

BUCKINGHAMSHIRE COUNTY COUNCIL

MINUTES

Minutes of the meeting of the Buckinghamshire County Council convened and held on Thursday 18 February 2016 in The Council Chamber, Crown Court Building, Market Square, Aylesbury, commencing at 9.30 am and concluding at 12.10 pm.

PRESENT

Mr W Chapple OBE 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 J Chilver, Mrs A Davies, 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, Mrs W Mallen, Mr D Martin, Mr Z Mohammed, Mr M Phillips, Mr R Reed, Mr B Roberts, Mr R Scott, Mr D Shakespeare OBE, Mr M Shaw, Mr A Stevens, Mr R Stuchbury, Mrs J Teesdale, Mr M Tett, Ms R Vigor-Hedderly, Julia Wassell, Mr D Watson, Mr W Whyte and Ms K Wood

DIGNITARIES AND OTHERS PRESENT

Mrs F Skelton DL, Mrs C Aston, Mr M Colston, Mr P Lawrence,
Mrs G Miscampbell OBE DL, Mr D Polhill and Mr R Pushman

APOLOGIES FOR ABSENCE

Apologies for absence were received from Mr A Busby, Mrs L Clarke OBE, Mr D Dhillon, Ms A Macpherson, Mr D Schofield, Sir H Aubrey-Fletcher, Mr B Allen, Mrs M Clayton, Mrs Freda Roberts and Mr K Ross MBE DL

1 MINUTES

The Minutes of the meeting on 19 November 2015 were agreed as a correct record.

2 PETITIONS

Mrs M Aston presented a petition on behalf of Worminghall Parish Council in relation to the local bus service.

Mr T Butcher presented a petition on behalf of Seer Green Parish Council regarding traffic speed and dangerous parking in the village.

3 COMMUNICATIONS

Apologies were received from Mr A Busby, Mr D Dhillon, Mrs L Clarke, Mrs A Macpherson, Mr D Schofield, Sir H Aubrey-Fletcher, Mr B Allen, Mrs M Clayton, Mr F Robinson and Mr K Ross.

A minute's silence was held for the recent death of Mr S Hodgkinson who had been a County Councillor from 1993 to 2001. The demise of Mr R Thursdon who had been a Public Relations officer at the Council from 1974 to 1993 was also noted.

Mrs G Miscampbell was welcomed as the Lord Lieutenant's representative for the meeting. The Chairman thanked Mrs F Skelton who was attending her last meeting as High Sheriff of Buckinghamshire.

Mr Chapple reminded Members to complete the Members' Survey and of forthcoming information sessions on the Council's Code of Conduct and on Innovation.

The Chairman paid tribute to the Chief Executive, Mr C Williams, who was attending his final Council meeting before retirement. Mr Chapple commented on his long association with Mr Williams, his early successes in relation to the South East Plan and the South Downs National Park, and reminded Members of Mr Williams' career progression through the authority. Mr Williams was thanked for his extensive work for the county, both within and beyond the Council. Mr Chapple said that Mr Williams would be greatly missed and made a presentation on behalf of the authority.

The Leader Mr M Tett, former Leader Mr D Shakespeare and Opposition Group Leader Mrs A Davies honoured Mr Williams, acknowledging and thanking him for his energy, enthusiasm, support and the significant contribution he had made to the County Council.

In reply Mr Williams remarked on his time at the authority, the politicians and officers he had worked with since starting with the authority in 1996 and in particular the honour and privilege of working with two Leaders, Mr M Tett and Mr D Shakespeare. Mr Williams commented that although he prized his job he was looking forward to retirement and thanked Members and officers past and present.

The Chairman informed Members that the Book of Condolence for Mr T Wogan would be available to sign after the meeting.

4 DECLARATIONS OF INTEREST

Mr S Lambert declared an interest as Chairman of Trustees of Youth Concern and confirmed that dispensation had been given by the Monitoring Officer for the meeting.

