



Buckinghamshire County Council
Select Committee
Finance, Performance and Resources

Date: Thursday 5 September 2013

Time: 10.00 am

Venue: Mezz 2, County Hall, Walton Street, Aylesbury

AGENDA

9.30 am Pre-meeting Discussion

This session is for members of the Committee only. It is to allow the members time to discuss lines of questioning, areas for discussion and what needs to be achieved during the meeting.

10.00 am Formal Meeting Begins

Agenda Item	Time	Page No
1 APOLOGIES FOR ABSENCE/CHANGES IN MEMBERSHIP	10am	
2 DECLARATIONS OF INTEREST To disclose any Personal or Disclosable Pecuniary Interests		
3 MINUTES To agree the Minutes of the Meeting held on 25 July 2013 to be agreed as a correct record.		1 - 8



INVESTOR IN PEOPLE



4 PUBLIC QUESTIONS

Public Questions is an opportunity for people who live, work or study in the county to put a question to a Scrutiny Committee about any issue that has an impact on their local community or the county as a whole.

Members of public, who have given prior notice, will be invited to put their question in person.

The Cabinet Member and responsible officers will then be invited to respond.

Further information and details on how to register can be found through the following link:-

<http://www.buckscc.gov.uk/about-your-council/scrutiny/get-involved/>

5 CHAIRMAN'S REPORT

For the Chairman of the Committee to provide an update to the Committee on recent scrutiny related activity.

6 CAPITAL

John Chilver and Richard Schmidt will update the Committee on the Council's Capital spending.

10.10am

9 - 30

7 COMMERCIAL ACTIVITY UPDATE

Rose Younger will update the Committee on the work of Commercial Services, including the implementation of the Contract Management Framework.

11am

31 - 34

8 ASSESS THE USE OF THE URGENCY RULE FOR A CABINET MEMBER DECISION

The purpose of the item is to assess the request submitted in relation to the Cabinet Member Decision relating to the Transfer of 5 County Council managed Children's Centres to the management of Barnardo's and the use of the urgency rule.

11.40am

35 - 52

9 COMMITTEE WORK PROGRAMME

To consider and agree the Finance, Performance and Resources Select Committee Work Programme 2013/14.

12 pm

53 - 56

10 PAPERS FOR INFORMATION

To note the budget scrutiny timeline.

12.10pm

57 - 58

11 DATE AND TIME OF NEXT MEETING

31 October 2013 – 10am

12.15pm

Purpose of the committee

The Finance, Performance and Resources Select Committee shall carry out the local authority scrutiny functions for all policies and services relating to corporate finance, policy, performance, communications, resources and business matters, including: Corporate resources, including the Council's property portfolio; Finance and commercial services; Corporate performance; Organisational development; Service transformation; Human resources; Media and communications; Website and social media; Customer services and customer insight; Corporate policy and research; Corporate business support; Legal services; Corporate infrastructure, including ICT (Information and communication technology); Local democracy; The overall scrutiny function; Local economic development; and Collaborative and joint programmes and services with other national, regional or local authorities. The Executive's draft budget will automatically be referred to the Finance, Performance and Resources Select Committee for its consideration as part of the annual budget process.

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For further information please contact: Clare Gray or Karen Jones on 01296 383610 / 3627; Fax No 01296 382421; Email cgray@buckscc.gov.uk / kljones@buckscc.gov.uk

Members

Mr W Chapple OBE (VC)	Mr B Roberts (C)
Mr T Egleton	Mr D Shakespeare OBE
Mr S Lambert	Mr A Stevens
Mr D Martin	Mr D Watson



Buckinghamshire County Council
Select Committee
Finance, Performance and Resources

Minutes

FINANCE, PERFORMANCE AND RESOURCES SELECT COMMITTEE

**MINUTES OF THE FINANCE, PERFORMANCE AND RESOURCES SELECT COMMITTEE
HELD ON THURSDAY 25 JULY 2013, IN MEZZ 2, NCO, AYLESBURY, COMMENCING AT
10.00 AM AND CONCLUDING AT 12.01 PM.**

MEMBERS PRESENT

Mr T Egleton, Mr S Lambert, Mr D Martin, Mr B Roberts, Mr D Shakespeare OBE and
Mr A Stevens

OTHERS IN ATTENDANCE

Mr R Ambrose, Andrew Brown, Mr N Cave, Mr P Hardy and Mrs K Jones (Secretary)

1 APOLOGIES FOR ABSENCE/CHANGES IN MEMBERSHIP

Apologies were received from Bill Chapple OBE and David Watson.

