

BUCKINGHAMSHIRE COUNTY COUNCIL

MINUTES

Minutes of the meeting of the Buckinghamshire County Council convened and held on Thursday 12 February 2015 in The Oculus, AVDC , Gatehouse Way. Aylesbury, HP19 8FF, commencing at 9.30 am and concluding at 1.12 pm.

PRESENT

Mr Z Mohammed in the Chair;

Mr B Adams, Mr C Adams, Mr M Appleyard, Mrs M Aston, Mr W Bendyshe-Brown, Mrs P Birchley, Ms J Blake, Mr N Brown, Mr T Butcher, Mr D Carroll, Mr W Chapple OBE, Mr J Chilver, Mrs L Clarke OBE, Mrs A Davies, Mr D Dhillon, Mr C Ditta, Mr T Egleton, Mr C Etholen, Ms N Glover, Mr P Gomm, Mr P Hardy, Mr D Hayday, Lin Hazell, Mr A Huxley, Mr P Irwin, Mr R Khan, Mr S Lambert, Mrs V Letheren, Ms A Macpherson, Mrs W Mallen, Mr D Martin, Mr M Phillips, Mr R Reed, Mr B Roberts, Mr D Schofield, Mr R Scott, Mr D Shakespeare OBE, Mr M Shaw, Mr R Stuchbury, Ms J Teesdale, Mr M Tett, Ms R Vigor-Hedderly, Julia Wassell, Mr D Watson, Mr W Whyte and Ms K Wood

ALDERMEN PRESENT

Mrs G Miscampbell OBE DL, Mr J Barclay, Marion Clayton, Mr M Colston, Mr D Polhill and Mr R Pushman

APOLOGIES FOR ABSENCE

Apologies for absence were received from Mr A Busby and Mr A Stevens

1 MINUTES

The Minutes of the Meeting held on 20 November 2014 were agreed subject to the following amendments (only paragraphs which have been amended are included):-

- Children growing up in **adverse circumstances** are more likely to have poorer outcomes, be unemployed, use drugs and be in prison.
- It was important to focus on physical activity and healthy eating in Primary Schools. Little Spring School, Chesham produced poems about healthy eating and the Chiltern Hills Academy focused on **age appropriate** topics. The **students** worked with Pinewood Studios to produce a film on emotional wellbeing. There was also a focus on healthy eating campaigns and sexual health awareness. Young people had designed an app to educate about sexual health matters.
- What happens during pregnancy can impact from childhood through to middle age. If a mother's health is poor, a child could have a low birth weight which increases the risk of ill health and lower educational attainment, **and** the risk of diabetes and stroke in later life. The family and school environment is very important, particularly the impact of peers.
- Teenage years are also crucial. There are risk factors influenced in adolescence relating to smoking, drugs and being physically active. Rapid brain development

also influences how teenagers behave.

- Teenage choices can lead to risky behaviour **and** the impact of friends and peers is very important. Young people are under pressure to conform
- Children in care tended to have poorer exam results.
- Emotional wellbeing was the bedrock for everything including achieving well in school, good self-esteem, **healthy** behaviour and not engaging in risky behaviours. Good parenting produced good mental health. It was important to pick up on post natal depression. Statistics show that nationally 10% of children have a mental disorder, 50% **of lifetime** mental illness starts before 14 years. 12% of young people between 13-14 years are anxious or depressed and 18% of those young people do not talk to anyone about this.
- The Report includes recommendations. **Public** Health is working with Children's Services, health visitors and schools nurses. Members were in the driving seat of the public health agenda. Undertaking physical activity could result in 30% lower risk of dementia. She referred to an initiative called 'Reclaiming our Streets' where streets are closed off to traffic on a regular basis so allow children to play.

During questions the following points were noted:-

- A Liberal Democrat, Independent and Buckingham Labour Member referred to new resources particularly for the under 5's. The **Director of Public Health** referred to the commissioning of health visitors and family nurse partnerships where they were still waiting to see the national allocation of resources but they had undertaken work with NHS England to identify the right level of resources.
- A Conservative Member asked about access to smoking **cessation services** for teenagers and about encouraging sport, with particular reference to the Rugby World Cup. He commented that some of the recommendations were generic. The Director of Public Health reported that close working took place with Trading Standards to stop underage smoking and drinking and a Local Physical Activity Strategy initiative was also being undertaken. **Whilst there were overarching recommendations, there were specific areas under each heading in the main report.**
- A Conservative Member asked for a breakdown on how public health money was spent and what outcomes were achieved. The Director of Public Health reported that her budget was scrutinised in the same way **as other areas in the Council** and that all services provided were evidence based with a return on investment.

The Director of Public Health was thanked for her informative report.

Cabinet Member for Community Engagement

The UKIP and Independent Member had been supplied figures as there was a discrepancy in the figures previously given.

2 PETITIONS

Mr Steven Lambert presented a petition on behalf of residents of Stratford Drive, Aylesbury for a 30mph speed limit for road safety reasons.

3 COMMUNICATIONS

Members stood for a minutes silence in tribute to Chloe Willetts, who had been a County Councillor, who had recently died.

There had been two historic finds in Buckinghamshire one relating to a roman burial ground where seventeenth century cups had been found and put on display in the County Museum. In addition 5000 saxon eleventh century coins had been found in Buckingham.

It was the last meeting of the Council for a number of people who were thanked for their enormous contribution to the meeting:-

- High Sheriff – Joe Barclay
- Head of Legal Services – Anne Davies
- Head of Democratic Services and Deputy Monitoring Officer – Clive Parker

The Leader paid tribute to the Chairman for the excellent Armed Forces event which had been held where he had given a remarkable speech referring to the debt owed by this Country to the Armed Forces.