5 TREASURY MANAGEMENT POLICY STATEMENT; TREASURY MANAGEMENT STRATEGY STATEMENT; ANNUAL INVESTMENT STRATEGY AND MINIMUM REVENUE PROVISION STATEMENT

Mr D Watson presented the report drawing Members' attention to the updated papers published as a result of changes to the capital budget. In summary, Mr Watson explained that:

- There were no changes in relation to the Treasury Management Policy Statement
- The Treasury Management Strategy Statement had changed after the acquisition of the Energy from Waste plant, with the key difference being the increase in money market funds. Mr Watson explained that the drop in cash following acquisition of the plant would require short-term borrowing to pay the recoverable VAT payment to Her Majesty's Revenue and Customs
- Changes to the Annual Investment Strategy were highlighted
- Point 65 in the Minimum Revenue Provision Statement would be particularly of

note in budget discussions

Mr Watson proposed the recommendation, which was seconded by Mr J Chilver. The following resolution was agreed unanimously:

RESOLVED

The Council APPROVED the Treasury Management Policy Statement, Treasury Management Strategy Statement, the Minimum Revenue Provision Policy Statement and the Annual Investment Strategy for 2016/17, together with the Prudential Indicators for the next four years.

6 CHIEF FINANCE OFFICER'S STATUTORY REPORT

Mr R Ambrose, Chief Finance Officer, presented his report informing Members that in considering the robustness of the budget and the adequacy of financial reserves, he had taken into account the underlying financial pressures from the current year, together with unavoidable pressures such as demography and demand.

Mr Ambrose brought Members' attention to the risks in the budget (in paragraph 23 of the report), highlighting:

- The achievability of reductions (£53m over 4 years), including Future Shape savings
- Global uncertainties and the potential for further reductions for local authorities if the Chancellor's targets were not met
- Demography and the impact of the National Living Wage
- Potential adverse public reaction arising from the combination of a Council Tax increase and further cuts in services
- Legislative changes – functions devolved to local authorities in may not be fully funded
- The challenges in social work recruitment and retention
- The potential requirement for additional Capital funding for future school places and in early years settings

In relation to the Council's reserves, Mr Ambrose informed Members that a review had taken place. Mr Ambrose explained that budget proposals included an allocation of £1m to general reserves to raise the level above the 5% net budget figure required by the Council. It was noted that earmarked reserves were forecast to reduce over the coming year primarily in relation to the Energy from Waste project.

In conclusion, Mr Ambrose confirmed that in his opinion as Chief Finance Officer, the budget proposals were robust and reserves were at an adequate level.

RESOLVED

Council NOTED the Chief Finance Officer's Report.

7 MEDIUM TERM FINANCIAL PLAN, REPORT OF CABINET

Mr Tett presented the report (see budget presentation on the Council's website),

explaining that the Council was facing a significantly challenging financial position with more pressures, more demand and less funding.

Members heard that the Government's provisional settlement announcement had been far worse than the worst-case scenario modelled, with the County Council losing all Revenue Support Grant (RSG) in two years rather than the four originally envisaged; the removal of some income from Business Rates; and allocation of only £875k in 2019/20 from the Better Care Fund.

Mr Tett reported on the lobbying of the Secretary of State that had been undertaken through local MPs, the County Councils' Network and through a Local Government Association meeting.

Members heard that as a result of lobbying, the final settlement announced on 8 February provided £4.6m transition funding in both 2016/17 and 2017/18. Mr Tett informed Council that whilst welcome, the funding could not be used to fund ongoing services or to remove cuts.

Mr Tett reported that by taking mitigating action the forecast £5m overspend for 2015/16 had been reduced to £1.7m, although a further £53m in savings would be required by the end of 2019/20.

Members were reminded of the Strategic Plan priorities, the process for budget consultation and the key challenges facing the Council. Thanks were given to the Finance team, and to all staff for their hard work in difficult circumstances.

Mr Tett took Members through details of the Revenue Budget (see presentation), highlighting the following:

- The Council's RSG would fall from just over £60m in 2013/14 to £24m in 2016/17, £8.1m in 2018/19 and zero from then onwards
- The Government had introduced a top-up grant adjustment which would provide the Council with £1.6m in 2018/19 to avoid a negative RSG
- Buckinghamshire County Council would receive the lowest RSG per head of any County Council
- The Social Care Precept (2% per annum) moved responsibility for taxing people from central to local government
- The Better Care Fund would resource local government to achieve integration of health and social care, funded partly by reductions in New Homes Bonus and partly from new money. Buckinghamshire would lose out as the reduction in NHB in Buckinghamshire would be greater than BCF allocation.
- Reductions in Education Services Grant reflected plans for changing statutory functions of local government
- Despite responsibility for roads, education and social care, the County Council only received 9% of Business Rates retention
- The establishment of a Business Rates Pool across Buckinghamshire would provide an additional £0.5m per annum until full retention of rates.