2 DECLARATIONS OF INTEREST

There were no interests declared.

3 MINUTES OF LAST MEETING

The minutes of the meeting held on 24 June 2013 were agreed as a correct record.

4 PUBLIC QUESTIONS

There were no public questions.

5 CHAIRMAN'S REPORT

There was no update provided.



INVESTOR IN PEOPLE



6 TRANSFORMATION UPDATE

The Chairman welcomed Peter Hardy, Cabinet Member for Finance & Resources and Nick Cave, Service Director for Service Transformation, and explained that quarterly updates would be provided to the Committee. Members were advised that Phase 2 of the Council's Transformation programme was being developed to achieve savings (£10m of the £45m total planned savings over the MTP period), and to make the Council better equipped to meet future challenges. A key aspect of Phase 2 was the development and implementation of a Target Operating Model (TOM) which sets out the future shape of the organisation. Nick Cave made the following points:

- The proposal was that there will be a leaner Head Office function.
- Members are at the heart of what they are trying to do.
- It was acknowledged that there was a very challenging agenda and that reducing costs will be difficult.
- Ideas and comments that members have about the TOM and how to reduce costs would be very welcome.

Members were invited to ask questions and the following points were raised:

- It was noted that a new approach was being proposed and with the benefit of hindsight what could have been done differently in Phase 1 and why.
- Nick replied that the action taken previously was a reaction to austerity measures and that in Phase 1 there had been no vision for the future. Tactical compartmentalised changes have aligned activities towards a vision going forward which enables people to get on board with the changes and understand the direction of travel to match the Target Operating Model (TOM).
- The Cabinet Member explained that previously business and process re-engineering took place, and that Phase 2 was about proposing a different shape for the council.
- The Member asked if the approach to tactical changes will be revisited in future.
- Nick replied that changes will be aligned to the TOM, the IT structure will be reviewed and consideration will be given to what will fit with TOM. Another question was whether SAP will still be required with a smaller operating unit.
- The Cabinet Member added that there will be a review to establish if corporate IT provides the best value.
- A Member expressed concern that as there was no plan until the end of Phase 1 what will be so different about Phase 2 and what benchmarking will take place to establish how much the operating model will save.
- The Cabinet Member replied that Phase 1 consisted of one cut after another and that the aim was that there will be more opportunities for employees.
- It was noted that plans were in place to make savings and that £65m has been taken out of the business. In Phase 2 the aim was that the TOM will provide staff with different opportunities and that help and guidance will be available to them through the process.
- It was noted that there were no plans for the future for staff and that a holistic approach was now being adopted.
- Nick replied that lessons had been learnt from previous plans.
- A Member noted that there had been a reference to outsourcing and that a small, lean corporate centre was considered to be a logical step forward and he recalled that IT had been reorganised approximately 2 years ago and kept in-house. He asked if the service will be radically reorganised.
- Nick replied that outsourcing had been considered and that in the new model there will be some outsourcing.
- The Cabinet Member added that IT must provide a competitive service in terms of quality and cost.

