

HAMPSHIRE COUNTY COUNCIL

Executive Decision Record

Decision Maker:	Cabinet
Date:	20 June 2016
Title:	Medium Term Financial Strategy to 2020
Reference:	7482
Report From:	Director of Corporate Resources – Corporate Services

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1. The decision:

1.1 That Cabinet:

- a) Notes the revised position for 2017/18 and the anticipated use of the Grant Equalisation Reserve to balance the budget.
- b) Notes the revised financial position for 2018/19 and 2019/20 and the fact that the gap in 2018/19 can be bridged through a combination of one-off and recurring funding.
- c) Notes that although this significantly reduces future flexibility and introduces a higher element of risk it enables the continuation of the current financial strategy that the County Council operates and which has been so successful.
- d) Notes the remaining gap of £120m for 2019/20 to be met by Departments through the next stage of transformation.
- e) Approves the changed funding arrangements for IT development work outlined in Section 5.
- f) Notes the intention to review the Tt2017 Programme again in the summer with a view to reporting back to Cabinet in the autumn on the position and the proposed content of the next transformation programme to take us to towards the end of the decade.
- g) Notes the potential for formal decision making on the next transformation programme to take the County Council to 2019 being made before autumn 2017.

- h) Approves the provisional Departmental savings targets outlined in paragraph 7.7.
- i) Approves a one off addition to revenue of up to £700,000, to be met from General Contingencies in 2016/17 to provide for an element of works to ensure the Parkway building, Fareham, is capable of delivering to its full potential.

Agrees that it be a Cabinet recommendation to Council that:

- j) The County Council submits an application for a four-year settlement and that this MTF5 and the themes set out for the next transformation programme be approved as the efficiency plan for Hampshire County Council to be submitted in support of this application.
- k) Authority be delegated to the Director of Corporate Resources following consultation with the Chief Executive and the Leader of the Council to prepare and a separate plan providing more detail around these agreed themes if it is considered a useful addition to support our application.
- l) The capital investment of £10m per annum for four years, funded through a balanced combination of prudential borrowing and direct use of the NHB, to continue Operation Resilience be approved.
- m) The total acquisition cost of the Parkway building, Fareham, up to the maximum sum set out in a confidential report to the Executive Member for Policy and Resources on 16 June 2016, entitled Fareham Parkway – Workstyle Office Accommodation Strategy Update, be approved by County Council as an addition to the Capital Programme to be funded from prudential borrowing

2. Reason(s) for the decision:

- a) As part of the appropriate management of the financial affairs of the County Council, it is good practice to update Cabinet on annual basis on the medium term financial position and the plans that will be developed to help tackle the budget deficit in future years.

3. Other options considered and rejected:

3.1 None.

4. Conflicts of interest:

4.1 Conflicts of interest declared by the decision-maker: None

4.2 Conflicts of interest declared by other Executive Members consulted: None

5 Dispensation granted by the Conduct Advisory Panel: none.

6 Reason(s) for the matter being dealt with if urgent: not applicable.

7 Statement from the Decision Maker:

Approved by:

Date:

20 June 2016

**Chairman of the Cabinet
Councillor R Perry**