

## **HAMPSHIRE COUNTY COUNCIL – BALANCING THE BUDGET CONSULTATION**

### **1. INTRODUCTION**

- 1.1 On 3 July 2019, Cabinet received details of a consultation exercise of Hampshire County Council, titled 'Serving Hampshire – Balancing the Budget', which sought to understand the views of residents and stakeholders across Hampshire on options to help the Authority deliver a balanced budget up to 2021/22, in anticipation of a projected £80m budget shortfall by April 2021.
- 1.2 That the consultation being undertaken by Hampshire County Council be noted and that the Portfolio Holder of Finance, Investment and Corporate Services be required to submit a consultation response on behalf of the Cabinet before the deadline on 17 July 2019.

### **2. RECOMMENDATIONS**

- 2.1 That the comments at Appendix 1 be submitted to Hampshire County Council as the District Council's response to the Consultation.

### **3. PORTFOLIO HOLDER ENDORSEMENT**

**I have agreed to the recommendation in paragraph 2.1 of this report.**

**Signed:** *CLLR J HERON*

**Date:** 8 July 2019

**CLLR J HERON**

#### **For further information contact:**

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#### **Background Papers:**

Hampshire County Council Consultation (on HCC website).

Date on which notice given of this decision – 9 July 2019  
Last date for call-in – 16 July 2019

## **Hampshire County Council - Balancing the Budget Consultation**

As a key stakeholder, the New Forest District Council wishes to submit the following representation, as a result of the County Council's 'Balancing the Budget Consultation'.

This Council recognises the scale of the savings achieved by the County to date, and appreciates that the County has a proven track record of delivering savings and generating new sources of, and, additional income. Whilst the County figures might be significantly larger when represented in £'s, the percentage reductions in funding are not surprising considering the scale of the impact witnessed and dealt with here at the District. The County Council must acknowledge that all levels of local government face their own budgetary challenges when delivering on statutory duties and are not in a position to subsidise County functions.

### **Managing the budget**

We agree with the County's approach to targeting resources where they are needed most, and understand that significant strides have been made in embracing new technology and modern ways of working, including collaboration with others.

### **Options for balancing the budget**

Increasing and introducing new charges is never a decision that is taken lightly, but in the right circumstance and situation can provide a lifeline for the continued protection of front-line services when otherwise faced with difficult decisions around stopping or scaling back.

### **Lobbying central Government for legislative change**

Hampshire County Council is a large scale organisation supporting an economic area of significant size and importance. We would expect the County Council to lobby central government on all matters that it feels is to the overall benefit of the residents within the economic area however it should equally be minded of the cumulative impact, not only of its own charges but also those made by other statutory bodies, on residents who are already facing rising costs against a static income

### **Generating additional income**

Maximising the occupancy of the County's property estate, or working with its key stakeholders (i.e. other LA's) in devising plans and policies on shared usage could yield additional income and provide a joined up approach to the management of the overall public sector estate across Hampshire. The District Council is always willing to discuss such opportunities.

### **Using the County Council's reserves**

We would support the short-term use of reserves to maintain services through a period of transition however such action is neither prudent nor sustainable and can only be supported where a long term solution, to the funding gap, has been identified.

### **Reducing and changing services**

It is important that the County doesn't lose sight of the added value that the delivery of non-discretionary services give to the residents and its Council Tax payers. The County should be considering all services, and how the delivery of those services align to the overall strategic priorities of the County. If a service can be adapted, as opposed to stopped, then that has to be the best outcome to the end user.

### **Increasing Council Tax**

Increasing Council Tax is consistent with current central government policy (local taxes paying for local services) and is embedded within current funding assumptions. If the costs of a referendum can be avoided in order to facilitate 'sensible' council tax increases, this ought to be thought of as a potential lobbying item. Again this must be considered in light of the cumulative impact not only of the actions of Hampshire County Council but also those of all other precepting authorities.

### **Changing local government arrangements in Hampshire**

The district Council supports the County's current commitment to two-tier system of local government in Hampshire, and will continue to look to develop joint opportunities for working and sharing services to the benefit of both parties, and the residents of the New Forest. Whilst we have seen neighbouring authorities go through major changes we are still awaiting evidence that such unpopular and costly actions have not divorced its residents from the democratic process and that they will deliver on their promise of sustained and substantial savings.