- A Member asked how the £10m target based saving was arrived at and why was it not £9m or £11m.
- Members were advised that £10m was set for transformation as part of BCC's MTP before the CSR announcement.
- The Cabinet Member asked how £25m was reached several years ago.
- A Member replied that this was the best professional advice at the time.
- The Cabinet Member explained that there was a £10m problem.
- The Member referred to the suggestion that SAP may no longer be appropriate and he recalled that SAP was very expensive at the time it was purchased but provided a Rolls Royce service.
- Nick replied that SAP was appropriate for a large organisation.
- The Member asked if the view could be that the multi- million pound investment on SAP was wasted.
- Nick replied that SAP may no longer be necessary because the new corporate HQ may have smaller facilities.
- The member asked if given the £20m gap to being self-sufficient over and above planned savings, was there scope to make further savings.
- Nick explained that this would involve difficult decisions about the transfer of services and the risks involved.
- The Cabinet Member explained that there was a need both to continue to save and simultaneously to generate money. He referred to a presentation given recently by himself and Gillian Hibberd at which some council's wanted to offer services whilst others wanted to provide a service for others. The Local Area trading Company (LATC) and Bucks Learning Trust (BLT) were examples of the move towards this. In his opinion BCC could not be sustained just by making cuts but must also generate more income.
- A Member asked what could be learnt from other Local Authorities.
- Members were advised that the work of Oldham Council has been examined and a review has taken place as to how Serco have organised themselves.
- Another Member asked what programmes were in place to accommodate selling of services, if the skills of the contract managers' skills contract management skills had improved and if a sales workforce will be recruited.
- The Cabinet Member acknowledged that there was a need to be more commercial.
- Nick added that a commercial skills programme was in place and that the CEO of BLT was from a commercial background. He considered that there was a great opportunity and that it was necessary to actively work to exploit it.
- A Member asked for an explanation of the Governance structure.
- Nick replied that the Chief Officers Management Team (COMT) was the main board and that there were officers who would be regularly reporting on a quarterly basis.
- In response to a question asking for a reassurance that the governance was correct members were advised that COMT and the Transformation Team would be used as a vehicle to ensure that this was the case.
- With reference to the suggestion that there would be a leaner organisation a Member asked if the best delivery vehicle had been explored and achieved.
- The Cabinet Member agreed that BCC has to get the right model in each case.
- Nick added that examples of various options being explored were the BLT and the creation of a Museum Trust.
- A Member asked for an explanation of what radical options were being discussed and he suggested the creation of a unitary authority.
- The Cabinet Member replied that the Cabinet's policy is to wait for any decisions on unitary status coming from Central Government which will not be before the general election in 2015. He added that the LGA is giving consideration to bringing health and education authorities together although this would reduce the Central Government Cabinet by approximately 60 Members.

- Nick Cave explained that COMT did not discuss unitary options but looked at partnerships for between health and adult social care, example with Oxfordshire County Council and worked with the districts on waste.
- A Member asked how Transformation will help move the programme forward.
- Nick explained that the aim was to create a HQ function, move towards creating independent delivery vehicles as soon as possible and to put an operating framework in place.
- In response to a question it was noted that the effect of this on members was that there will be more member involvement in bringing residents needs into the different delivery vehicles.
- The Cabinet Member added that the members should always have taken the views of the residents into consideration and set the priorities accordingly.
- A Member asked whether the same quality of service will be delivered.
- The Cabinet Member replied that the quality of service will be improved because the right delivery vehicle will be in place.
- A Member agreed that members were central to the process and he added that the staff were equally important and he asked if the management team understood this. There was a request for feedback either positive or negative on what has been done and the goals.
- Nick replied that the feedback was mixed and that some staff embraced the change whilst others had not. It was noted that 500 staff had already left the County Council and acknowledged that it was important that staff understood the direction of travel. The message was difficult to communicate because there was a fear of threat.
- A Member asked how confident the officers were that the staff will buy into the changes.
- Nick referred to previous initiatives such as the BLT and noted that some staff have embraced the changes and flourished whilst others have left.
- The Cabinet Member supported the comment emphasising the importance of selling the new approach as being positive.
- Has the leadership team identified the non-priority areas where the staff could be reduced or would be no longer required?
- The Cabinet Member replied that the recommendations have been reviewed and the core elements in the HQ model will be considered before a decision is taken.
- A Member asked if a government grant was received must it be repaid if it is not all spent.
- This was dependent on whether or not the money was ring fenced.
- The Cabinet Member confirmed that the £10m was revenue budget and that a holistic approach was required.
- If there was a change in statutory duties there will be break clauses in the contract.
- A Member asked what type of report will be available at the meeting in December 2013.
- Nick replied there will be a clear map identifying key blocks of change, an understanding of the phases and how they planned out. Quarterly updates will be provided subsequently.
- A Member noted that in Phase 1 there was massive slippage and that it was necessary to catch up in the final year. He asked if there will be no use of consultants. The Cabinet Member replied that consultants will always be used.
- It was noted that consultants were currently being used for the external challenge and to help deliver the programme.