4 DECLARATIONS OF INTEREST

Those Members who received a pension and who were also on the Pension Fund Committee declared an interest in item 9.

5 TREASURY MANAGEMENT POLICY STATEMENT, TREASURY MANAGEMENT STRATEGY STATEMENT, ANNUAL INVESTMENT STRATEGY AND MINIMUM REVENUE PROVISION STATEMENT FOR 2015/6

The Council is required under Section 15 of the Local Government Act 2003 to approve an Annual Investment Strategy before the start of each financial year. In accordance with best practice the Council combines the Annual Investment Strategy with its Treasury Management Strategy Statement. This report was submitted to the Regulatory and Audit Committee on 28 January 2015 for Member comments, which was approved.

RESOLVED

The Council approves the Treasury Management Policy Statement, Treasury Management Strategy Statement, the Minimum Revenue Provision Policy Statement and the Annual Investment Strategy for 2015/16, together with the Prudential Indicators over the next three years.

6 CHIEF FINANCE OFFICER'S STATUTORY REPORT 2015/16 - 2017/18

Under Section 25 of the Local Government Act 2003 the Service Director Finance and Commercial Services was required to report to the Council on:

- (a) the robustness of the estimates made for the purposes of the calculations [of the budget], and
- (b) the adequacy of the proposed financial reserves.

This report is the culmination of the budget process in which detailed work has already taken place with Service Managers, the Corporate Management Team and Councillors. The Council is required to have due regard to this report when making decisions on the budget.

The Service Director reported that given the reductions in government grant levels, the growing unavoidable expenditure pressures and the scale of reductions required, the budget will inevitably contain a degree of risk. The key risks include: -

- General Election and subsequent Spending Review
- Achievability of Reductions
- Demand Led Budgets
- Care Act
- Ofsted Improvement Plan
- Governance in the new environment following Future Shape launch
- Capital Programme

The level of general fund reserves has reduced dramatically from £31 million to £20 million due to the issues with children's safeguarding and at the end of the Medium Term Forecast it was expected to be £18 million. He concluded by saying that the budget was robust and the level of reserves were reasonable and adequate.

During discussion the following points were noted:-

- The capping part of the Care Act will begin to impact from April 2016, although there will be implementation costs prior to that. The full impact is still uncertain, especially given the high number of self-funders in Buckinghamshire. The Cabinet Member reported on the following costs; early assessments £1,561,000, deferred payments £714,000, prisoners £80,000 and carers £386,000. She was happy with those figures but she was not sure there was enough funding for carers assessments at this stage. The Cabinet Member was uncertain about funding for 16/17. The Service Director said he was confident for figures for 15/16 to deliver transitional services; the bigger risk was 16/17 onwards.
- A Liberal Democrat, Independent and Buckingham Labour Member expressed concern around funding for social services with legislation, shortage of social workers, deprivation of liberty safeguarding and threats such as child sexual exploitation. The Service Director reported that there were some very volatile risks around this area and that the Council could only make best estimates. The Cabinet Member reported that the risk register is regularly reviewed.
- A UKIP and Independent Member referred to the financial risks relating to savings of £48.9 million. The Service Director reported that this related to the Future Shape Programme savings. There were various strands to the Programme including undertaking Strategic Options Appraisals. He was confident that the 15/16 savings would be achieved as staff consultations were already being carried out.

The report was noted.

7 REPORT OF THE LEADER OF THE COUNCIL, REPORT FROM THE FINANCE, PERFORMANCE AND RESOURCES SELECT COMMITTEE AND PROPOSAL OF BUDGET

David Shakespeare presented the recommendations of the 2015/16 Budget Scrutiny Inquiry of the Finance, Performance and Resources Select Committee. He thanked Community Impact Bucks and Citizens Advice for their contribution to the Inquiry. It was noted that risks formed an integral component of the Inquiry Work.

Members noted the following recommendations in the budget scrutiny report

1: The outcomes based budgeting methodology should be finalised and agreed by Cabinet in time to be used fully in the 2016/17 budget setting process.

2: Consideration of risks, including use of the Council's risk registers, should form an integral component of every stage of the 2016/17 budget setting process and subsequently, with budgetary allocations being considered in terms of impact on risk profile.

3: All reductions to voluntary sector funding, regardless of amount, should be subjected to an assessment of impact on service delivery covering the impact of removal on the resilience of both the organisation and services it provides.

4: We recommend that major capital programmes should be project managed by specialists, obtaining private sector support if in-house expertise is not available, thus minimising capital slippage to the greatest possible extent.

5: We recommend that a full options appraisal evaluating the value for money argument for prudential borrowing as a means to fund road improvements should be submitted to a Cabinet meeting at the earliest opportunity.

6: Measures to improve the speed and ease of the Council's recruitment and retention process for social work staff, in conjunction with efforts to reduce the reliance on agency staff in social care, should be implemented urgently.

7: The reablement provider marketplace should be developed in Bucks, both to provide the County Council with a range of alternative providers, but also to subject Bucks Care to commercial pressures that would fuel innovation and provide an incentive to further drive down costs.

8: The support costs for Local Area Forums and accompanying rules and procedures should be reviewed to consider the case for further efficiency savings, in particular to consider the appropriate ratio of support costs in comparison to the grant funding provided by LAFs. There should be no further reductions in Local Area Forum grant in this year's MTFP. Further grant funding reductions serve to highlight the disproportionate overhead costs of supporting LAFs for the County Council.

9: An options appraisal for the use of the residual heat from the Energy From Waste plant as an income stream should be considered by the Cabinet at the earliest opportunity.

