

COUNTY COUNCILLOR REPORT TO SHEET PARISH COUNCIL

8 JANUARY 2019

1. Local Government Finance Settlement

The Local Government Finance Settlement was published on 13 December. It contained nothing especially surprising, 2019/20 represents the final year of the current spending review period and as such the majority of grant figures are in line with the four year settlement that was released in 2016/17.

There were previous announcements in the Autumn Budget on 29 October for additional funding in adults' and children's social care in 2019/20, which will provide around £12.9m of additional funding to Hampshire, together with current year funding for pothole repairs of just under £12m. New announcements were as follows.

Council Tax - the referendum limits for 2019/20 are:

- Up to 3% for HCC and HFRA (no further social care precept increase for HCC this year). This is in line with our Medium Term Financial Strategy (MTFS) assumptions.
- £24 band D increase permitted for Police.

Revenue Support Grant (RSG)

Hampshire's RSG was reduced to zero in 2019/20 as part of the original four year settlement. On top of this we also lost a further £1.6m as a result of 'negative RSG' which reduced our top up grant from business rates.

The Government has announced that there will be no negative RSG in 2019/20 and this therefore represents a benefit of £1.6m to the Council next year.

Business Rates

A £180m surplus from the business rates levy account will be distributed on the basis of need, of which Hampshire will receive just over £1.8m. There will be fifteen 75% business rates retention pilots. Hampshire's bid was unsuccessful

but Southampton, Portsmouth and the Isle of Wight have had their existing pilot extended, albeit at a lower retention level (2018/19 was 100% retention).

Rural Services Delivery Grant

In 2019/20 this has been increased by £16m (keeping it at the same level as in 2018/19). HCC won't receive anything from this. Winchester City Council is the only council in Hampshire which benefits from this grant.

New Homes Bonus

£20m has been added to the settlement to maintain the New Home Bonus baseline at 0.4% (only growth in new homes above this baseline level attract the New Homes Bonus). Hampshire will receive £4.9m from the New Homes Bonus and this is already factored into the MTFS for next year.

- A package will be developed to help councils improve their efficiency, such as the publication in spring 2019 of an 'improvement tool'.
- The Government may take further action against councils which are still borrowing to fund investment property purchases.

2. Opening of new relief road in Whitehill & Bordon

I was pleased to attend the opening of the new relief road on Monday 7 January in Whitehill & Bordon. Executive Member for Environment and Transport Cllr Rob Humby cut the ribbon together with Dave Axam, the Chairman of the M3 Local Enterprise Partnership which funded the construction of the road.

The new road is effectively a by-pass which allows motorists to avoid driving through Whitehill & Bordon. The new road is a pleasant and interesting drive surrounded by forests on one side and the construction sites for all the new housing on the other side.

The road will improve connectivity which will be good for the local economy. Residents will also benefit from faster journey times up the A325.

RUSSELL OPPENHEIMER
County Councillor for Petersfield Hangers