7 BUDGET SCRUTINY 2014/15 OPTIONS

The Chairman explained that the proposal was that Chairman of the other Select Committees will be invited to attend the Budget Scrutiny meetings. In response to a question it was noted that capital will be included in the discussions. A Member explained that it was very important to ensure that Select Committees were not in support of the proposed budget at the meetings.

Members discussed the attendance of Select Committee Chairman at the budget Scrutiny meetings and it was noted that one option was for them to attend for their Committee items only. Andrew Brown explained that the intention was to invite Select Committee Chairman to all the budget sessions and there was an expectation that they would attend the meetings relevant to their Committee. The Chairman advised Members that the aim was to give the Chairman the opportunity to input into the discussions and that the Cabinet Member for each Committee will also be in attendance. A Member asked if Select Committee were co-opted will they be full Members of the Committee for the Scrutiny meetings or invited as witnesses.

It was agreed that clarity was required on the role of Select Committee Chairman in the process. Andrew Brown explained that the Select Committee Chairman will be meeting on 1 August and that clarity be obtained on the involvement of Select Committee Chairman at the Budget Scrutiny meetings.

8 BUDGET SCRUTINY RECOMMENDATIONS - PROGRESS UPDATE

Richard Ambrose presented the 6 monthly progress on the 2013 budget recommendations and made the following points:

1. Equalities Impact Assessment – in 2012 a new process was introduced including screening the impact on the voluntary sector. The aim was to strengthen the process and both Angie Sarchet and Martin Phillips became more involved in the process.

It was noted that the process was better than the previous year when it was very poor because there were late conversations and late papers. In response to the suggestion that it was surprising that not all the recommendations had been implemented Richard Ambrose replied that there was a statutory duty to consider equalities and that 90% of the process works really well.

2. That the effective resident consultation process be further improved, including mechanisms to achieve better response rates – a consultation had recently been completed with the business community and the aim was to start a wider consultation in September and to feed the results into the draft budget. Council tax levels and target groups where there is a low response level will be reviewed. Martin Phillips is leading the process.

3. Support for the voluntary and community sector – extra funding is available of £250k for the current and the next year. This will be used partly to help in the bidding process. A member explained that he considered that the voluntary sector continues to be a wonderful investment. It was also noted that voluntary organisations welcome long term resource agreements for example for 5 years and that a commitment to a resource grant provides stability.

4. Presentation of budget papers continues to be improved– the aim is to focus on the key issues and a proposal was to prepare a narrative on key issues to allow more effective questioning.

In response to a question it was confirmed that the recommendations will be updated before the next meeting on 5 September.

A member reported that at last years' budget meetings the general view was that not all Cabinet Members had been prepared sufficiently and were unable to answer questions. This was noted.

5. Agreed in part.

6. Cabinet continue to develop contract management and monitoring skills – it was noted that contract framework brings out best practise and that commercial training will be taking place which will be critical in future.

A Member noted that contracts management was a fairly new process for the County Council and a Member asked for an assurance as to how satisfied Finance were that the officers have the necessary skills to manage the contracts. Richard replied that officers managing platinum contracts meet regularly and had been assessed.

A Member emphasised the importance of getting contracts under control and he noted that central government were unable to do this successfully.