The Leader then presented the budget as follows:-

The Leader used an analogy that the preparation of this year's Budget has been more like riding a roller coaster than embarking on the usual well signposted journey along a road.

Strategic Overview

As the MTP is a Strategic Plan and budget for a three year period and not just a single year, the Leader gave a brief review of the political and economic situation within which the Council operates and which will shape the environment over the next three years.

This year of course brings a dramatic choice for the country in May with the General Election. But, overshadowing the election are some difficult messages. For example, the Institute of Fiscal Studies has recently pointed out that over the next four years, the UK is planning the largest fiscal consolidation out of 32 advanced economies.

It's pretty clear then that, whoever wins the forthcoming election they will be faced with the need to continue with deep and protracted cuts in public expenditure at least for the next five years. As the IFS also warn, the cuts in public spending are only half way through and the more difficult reductions are still to come. More worrying, is the tendency of all Parties to begin promising to 'ring fence' or even increase certain areas of expenditure in the run up to the election. There are commitments to increase Pensions, maintain schools expenditure, increase Overseas Aid in line with GDP and promise dramatic increases in NHS spending, whilst promising at the same time to clear the deficit. It is painfully obvious that the only major service Departments left to bear the cuts are the Home Office, Defence, DEFRA and, local government!

Whoever wins in May further cuts will be taken to local government expenditure. If money is directed to the North of the Country, this money can only come from places such as Buckinghamshire and would not only see the removal of the New Homes Bonus but other significant cuts to Government funding. It therefore remains essential to continue with the Council's policy of moving as rapidly as possible towards financial self-sufficiency – removing entirely revenue dependency upon central government.

Already Buckinghamshire has the lowest Government support of any County Council and that support is likely to continue to diminish.

Key Principles for Sustainability

As the Council sets this Medium Term Plan Members should be minded of some key principles for the next three years: to be prudent in revenue expenditure, focus on the essential services, continue to become more efficient, look for opportunities to increase income, have contingencies and reserves against unexpected shocks and avoid the temptation to 'borrow and spend' and leave residents with a legacy of debt which isn't serviced by savings or income. It is important to engage with Government strategically to seek more devolution of central government funding through mechanisms such as the Local Enterprise Partnership and the new Tri County Alliance with Oxfordshire and Northamptonshire. By doing this the Council's objective is to produce a budget that is sustainable into the medium and longer term.

The starting point-This Year's outturn

This has undoubtedly been the most challenging year since the Leader joined the County Council nearly ten years ago. Only last February a resolution was passed on a

budget, which whilst it contained risks, was sound. Since then that budget has come under severe pressure with a potential overspend being forecast for the first time in the County's history. The causes for this are clear. The major challenge the Council faces in Children's Safeguarding (following the Task and Finish Group Report and of course the subsequent Ofsted Inspection), combined with pressures in Adult Care (primarily due to new legal changes) and lastly planned income in Transportation which will not be delivered due primarily to decisions taken by Central Government. He stressed that the forecast overspend is exactly that, a forecast and it is the Council's objective, working collectively with Cabinet, to minimise that potential overspend by the end of the year and he thanked Mr Hardy and Mr Williams for the work on that.

Most residents continue to believe that, with the economy growing and unemployment falling, their priorities can be not only protected but rising expectations met.

The MTP Process

Again the starting point has been the Council's **Strategic Plan** - The priorities Members have set for the Council and Cabinet. Members have looked at outcomes, whilst seeking efficiencies across all departments. The Plan still remains fundamentally sound but probably now needs to be revisited in the light of ever shrinking resources, emerging pressures and new legislation. All Councillors should have the opportunity to contribute to a refresh of the Plan in time for the AGM. One aspect that needs highlighting even more clearly is that of Children's Safeguarding and he would be recommending that the Council strengthens its focus on that during this process.

The need to significantly increase resources dedicated to **Children's** has been probably the defining factor this year. This process started early in 2014 with the establishment of the Task and Finish Group and has continued during and following the Ofsted Inspection. The results of this Inspection were very concerning and disappointing. Nevertheless, the Council welcomes and accept Ofsted's conclusions as they have highlighted areas where the Council must improve rapidly to safeguard the most vulnerable young people. Therefore, during the budget process Members have again allowed for the write off of a considerable overspend in 2014/15, rather than a carry forward, and then added a very substantial increase in the Children's Services budget both in year and in subsequent years. This has been a very difficult and, at times, painful process with all budgets so constrained and he thanked Cabinet colleagues for their patience having sought compensating savings in most of their portfolios.

The many other factors that have helped determine the budget have included recognition of the challenges of **legislative change** particularly in Adult Social care due to the Care Act and Deprivation of Liberty requirements. The Council has also faced major challenges coping with growth in the population with demand for **school places** rising rapidly and unfortunately significantly underfunded by national Government.

As always a further influence has been the **Consultation with residents** and businesses. Again Members and officers were on railway platforms in the early hours to hand out questionnaires to those residents who commute each day. A group that is too often underrepresented in surveys. This year the Council achieved a response of over 2000 residents and 500 businesses. A major achievement. Residents have told Members that roads and pavements remain a major priority for them and this has been reflected in the decision to re-profile the major Capital resurfacing programme to bring

forward expenditure of £25 million into the next financial year to continue the strategy of restoring our roads.

And of course a further valuable input has been the **cross party Budget Task and Finish Group** which yet again has subjected the Cabinet to very detailed scrutiny and challenge on initial proposals. He was particularly pleased that as a result of a challenge they have managed to restore some of the funding to the Buckingham and Winslow Young Carers.

Lastly, he thanked Cabinet for their patience and fortitude during some very tough 'Star Chamber' meetings on this budget, the Chief Executive and his senior officers for the support that they have provided to Members through this process and most particularly Richard Ambrose and the whole of the finance team for burning the midnight oil with the numerous reworking of the figures in the light of changing circumstances and new ideas.

