Other:							
Sir Harold Hilliers Gardens	32	-	-1	31	-	-	31
Coroners	4	-	7	11	-	-	11
Supporting Troubled Families	10	-	2	12	-	-12	0
Total other staff	46	-	8	54	-	-12	42
Overall total Policy and Resources	4,060	-120	153	4,093	-43	-10	4,040