11. Bus usage it was suggested that the Environment Select Committee researches bus usage over the Autumn of 2013.

12. SEN – the recommendation was that an initial plan is prepared for managing down statementing costs – it was noted that the policy had recently been updated for Cabinet.

13. Education – narrowing the gap this had been recognised as an issue by Sue Imbriano and Chris Munday.

14. Visibility of Trading Standards - it was noted that officers from trading Standards attended the member induction sessions and some LAF meetings.

15. Manage the demand in Adult Social Care – it was acknowledged that with an aging population there were huge risks especially with the Dilnot proposals and that many of the self-funders will come into the system in future years.

16 and 17 – the Public Health Strategy sets out the proposals and it was considered that there had been a very good transition.

19. Council lobbying - this is about what the Leader does with the Finances. Members were advised that Martin Tett gave a presentation at the LGA conference including business rates and sustainability. The issue about council tax freezes continues.

The capital budget is c£100m. There will be a review of Cabinet portfolios and the business investment group does an initial evaluation. If schemes could generate extra income they could be reviewed. Some funding is received through government grants and some will be ring fenced.

9 LOCAL DEMOCRACY

The Chairman explained that the aim was to determine how to promote local democracy.

A Member expressed concern that it was not clear what was relevant to the committee and he suggested that this be more appropriate if considered by the Communities portfolio.

The following suggestions were made:

- The review should consider what impacts on money.
- It was noted that democracy was not taught in schools and suggested that that the issue was about the gender balance and cultural diversity. The Member suggested that it was important to promote democracy in schools and that a 30.2% turnout in elections was woeful on democracy. A further observation was that in the centenary of suffrage women were not engaged in democracy.
- The Chairman suggested that the issue was with people's perception because many were not aware of what work was done and he explained that it was important to move things forward.
- A Member suggested that the paper on local democracy set out the background admirably. He proposed that actions be completed and an indication of the costs be presented to the Committee.
- It was also proposed that there was more evidence gathering and reviews of different ways of doing things.
- Another Member suggested that this was not a priority issue and should be considered by the Communities and Environment Select Committee. He recognised the low turnout and suggested that the only way to increase turnout at local elections was to hold them on the same day as a general election.
- It was suggested that one of the reasons why participation was low is that the general view was that local councils were not wholly independent and unable to make their own decisions. Many people do not know the difference between county and district councils and the Member recommended a move towards a unitary local government in order for there to be fewer local elections.

- It was suggested that more money be delegated to LAFs and it was noted that £0.5m had been removed from the local budget and had been centralised.

10 COMMITTEE WORK PROGRAMME

The Committee was asked to comment on the draft Work Programme and made the following points:

- It was suggested that local democracy and the future design of council services could be considered by the Select Committee Members and Chairmen.
- The Capital programme was considered to be a major issue and s106 slippages had been identified.
- It was noted that property had moved to a corporate property programme.
- A member agreed the importance of the capital programme and noted that for 7/8 years there had been no capital programme and then the capital programme went from £0 - £30m.
- It was suggested that March may be too early to receive a report on the impact of the welfare reform.
- It was noted that BCC's emergency support fund policy will be set for the year commencing April 2014 and that it may be worth looking at it earlier in order for any recommendations to be considered, before possibly undertaking a fuller review later in 2014.
- It was suggested that interim managers be added to consultant spend as many can stay long term and request information on consultants.
- A member asked if there will be regular reports on Trusts for example if the work was within budget and was meeting targets. It was agreed that regular reports be presented to the committee.
- It was also suggested that commercial academies and the development of commissioning skills be reviewed.
- A Member proposed that a review takes place to see how the democratic process will oversee organisations.

11 PAPERS FOR INFORMATION

The Committee noted the papers presented for information.