So what are the key figures behind the changes in central Government finance? The Revenue Support Grant (the main grant support from Government) has gone from **£52.7m** in 2014/15 to **£41.8m** in 2015/16, a reduction of **£10.8m**, or **21%**. He expected this trajectory to continue, so that by the end of the decade the Council will no longer receive any RSG. The Top-up grant has, as promised, increased in line with inflation from **£25.1m** to **£25.2m**. New Homes Bonus increases from **£2.3m** to **£2.9m**, a welcome increase, but a little less than anticipated. Education Services Grant is expected to fall from **£7.0m** to **£5.5m**, although this is essentially due to academy conversions rather than a reduction in the rate of funding. In Appendix 1 of the budget report "Other Un-ring-fenced Grants" appears to rise from **£1.8m** in 2014/15 to **£3.9m** in 2015/16. This line holds a number of smaller grant streams and hides a multitude of issues. For example despite the apparent increase, this line includes the removal of **£581k** of the former Social Fund, for which only last week the Government finally relented, in part, in adding back **£287k** to RSG for this and social care pressures following considerable lobbying from local government. The increase in "Other Un-ring-fenced Grants" is due mainly to additional time-limited funding of **£309k** to support the SEND reforms and **£2.66m** as initial funding to facilitate the changes brought about by the Care Act. These are further examples of apparent increases in funding which are balanced by increases in responsibilities.

So in summary when it comes to funding from central government the stand out figures are: a massive reduction in general grant; increases in funding for increased responsibilities and; inflationary increases on some, but not all, of the other grant streams.

Under the new funding arrangements introduced in 2013 local authorities retain a proportion of business rates and a proportion of any growth in the business rates. Despite the County Council having the major responsibility for infrastructure to support housing growth, such as roads and schools the Council only get **9%** of Business Rates. Government retains 50%, Districts get 40% and the Fire Authority 1%. In 2014/15 the 9% share was estimated at **£14.9m**. The latest estimate for retained business rates for 2015/16 is an increase of **£2.7m** over the current financial year to **£17.6m**. The Council had submitted an application for a rates pool along with Aylesbury Vale District Council and Wycombe District Council. Subsequently Wycombe decided to pull out and the pool could not proceed. Nonetheless, the increase is a welcome source of locally generated income which demonstrates the

potential of the 'Buckinghamshire economic powerhouse' .

Income - Summary

In overall terms the resources available to the County Council, falls from **£108.4m** in the current year to an estimated **£100.4m** next year. That of course is a cash reduction before inflation or the substantial 'demand led' pressures that the Council faces, which makes the real gap much larger.

Expenditure

As the Council moves from the current financial year into the next the estimate is that price inflation will cost an extra **£2.65m** and across the whole of the 3 year planning period an additional **£8.08m**. Unavoidable growth driven mainly by those new duties the Leader spoke of earlier and demand pressures are estimated at **£23.87m** next year and an eye-watering **£40.47m** over the three year period. Additional grant does cover some of the additional responsibilities, at least in theory, but this still leaves some very hefty figures resulting from demand pressures.

Ofsted inspectors have found the Council wanting in terms of the rigour with which the duty of care towards the most vulnerable children and young people is carried out. Addressing those shortcomings is requiring substantial additional resources to be put into the budget.

In the current financial year following both the work of the Task and Finish Group and the Ofsted inspection the Council have added a total of **£7.5m** to the Children's Services budgets. Despite this, the latest budget proposals assume the addition of further substantial resources, so that the Children's Services Budget at **£53.8m** is some **£14m larger** than anticipated it would be when the medium term plan was set this time last year. That is an increase of 35%. Not only that, but the Council is also proposing contingencies of over £1m to cover increased risks in this still volatile area. This is a firm commitment to deliver on agreed responsibilities towards these vulnerable young people!

Efficiencies

The Future Shape programme is a major drive in this direction, although many of the savings from this will not come until years 2 and 3 of the Medium Term Plan. Savings will be delivered through staff restructuring and moves to increased digital access to services. Overall the Council is assuming efficiencies in Portfolio budgets of £15.1m. This includes continuing to push forward with the initiatives that began some years ago in respect of both Home to School Transport and Day Care services. It includes working in partnership, particularly with colleagues in Health to find more joined up ways of working, as well as the partnerships such as the newly established Alternative Delivery Vehicles, such as the Buckinghamshire Learning Trust and Buckinghamshire Care.

Increased Income

The Council will generate more income. Sometimes this will mean charging services users, but this also includes more commercial income streams such as through the Energy from Waste plant when that comes live and making better use of property assets to generate income. Overall in 2015/16 the Council is assuming that they can generate nearly **£2.8m** of additional income.

Service reductions

In some cases the Council needs to reduce, or completely stop some of the things that are being undertaken today. The Council is assuming that they will achieve savings of **£3.0m** in 2015/16 through service reductions. This will include reducing some community safety initiatives, such as support for PCSOs and back office services. More difficult still, the Council is reducing the Supported Living programme and the Economic Development budget. The Leader will continue to attempt to find new innovative ways to support economic development. Through economic prosperity income can be generated to both Buckinghamshire and the country as a whole to pay for essential public services.

Use of Reserves

Within expenditure plans are a number of one-off items, most particularly to support the Ofsted improvement programme. As well the savings outlined, in order to balance the books, the Council is proposing to fund these one off items by the use of just under **£3m** of reserves. This follows on the back of the Council using over **£10m** of General Fund Reserves in the current financial year. The Council had the ability to top up reserves a little following some of the late improved funding announcements. As it is reserves will now stand at less than 6% of Net Budget Requirement. The Council is facing some difficult decisions in striking a balance between supporting the most vulnerable in the community and financial sustainability.