Mr Tett explained that expenditure pressures included price inflation of approx. £10.2m and unavoidable growth of £42m by the end of 2019/20. Council learned that efficiencies sought included delivery of Future Shape savings, moving to digital delivery and exploration of innovative approaches to services.

Mr Tett stated that charging for services may need to increase and that in prioritising activity some community based services would be reduced.

Mr Tett reported that as a result of additional money from Government, the Youth Counselling Service would receive some transition funding during 2016/17 and 2017/18.

Mr Tett confirmed that the budget proposals included £1m from the transition fund to increase General Fund Reserves.

In relation to the Capital budget, Mr Tett highlighted the Energy from Waste project which would deliver significant savings in the long term. Mr Tett explained that the roads and pavements programme would be scaled back to £15m roads and £1m on pavements in 2016/17, £12m and £1m in 2017/18 and £10m & £1m from then onwards.

Mr Tett informed Council that he was reluctantly proposing an increase in Council Tax of 3.99% to ensure that the Council did not lose further funding.

Mr Tett proposed the budget, which was seconded by Mr M Appleyard.

Mrs A Davies, Leader of the Main Opposition Group, responded to the proposals highlighting the challenges of understanding the complexity of local government finance; the inadequacy of the Council's proportion of business rates retention; and that current challenges had not been helped by the Council delivering savings in the past. Mrs Davies said that her political group recognised the need to increase Council Tax and the Social Care Precept in order for the Council to deliver its statutory duties, but that all measures should be taken to secure further savings, including new ways of delivering.

In relation to the Council's approach to services, Mrs Davies considered that the budget was unlikely to succeed with the level of unspecified savings and income included. The rationale behind contracted out services and the organisation's Business Unit structure were questioned.

Mrs Davies expressed concern about proposed cuts for Learning Disabilities' clients; high levels of spend on agency and consultancy staff; the Energy from Waste project; and the achievability of Future Shape savings.

Mrs Davies stressed the importance of prevention services and welcomed the funding for Prevention Matters and Youth Counselling, but Mrs Davies considered that other opportunities could have been taken, for example in relation to Children's Centres, the Connexions Services, and the Duke of Edinburgh scheme. Mrs Davies expressed concern about the quality of Buckinghamshire's upper schools and stated that the budget put place before people.

Mr A Huxley, Group Leader for UKIP, commented on the challenging position facing the Council and welcomed the lobbying of Central Government which had taken place. Mr Huxley questioned whether with hindsight the Council had been wise to freeze Council Tax in the past and expressed his disappointment in the cuts proposed, particularly in relation to Children's Centres and the Youth Counselling Service.

Mr Huxley raised the issues of pavement maintenance and adequate payment of carers, as well as expressing concern regarding Future Shape, the value of continuing Local Area Forums given the financial situation, and the potential impact of the proposed Council Tax rise on more deprived households. Mr Huxley commented on the probable effect of the National Living Wage on the local business economy and welcomed changes in apprenticeships. Looking forward, Mr Huxley suggested there would be benefits in exploring unitary status and shared services with other Councils.

Mr P Gomm, Deputy Leader of the Independent Group, suggested the Council should consider a unitary bid and that investment should be made in the County Council's NALGO Club. Mr Gomm expressed concern about the use of the Court as a venue for County Council meetings given the accessibility issues.

Mr Gomm reminded Members of the valuable work undertaken by scrutiny and praised Ringway Jacobs on its improvement. Mr Gomm questioned whether more could be done to improve the efficiency of Council working.

Mr Gomm thanked Mr Ambrose for providing information on Future Shape. In relation to recruitment and retention of staff, Mr Gomm commented that excessive caseloads was an issue and suggested could be done to understand the reasons for retention issues. Mr Gomm questioned whether enough was being done to harness talent within the organisation, and whether the Council was making enough of its assets.

Mr Gomm stressed the importance of funding preventative work with children and questioned the merits of continuing with funding Local Area Forums.

Mr Gomm reported that residents had concerns about staff pay rises when service cuts needed to be made; on the risks relating to cuts in children's services; and on the accessibility of Buckinghamshire's pavements for disabled people.