12 DATE AND TIME OF NEXT MEETING

5 September 2013 at 10am.

CHAIRMAN



Buckinghamshire County Council
Select Committee

Finance, Performance and Resources Select Committee

Report to the Finance, Performance and Resources Select Committee

Title:	Capital
Committee date:	5 September 2013
Author:	Richard Schmidt Assistant Service Director (Strategic Finance)
Contact officer:	Elsbeth O'Neill, x2130
Report signed off by Cabinet Member:	Peter Hardy, Finance & Resources
Electoral divisions affected:	All

Purpose of Agenda Item

At the request of the Chairman of this Committee, this is a report to provide the Committee with a Capital update.

Background

Capital expenditure is typically money that is spent on the acquisition, creation or enhancement of assets which will last longer than one year such as:

- buildings – schools, houses, libraries and museums
- land – for development, parks, playing fields, amongst others
- vehicles, plant, furniture and equipment
- infrastructure – roads, bridges, street lighting, ICT

It is normally clear when expenditure should be classed as capital; however there are some 'grey' areas, for example:



- Replacement of single glazed windows would be classified as 'maintenance' within revenue expenditure; Upgrade of windows (e.g. by installing double-glazing) would be classified as an improvement or enhancement and included as capital expenditure.
- A general survey to assess the condition of bridges would be classified as revenue expenditure; A specific survey of a bridge prior to major improvement work being undertaken on that bridge would be included within capital expenditure as part of the overall costs of the improvement work.
- A project manager can be charged to capital, where that person is directly overseeing the delivery of a capital project, and the % of time spent overseeing the project can be easily identified.

The Council's accounting requirements in relation to capital expenditure are more complex than a commercial company. The Council has to separately finance expenditure on its assets.

There are a number of mechanisms through which the Council can do this. These include specific government grants, developer contributions, capital receipts, borrowing and making contributions from revenue including through the use of reserves.

The Capital Programme is set in line with the Prudential Code for Capital Finance approved by the Chartered Institute of Public Finance and Accountancy (CIPFA). This code requires local authorities to consider the affordability and long-term consequences of borrowing and other revenue consequences before they take any decisions on capital spending.

Report

Capital Investment Strategy

The current Capital Investment Strategy (Appendix A) was approved by Cabinet in July 2011 and is now due to be revised in line with the Strategic Plan and recent funding settlement announcements. Some considerations that will need to be reflected are:

- Capital grant settlement announcements for 2013 onwards, which are showing a trend of reducing values.
- New Home bonus, which is currently being used to fund the Council's contribution to the superfast broadband rollout. However, under a recent consultation issued by government all, or part, of this may transfer to the Local Enterprise Partnership (LEP). In which case the revised Strategy will need to pick up how to influence the decisions of the LEP.
- Implementation of the Energy from Waste project and how to fund this.
- The willingness to engage in prudential borrowing in a climate of low interest rates
- The willingness to invest in regeneration and income generating assets, dependent upon the strength of the business case.
- Alignment to the Asset Management Strategy that is currently being developed.



- Changes in developer contributions under the Community Infrastructure Levy (CIL), rather than S106.
- Community Asset Transfers
- Transfer of assets to Academy schools, or Free Schools

Capital Programme

The four year capital programme has been developed following an assessment and prioritisation of aspirations against key Council priorities. This has allowed the Council to put significant investment into existing infrastructure including Property and Highways. Furthermore, investment has also been allocated to enable the redesign of Day Care Services, for providing additional school places, for broadband expansion, for infrastructure development and for the Energy from Waste (EfW) plant. A summary of the current Capital Programme as agreed by the Council in February 2013 is shown below.