Capital

In total the Council is planning to spend **£92m** in 2015/16 and some **£412m** over the three year life of the programme. Of course, by far the largest element of this is investment in the Energy from Waste plant at Greatmoor, which will bring the Council huge revenue savings when it is up and running in 2016 and thus not only help the Council with environmental sustainability, but also financial sustainability. The plans for 2015/16 include bringing forward the roads & footpaths programme so that the Council will be spending **£26.6m** in 15/16, before easing back to a steady state at **£10m p.a.** The Council will find new creative ways of further adding to this programme. The programme also includes a very substantial **£23m** in 2015/16 and **£81m** over three years investment in schools. Despite these large sums this may still not be enough to cope with a rapidly rising school population and the Council is yet to have some challenging conversations with DfE over how to handle this situation. The capital programme also now reflects very considerable investment in infrastructure to support the growth of the local economy undertaken in partnership with the Local Enterprise Partnership.

Council Tax

There is the option of the Council Tax Freeze Grant. There are however several problems in accepting the Freeze Grant. First of all it is a specific grant which could very easily be removed and never has such vulnerability been greater than in advance of a potential new government. However, this separate grant is subsequently built into the core grant the RSG and, this is being cut itself at a phenomenal rate. So very quickly this additional sum will be eroded away. This is no way to sustain the financial position. Reluctantly, the Leader concluded, as have the majority of other county councils, to increase the base funding position and thus increase the Council Tax.

The Government have now confirmed that the referendum limit for Council Tax increases is set at **2%**. He therefore proposed that the Council continues with its plans for a **1.99%** increase in the Council Tax as originally set out in the draft budget plans proposed by Cabinet back in December. For a Band D property this represents an

increase of just **42p per week**.

Conclusion

With these grant cuts and increases in costs pressures, it has been the toughest of budgets in his ten years with the County Council to set. Nevertheless, Cabinet have done their best to propose a budget that reflects the priorities of Members and residents. With the public deficit still firmly large and a general election just around the corner that roller-coaster ride could still get more exciting yet.

Based on the best information, this budget is sustainable. It is a budget that tries to put in place the building blocks for a prosperous future for Buckinghamshire. But above all it is a budget that aims to protect the most vulnerable in their communities.

The UKIP Group Leader commented that the Government had difficult decisions to make on where their priorities lie and made the following comments:-

- the importance of protecting vulnerable children
- borrowing money or increasing the Council tax to restore the County's roads
- delivering Transport for Bucks in house
- the costs of social care should be reviewed
- reducing Police Community Support Officers was a step in the wrong direction
- to have no further depletion of reserves
- carers should receive more allowances
- Local Area Forums should be abolished
- There should be a freeze in Council Tax

An amendment was then proposed by Andy Huxley, seconded by Brian Adams as follows:-

I propose an amendment in respect to the Council Tax increase of 1.99% in that we freeze it for the year 2015/2016.

During discussion the following points were made against the amendment:-

- Funding cannot be found in the context of this budget especially with the Government grant it would be irresponsible to freeze the Council tax.
- The amendment does not support the ability to fulfil the statutory services of the Council
- 42 pence per week is not much to support vulnerable children and adults.
- Taking Transport for Bucks in house would mean the cost of a new direct labour organisation, reviewing social care could include the risk of reducing agency staff which would have an impact on social care and abolishing Local Area Forums would mean there was no delivery mechanism to devolve money to local community.
- The Government had thrown Local Authorities a lifeline to increase the cap level to 1.99% as they recognised the huge pressures in budgets, particularly with the demand in children's services across the Country increasing and it would be foolish to ignore this lifeline which would give an extra £2million into the budget.
- Taking the Council Tax freeze would mean a decrease year on year in the budget which would leave the Council in difficulties.
- The budget has been reviewed extremely carefully through the Budget Scrutiny

Committee and there are a number of risks already in the budget which will increase with further pressures.

- Social workers need a boost to their morale and consistent support rather than be reviewed.
- This Council must not endanger the most vulnerable in society and there are costs in discharging the legal, ethic and morale duty in relation to vulnerable children and adults.
- The Council was looking at making efficiencies where available, particularly in pooling budgets and integrating services with partners.
- The Leader concluded that a rise of 1.99% gave an extra £2.2 million of revenue and the Council was already borrowing on a large scale. Taking TfB back in house would cost more money and abolishing LAFs would not close the budget gap.

The above amendment was lost with 42 votes against the amendment and 3 for the amendment. A recorded vote was taken and the following Members voted in favour of the amendment:-

Mr Brian Adams, Mr Chris Adams and Mr Huxley.

The following Members voted against the amendment:-

Mr Appleyard, Mrs Aston, Mr Bendyshe-Brown, Mrs Birchley, Mrs Blake, Mr N Brown, Mr Butcher, Mr Carroll, Mr Chapple, Mr Chilver, Mrs Clarke OBE, Mrs Davies, Mr Dhillon, Mr Ditta, Mr Egleton, Mr Etholen, Mrs Glover, Mr Hardy, Lin Hazell, Mr Irwin, Mr Khan, Mr Lambert, Mrs Letheren, Mrs Macpherson, Mrs Mallen, Mr Martin, Mr Mohammed, Mr Phillips, Mr Reed, Mr Roberts, Mr Schofield, Mr Scott, Mr Shakespeare OBE, Mr Shaw, Mr Stuchbury, Mrs Teesdale, Mr Tett, Mrs Vigor-Hedderly, Mr Watson, Mr Whyte, Mrs Wood