Mr D Shakespeare, as Chairman of the Budget Scrutiny Inquiry, acknowledged the challenges facing the Council and welcomed acceptance of the majority of the Inquiry's recommendations.

In debate, the following issues were raised and points made:

- LAFs were delivering benefits, particularly in rural areas
- The necessity of building up reserves and increasing Council Tax
- That a different focus to the universal provision for Children's Centres was being sought
- The importance for the Council in focusing on income generation through for example the marketing of services and acquisition of new properties
- Work was taking place in relation to maximisation of income from assets.
- A strategic options appraisal was being undertaken in relation to public transport
- Acknowledgement of the importance of good pathways, particularly in relation to people with disabilities and that £1m per annum was being allocated in this area
- The high standard of nurseries and schools in the County and the value of the school system in attracting people to the county
- The attainment gap in upper schools was narrowing but work was still continuing to support school improvement
- Schools had funding available to purchase additional services
- The Council's commitment to addressing Child Sexual Exploitation and the work of the Select Committee in this area

- The work of social workers should be celebrated and that caseloads were not excessive, averaging between 25, 17 and 15 depending on the team
- That care contracts included provision for National Living Wage and transport
- That services had been proactive in engaging disability groups around proposed changes to services
- That with increasing demand for social care services, there was a driving need to embrace change

Concerns were raised in relation to:

- The deployment of transition funding
- The risk of unforeseen pressures in statutory services
- Cuts to connexions and mental health services and the potential impact on young people and schools
- Cuts to the public health budget
- Funding moving from education and social care services towards roads
- The need for more to be done to focus on the development of all children in Buckinghamshire.

Additional funding for the Youth Counselling service and the Council's focus on safeguarding the vulnerable, were welcomed.

Thanks were given to the Council's client team for their work on improving Transport for Bucks; the Finance team for their work on the budget; the Budget Scrutiny Inquiry Group; Mr R Pushman for previous work in relation to the Energy from Waste project and to the Leader for the successful budget process and for his lobbying on behalf of the County.

Mr Tett thanked Members for their contributions and reiterated the challenging circumstances facing the authority.

A recorded vote was taken as follows:

Members for: Mr M Appleyard, Mrs M Aston, Mr B Bendyshe-Brown, Mrs P Birchley, Mrs J Blake, Mr N Brown, Mr T Butcher, Mr D Carroll, Mr B Chapple, Mr J Chilver, Mr T Egleton, Mr C Etholen, Mrs N Glover, Mr P Hardy, Ms L Hazell, Mr P Irwin, Mrs V Letheren, Mrs W Mallen, Mr D Martin, Mr Z Mohammed, Mr M Phillips, Mr R Reed, Mr B Roberts, Mr R Scott, Mr D Shakespeare, Mr M Shaw, Mrs J Teesdale, Mr M Tett, Mrs R Vigor-Hedderly, Mr D Watson, Mr W Whyte, Mrs K Wood

Members against: Mrs A Davies, Mr C Ditta, Mr D Hayday, Mr R Khan, Mr S Lambert, Mr R Stuchbury, Ms J Wassell

Members abstained: Mr B Adams, Mr P Gomm, Mr A Huxley, Mr A Stevens

The motion was carried with 32 in favour, 7 against and 4 abstentions.

RESOLVED

Council APPROVED the Revenue Budget, the Council Tax Requirement and the Capital Programme for 2016/17 as recommended by Cabinet, and NOTED the Budget Scrutiny Report of the Finance, Performance and Resources Select Committee.

8 INTERIM CHIEF EXECUTIVE OFFICER APPOINTMENT

Mr N Gibson left the meeting. Mr M Tett presented the report and recommendation from the Senior Appointments and Bucks Pay Awards Committee (SABPAC) in relation to the appointment of an interim Chief Executive.

RESOLVED

Council AGREED to appoint Mr N Gibson as Interim Chief Executive and Head of Paid Service from 1 April 2016 until the commencement of the new permanent postholder.

9 NOTICES OF MOTION

There were no notices of motion.

10 CABINET MEMBER DECISIONS TAKEN - INFORMATION ONLY

The report was noted.

11 DATE OF NEXT MEETING

Thursday 28 April 2016 at 9.30am in the Court Building, Aylesbury.

CHAIRMAN