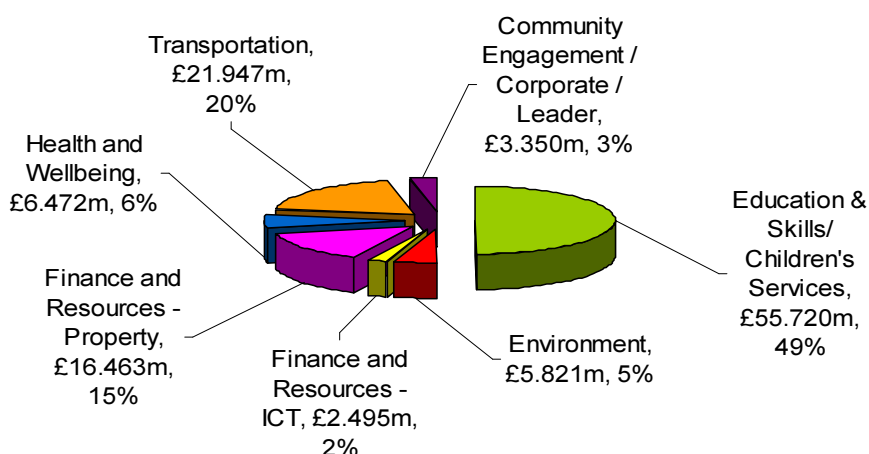
2013-14 to 2016-17 Capital Programme (£000)

	2013-14 £k	2014-15 £k	2015-16 £k	2016-17 £k	Total £k
Expenditure	112,268	56,131	44,774	217,399	430,572
Direct Funding	(37,369)	(7,762)	(4,749)	(4,089)	(53,969)
Corporate Funding	(79,847)	(45,342)	(35,756)	(215,838)	(376,783)
Funding (surplus) / deficit	(4,948)	3,027	4,269	(2,528)	(180)

The large increase in 2016-17 is due to the need to fund the Energy from Waste Plant

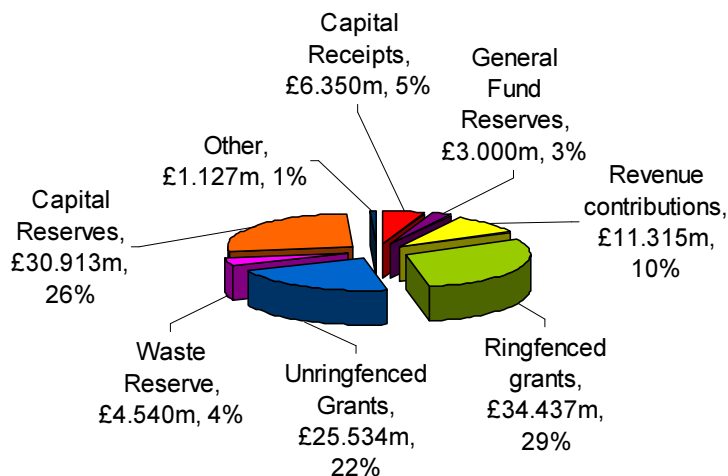
This shows gross capital expenditure of £430.6m over the next 4 years, with £112.3m planned for 2013-14. The chart below shows how the 2013-14 capital budget is split over the Council's portfolios.

2013-14 Capital Programme (£000 and %)



The chart below shows how the 2013-14 capital programme is financed.

Financing the 2013/14 Capital programme (£000 and %)



The detailed Capital Programme as approved by Council in February 2013 is included at Appendix B.

Slippage

Slippage takes place primarily where a delay occurs to a capital project resulting in planned capital expenditure taking place in a later financial year than originally budgeted. The main reasons for slippage are:

- Inadequate or over-optimistic project planning;
- Over-prudent budgeting
- Unforeseen / unforeseeable delays due to site conditions, planning delays, Judicial Reviews etc.

Slippage is arguably the single biggest challenge in effectively managing the capital programme faced by the Council. The Business Investment Group is considering how it can better challenge the original profiling of capital projects, to try to address, or at least minimise the first two bullet points. However, the types of issues listed in the third bullet point are always likely to be difficult to predict, but equally difficult to avoid.

The table overleaf shows the net under / overspends against re-profiled budgets for the last 4 years, which have formed the basis of carried forward slippage within the capital programme.