The Group Leader of the Liberal Democrat, Independent and Buckingham Labour Party made the following points on the budget:-

- She expressed concern that this budget would not be able to achieve the key principles of sustainability.
- She congratulated Budget Scrutiny on their work on the budget but expressed concern that their recommendations struggled to be coherent as usual as the budget was being cut by service areas rather than looking at outcomes. The recommendations were split equally between high level and specific responses and there was a deeper consideration of risk and impact of cuts to the voluntary and community sector, which needed to be listened to and assessed more deeply and the knock on effect to services. The specific recommendations such as major capital projects, reablement, LAFs and the residual heat from the EFW plant, including the capitalisation of roads was not really responded to and reflects the piecemeal nature of the budget.
- The refresh of the strategic plan should be radical and practical. The budget was even more high risk with bigger and costlier risks of failing to deliver all together and increase burdens for future years.
- There are a large number of savings to be found which do not deal with demographic pressures and unfunded new statutory responsibilities. There was a lack of resource or the resource was in the wrong place.
- The Government have removed tax raising powers.

- The Group supported the Council tax freeze last year but this year it was not an option. The Council tax falls disproportionately on smaller incomes and it was impossible to dodge the 98% collection rate.
- A Band E cost £1300 which delivered high profile services such as roads, school provision and standards, and a civilised society which looked after the vulnerable, public health, libraries and learning. This was a good deal.
- Cabinet Member priorities need to be equitable, deliverable and alternatives given if difficulties arise.
- Children services should be a first priority and be remodelled to provide an effective and efficient service.
- Roads assets should be addressed and the return on investment to provide a strong economy. The cost of borrowing not only needed to be looked at but also the outcome value. There should be an open debate about prudential borrowing.
- Further reassurance was required on having a safely balanced budget rather than a budget which consisted of salami slicing which was becoming more difficult to achieve.

Members responded as follows on the Group Leaders speech:-

- There were risks in the budget and concern was particularly raised about the Future Shape Programme savings.
- The next two years of the budget were risky particularly looking at self-sufficiency in the immediate future.
- There was concern about there not being an Equality Impact Assessment for projects under £100,000.
- The funding across Local Area Forum's was not equitable.
- Concerns were raised about the changes to Home to School Transport, slippage to the Capital Programme and the overspend in Children's Services.
- A general comment was made about the tax evasion in the Country and the lack of funding in Local Government and also about projects costing huge sums of money such as HS2, with little proven benefit.

During general discussion on the budget recommendations the following points were made:-

- The Cabinet Member for Health and Wellbeing reported that her budget for 15/16 was proving more difficult and the principle challenge was the growth in older people and the implications of the Care Act. There were increasingly complex placements for people with Learning Disabilities and an expectation of considerable budget savings. In addition there was a shortfall of social care staff. To be on an equal footing with other Local Authorities her budget would need to be increased by another £6 million. Efficiencies were expected to be delivered in the market place.
- A Conservative Member reported that he supported the budget but they were facing a difficult time particularly with the Country's deficit. It was important to develop the tri-county proposals and economic development including Local Strategic Partnerships and the voluntary and community sector.
- A UKIP and Independent Member reported that the District Council had

agreed to a Council Tax freeze and commented that some Members were voting differently across the different tiers of Government.

- The Cabinet Member for Finance and Resources reported that there were huge challenges relating to social care and that the Cabinet had worked closely together to find savings across the Council. He thanked the Service Director Finance and Commercial Services for his work on the budget.
- The Leader reported that the District Council had very different pressures to the County Council as they did not have to deal with vulnerable people but services such as planning, leisure and rubbish collections. Vulnerable people were a priority for the County Council. There were risks around some of the savings in the budget but the County Council had a good track record of delivering savings and the reserves were now at a reasonable level. He had concerns about using prudential borrowing for roads because there was no return on investment and roads had a maximum life of ten years. He therefore proposed the recommendation.

The original motion was agreed by 35 votes in favour, 6 against and 6 abstentions. A recorded vote was taken and the following Members voted against the motion:-

Mrs Davies, Mr Chaudhry Ditta, Mr Khan, Mr Lambert, Mr Stuchbury, Julia Wassell

The following Members voted for the motion:-

Mr Appleyard, Mrs Aston, Mr Bendyshe-Brown, Mrs Birchley, Mrs Blake, Mr N Brown, Mr Butcher, Mr Chapple, Mr Chilver, Mrs Clarke OBE, Mr Dhillon, Mr Egleton, Mr Etholen, Mrs Glover, Mr Hardy, Lin Hazell, Mr Irwin, Mrs Letheren, Mrs Macpherson, Mrs Mallen, Mr Martin, Mr Mohammed, Mr Phillips, Mr Reed, Mr Roberts, Mr Schofield, Mr Scott, Mr Shakespeare OBE, Mr Shaw, Mrs Teesdale, Mr Tett, Mrs Vigor-Hedderly, Mr Watson, Mr Whyte, Mrs Wood.

The following Members abstained:-

Mr Brian Adams, Mr Chris Adams, Mr Gomm, Mr Hayday and Mr Huxley.

RESOLVED

- 1. That the Revenue Budget for 2015/16 as set out in Appendices 1, 2 and 3 and a Net Budget Requirement of £331.839m be approved.**
- 2. That a Council Tax Requirement of £232.644m and a Band D Council Tax for County Council spending of £1,115.67 be approved.**
- 3. That the Capital Programme as set out in Appendix 5 of the agenda be approved.**

8 REPORT OF THE INDEPENDENT PANEL ON MEMBER ALLOWANCES

The Council received the report of the Independent Panel on Member Allowances for the Council. The review by the Panel is a whole-scheme review which has to be undertaken every four years. An amendment was proposed by Mr T Butcher and seconded by Mr R Scott.

