

Budget and Council Tax 2016/17

£48 million
Government grant cut in
2016/17

£238 million
Savings required by
2019/20

£1,079.28
Our 2016/17 Band D
council tax

Hampshire County Council's council tax will increase by 3.99% in 2016/17, the first change since 2010. The increase is necessary due to higher costs for adult social care services and large government grant cuts.

One of the main services we provide is adult social care. Demand is increasing every year due to the growing number of people requiring care. The new National Living Wage will also increase costs. The Government expects councils to introduce an "adult social care precept" to help fund these pressures. The precept is part of your council tax bill. Just over half of the council tax increase is to fund this new precept.

The Government is also making further cuts to council funding, with county councils receiving severe cuts. Over the next four years our Revenue Support Grant (worth £129 million last year) will be completely cut. £48 million of this cut is being made in 2016/17. The other half of the council tax increase is being made to lessen the impact of this.

We are committed to being as efficient as possible: our council tax rate is the lowest of any county council in England.

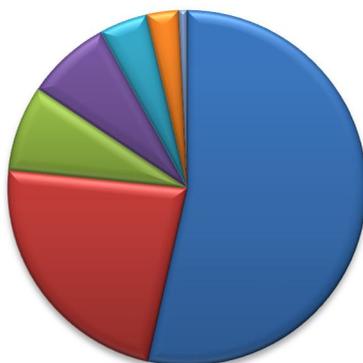
Savings of £238 million will still be required by 2019/20. £98 million of these will need to be made by 2017/18, with the remaining £140 million by 2019/20. This is due to the size of the government grant cuts and the need to release funds to ensure key services remain safeguarded. These savings will be carefully made in order to have the lowest possible impact on frontline services.

Despite the financial pressures, we will continue to provide high quality services and invest in Hampshire's needs. Over the next three years this includes:

- £230 million to create 11,000 more primary and secondary school places.
- Maintaining transport infrastructure, including £129 million for the structural maintenance of highways.

We will continue our calls for the local government funding system to be reformed, which currently favours cities at the expense of county areas. In 2016/17 we will receive just £139.80 of Revenue Support Grant per household. The equivalent figure for Manchester is over three times as much, at £441.23 per household.

What the 2016/17 budget will be spent on (£m)



- Children's services (including schools) = £1,026.1m
- Adult social care = £442.2m
- Culture, communities and other services = £149.4m
- Highways, transport, planning and waste disposal = £146.1m
- Future inflation, contingencies and reserves = £83.3m
- Capital borrowing costs = £55.1m
- Capital costs paid from revenue = £14.5m

How the budget is funded	2015/16	2016/17
Gross expenditure	£1,900.7m	£1,916.7m
Funded by:		
Income	£257.4m	£230.2m
Reserves	£44.3m	£85.4m
Specific government grants (mostly for schools)	£855.5m	£867.3m
General government grants	£182.4m	£147.0m
Business rates	£44.8m	£45.7m
Surplus on collection funds	£11.4m	£8.4m
Council tax requirement	£504.9m	£532.7m
Results in:		
Hampshire County Council's Band D Council Tax	£1,037.88	£1,079.28

About this summary

This information is about the Hampshire County Council element of council tax. Your council tax bill also includes amounts for the Police and Crime Commissioner for Hampshire, Hampshire Fire and Rescue Authority, your local district council and, in many areas, a parish or town council.

Government information about the adult social care precept

The Government requires all councils with adult social care responsibilities to publish the text below with their council tax information. Please note that Hampshire County Council has not yet made any decision about its council tax rates for the years after 2016/17.

“The Secretary of State for Communities and Local Government has made an offer to adult social care authorities. (“Adult social care authorities” are local authorities which have functions under Part 1 of the Care Act 2014, namely county councils in England, district councils for an area in England for which there is no county council, London borough councils, the Common Council of the City of London and the Council of the Isles of Scilly.)

The offer is the option of an adult social care authority being able to charge a “precept” of up to 2% on its council tax for the financial year beginning in 2016 without holding a referendum, to assist the authority in meeting expenditure on adult social care. Subject to the annual approval of the House of Commons, the Secretary of State intends to offer the option of charging this “precept” in relation to each financial year up to and including the financial year 2019-20.

In relation to the financial year beginning in 2016 the Secretary of State has determined (and the House of Commons has approved) a referendum principle of 4% (comprising 2% for expenditure on adult social care and 2% for other expenditure), for adult social care authorities. These authorities may therefore set council tax up to this percentage in 2016 without holding a referendum.”