Mr T Butcher presented the following amendment:-

“This Council thanks the Independent Panel for their work and detailed review of Member Allowances. Council notes the Report and the Panel’s recommendations that there be again no general uplift in Members’ Allowances. Council resolves that:-

1. The current system of linkages for Member Allowances should be retained
2. The most fair and accurate means of evaluating a Member’s performance is by his/her electorate through the ballot box
3. Members be encouraged to write a regular account of their activities for their electorate and that Members be allowed to adopt the form and frequency most suited to their electorate”.

The proposer of the motion reported that democracy had to be paid for and also needs to attract all ages of people to become councillors and to represent their population and support their communities on a 24 hour basis; therefore they need an understanding employer. Being a Cabinet Member is a full time job and therefore there should be a link between allowances and officer pay. How do you judge Members performance when they represent different parts of County; urban and rural? If you use Parish Council attendances as a criteria then a councillor in the North of Aylesbury may have 36 Parish Council meetings to attend whereas a Councillor in the Chilterns may only have one Town Council meeting. How do you judge a Councillor’s work - by response to emails, attendance at meetings or contribution to the community and attending branch and constituency events. This can only be judged by the electorate.

The seconder of the motion, Mr Scott commented also that this was difficult to address. The workload of Member and officers were changing and whilst he supported the evaluation of performance it was difficult to see how it could be done fairly and accurately and having a process that could be objective. Members should be encouraged to keep their electorate informed using the Council website toolkit and holding surgeries.

During discussion the following points were made:-

- The Group Leader of the Liberal Democrat, Independent and Buckingham Labour Party agreed that democracy had to be paid for and that this should reflect the value residents place on democracy. It was up to individual Members how to respond to challenges of being a county councillor. She however would abstain on the amendment as she was not really clear why the recommendation of the Panel had been ignored and commented that the linkages to staff payments should have been made more clear. Should staff have to undertake a different system of performance review to Members? However, Members did have to face the additional hurdle of being evaluated through the ballot box. She commented that she would have liked to have heard the findings from the Panel at this meeting.
- A Liberal Democrat, Independent and Buckingham Labour Member echoed the views of the Group Leader, particularly that it would have been useful to have heard from the Panel directly and understood their rationale for the recommendations. County Councillors could be rang at all times of the day and one constituent rang him at 10pm on Christmas Day. He commented about the current system of election which should be changed and first past the post. He had given up his job to dedicate time to the work of a County Councillor and commented that they should be paid what they are worth. He would abstain from the amendment.

- A Conservative Member reported that allowances had been reviewed four years ago and allowances needed to be reviewed. The number of county councillors had reduced from 57 to 49 despite increases in population and the mileage rate had been dropped. The cost per voter was going down 20%. Members were eligible to join the Pension Scheme but this is being withdrawn in two years' time therefore the cost per voter would go down even further by 40%. It was important that people were attracted to become a county councillor in the future and he supported the amendment.

On a vote being taken the majority were in favour, 1 against and 4 abstentions.

RESOLVED

- 1. The current system of linkages for Member Allowances should be retained (for the financial year 2014/15, a one per cent increase in Basic Allowance and Special Responsibility Allowances, payable from 1st April 2014)**
- 2. The most fair and accurate means of evaluating a Member's performance is by his/her electorate through the ballot box**
- 3. Members be encouraged to write a regular account of their activities for their electorate and that Members be allowed to adopt the form and frequency most suited to their electorate".**

9 LOCAL GOVERNMENT PENSION SCHEME (LGPS) - LOCAL PENSION BOARD

The Council received the report on the need to establish a Local Pension Board by 1 April 2015 due to the new Local Government Pension Scheme Regulations 2014. The Board would ensure the effective and efficient governance and administration of the Scheme, including funding and investments. The establishment of the Board had been agreed by the Regulatory and Audit Committee and the Pension Fund Committee.

RESOLVED

That Council note this report, dissolve the Pension Fund Consultative Group and approve the establishment of the Local Pension Board, its composition, its code of conduct and its terms of reference in accordance with its constitution.

10 NOTICES OF MOTION

The following Motion was presented by Mr M Appleyard as follows:-

"We are in danger of losing a generation of voters if we do not take action now. Since 1964 there has been a fall of 25% in the number of under 24 year olds voting in General Elections. This, during a period when the number of over 65s voting has remained fairly static.

Young people need to speak up, as it is they who inherit the actions of current politicians, and they who will lead the country in the future. We have a responsibility as a Council to promote local democracy. As members we have a duty to serve our communities, regardless of their political persuasion or their age.

I ask this Council to commit to working with our younger people, to discover what stops

them speaking up and taking part in democracy and engagement. When we know some of the answers, we can then work with our younger people to design programmes that will bring about an inclusive democracy in Buckinghamshire.”

The proposer of the Motion Mr M Appleyard reported that in 1964 76% of young people voted in the general election and in 2010 it was 51%, only half. This is a serious change. There are no statistics for local elections but they do not appear on the radar of young people who are turned off by jargon and the practice of politicians. This Council has regular contact with Youth Parliament and youth groups trying to give a strong voice to young people. The Council needs to communicate by social media through a rapid dissemination of ideas and adopt their style and reengage people who will be Leaders in the future. Young people need to take part in developing policy and delivery for which they will inherit. He challenged County Councillors to engage young people and take them door knocking etc and visit their schools. Officers would also look at research on making engagement stronger.

Mr W Whyte seconded the proposal. The Motion was discussed as follows:-

- The UKIP and Independent Group Leader welcomed the notice of motion but emphasised the importance of having a level playing field with all political groups. He referred to a recent school event where he had been criticised for not being there but was not aware of the invitation.
- A Liberal Democrat, Independent and Buckingham Labour Member commented that this would fail if there was more of the same but engagement is important. She had listened on 29 January to George the Poet, who was a 24 year old performer and poet who said young people were all engaged but will not take part as a conscious decision as they know the reality of political structures. Parliamentary structures are now organised where most votes don't count; there are a 100 marginal seats and 30 three way marginals. In Buckingham with the speakers seat convention the three major parties have declined to put up a candidate in respect of the office of speaker which was a disincentive to voting.
- A Conservative Member welcomed the fact that there were 6/7 young candidates for this election. At her Select Committee she commented that young people made good witnesses with their honest opinions and have something important to say. Youth parliament was a fantastic example of good engagement and she applauded people who took part and the importance of engaging with schools. She referred to a recent Inquiry on Cyber safety and ways to influence decisions for young people.
- A Conservative Member commented that action needed to be taken to address this by all County Councillors as ambassadors to speak to young people. However, she was concerned about spending resources especially at this time in the Council's new budget. Officers time was expensive in drawing up reports and suggested others ways this could be looked into. She agreed with the sentiment but with no additional resources.
- A Liberal Democrat, Independent and Buckingham Labour Member had attended the Sir Henry Floyd hustings. He commented that they had tried to contact UKIP. He welcomed this debate and referred to the debate in Scotland and for 16 year olds being able to vote, when they can get married and join the army at 16. In 1964 party membership was 8%, now 1% and this elite club needs to be broken down. Democracy when it works well was amazing such as the UN debate recently held. He expressed concern about the few women and bme representatives in politics and they should proportionally reflect the people

they represent. In 2010 Conservative has a turnout of 36% with 306 MPs, Labour 29% with 258 MPs and 23% for the Liberal Democrats with just 57 MPs. Since Liberal Government gave women the vote in 1918 369 female MPs had only been elected. 35% elected in the last 20 years. Residents were switched off by national politics but he supported the amendment.

- A Liberal Democrat, Independent and Buckingham Labour Member emphasised the importance of putting resources into this area as he felt young people had been neglected. When he attended events at schools he received complaints from young people that politicians were in it for themselves and fight amongst each other, also that they were controlled by Westminster. Party politics ruled rather than local politics. He commented that Members needed to engage young people and to send up a fund and a Committee and work with schools and young people.
- A Liberal Democrat, Independent and Buckingham Labour Member reported that she came to this Council when she was 16 for funding for an arts and youth project which was refused. She was disillusioned that politics was bankrolled by big business and could at times be threatening and intimidating. She was concerned about the behaviour of political organisations and the importance of speaking the truth. All politicians have DBS checks. 16 year olds were interested in Saturday jobs, no tuition fees for university and skate parks etc and County Councillors needed to be in tune with their needs.
- A Conservative Member supported the amendment. He coached cricket and football and talked to young people who did not understand the system. It was important to visit schools together and make the debate non-political.
- A Conservative Member emphasised the need for more women in politics. In 1918 women over 35 could vote and this again changed in mid 20s. However, politics was dominated by males. 31% of councillors are women only. Some people never have voted.
- A Cabinet Member supported the Motion. She was conscious from an early age of the democratic process through her parents. Women threw themselves under a race horse to get the vote they were so determined. She commented that people should vote because of this sacrifice. There was a disconnect with people and the political process. The Council could work with youth clubs and politicians overall needed to behave better
- A Conservative Member reported that the voting age should be reduced to 16 and politics should start in schools with a county wide debating competition promoted by BCC sponsored by local organisations.
- A Liberal Democrat, Independent and Buckingham Labour Member referred to Local Democracy Week where the speaker of the House of Commons had chaired a debate at the local school. As a Local Member he had encouraged other councillors to stand. Members needed to offer support to 16 years olds to have some influence over their future.
- A Cabinet Member reported that one of her granddaughters was President of the school council and a Member of the European youth parliament. The family have to pay for air fares but she was highly engaged and the Youth parliament was a good starting point.

The seconder of the motion reported that there was a duty to support the community regardless of age. John Bercow was a huge supporter of Local Democracy Week and Buckingham Town Council was highly engaged with young people. Councillors have a duty to look at local specific issues of interest for young people to get them engaged. This does not entail significant cost and they could use 'pester power' to ask their

parents why they are not getting engaged.

The proposer Mr Appleyard reported that he encouraged activities in secondary schools so that pupils could step out into the adult world and he was engaging headteachers in this project. Schools are governed by the Department of Education and Ofsted and it was important to get them to focus on the non-academic side of school education, which was a hard task. Many Councillors were Governors and had the opportunity to get things started in local schools. The Member Group would be action based and Members were invited to volunteer.

The Motion was carried.

RESOLVED that the following motion be agreed:-

“We are in danger of losing a generation of voters if we do not take action now. Since 1964 there has been a fall of 25% in the number of under 24 year olds voting in General Elections. This, during a period when the number of over 65s voting has remained fairly static.

Young people need to speak up, as it is they who inherit the actions of current politicians, and they who will lead the country in the future. We have a responsibility as a Council to promote local democracy. As members we have a duty to serve our communities, regardless of their political persuasion or their age.

I ask this Council to commit to working with our younger people, to discover what stops them speaking up and taking part in democracy and engagement. When we know some of the answers, we can then work with our younger people to design programmes that will bring about an inclusive democracy in Buckinghamshire.”

11 WRITTEN QUESTIONS

Written questions and answers are available on the Council’s website: www.buckscc.gov.uk and the Members’ Library.

CHAIRMAN