2009-10 to 2012-13 Capital Outturn and Slippage (£000)

		2012/13	2011/12	2010/11	2009/10
		£k	£k	£k	£k
Expenditure	Budget	90,482	64,744	66,602	76,622
	Actual	78,570	50,279	61,832	55,189
	Variance	-11,912	-14,466	-4,718	-21,433
Scheme specific funding	Budget	-44,964	-29,488	-46,321	-56,225
	Actual	-39,269	-20,225	-40,210	-37,152
	Variance	5,695	9,263	6,111	19,073
Net under / overspend		-6,217	-5,203	1,393	-2,360
Slippage	Expenditure	-15,920	-16,443	-10,885	-28,275
	Funding	6,249	10,388	8,605	23,244
	Net	-9,671	-6,055	-2,280	-5,031
Overspend / under-achieved income		7,107	13,254	7,692	6,078
Underspend / over-achieved income		-3,653	-12,402	-4,019	-3,407
Net		3,454	852	3,673	2,671
Net under / overspend		-6,217	-5,203	1,393	-2,360

The 2012-13 outturn position showed an underspend variance of £6,217k, which is made up of £11,912k underspend of expenditure and £5,695k under achieved income. A detailed carry-forward report was considered by the Business Investment Group (BIG) on 11 June 2013. BIG has provisionally recommended that the net amount of slippage to be transferred into 2013/14 should be £9,671k, subject to review by Internal Audit.

Capital Investment Governance Structures and Processes

All capital investment must be supported by a business case and be submitted and approved in accordance with the Medium Term Plan (MTP) and Capital Investment Strategy. Each year the Council undertakes a medium term planning process to set the detailed annual budget for the next financial year; and the indicative budgets for the following 3 or 4 years. The February meeting of the County Council approves the MTP, the annual budget, capital programme and the Council Tax for the next financial year.

The process of developing the MTP starts in late spring/early summer each year and is in continuous development until the approved financial plan is published in March of the following year. The MTP process is essentially Member led through Portfolio teams, with key Officers and Members supporting the Portfolio Cabinet Members in developing their Portfolio priorities and spending plans. Portfolio Cabinet Members and Service Directors are responsible for planning their capital and revenue budgets on an activity basis for the next three or four years. They should ensure their budget plans reflect the Council's key

objectives, priorities and policy direction, as set out in the Strategic Plan and the Portfolio plans. Bids for capital funds should cover the whole life cost of the scheme and be made using the appropriate business case template. Service Directors should ensure that the revenue implications of capital bids are included in revenue plans.

The Service Director (Finance and Commercial Services) is responsible for consolidating the overall plans for consideration by the Business Investment Group (BIG), Corporate Management Team (CoMT), Cabinet, Budget Scrutiny Panel and the County Council. This includes making appropriate recommendations on the capital programme, its robustness and risk associated with it.

Bids for capital funds outside of the MTP process (including where the project is 100% externally funded) are made directly to the Business Investment Group ('BIG') for recommendation to the Cabinet Member for Finance and Resources, or Cabinet where appropriate

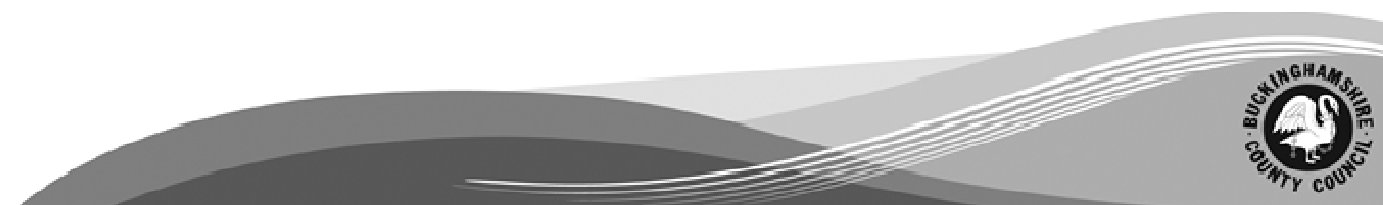
Service Directors have delegated authority to manage their approved budget allocation within the agreed capital programme. Any scheme or allocation which is either forecast to, or actually does overspend by more than 10% of the agreed allocation must be reported back to Cabinet setting out the reasons why and remedial action being taken to recover the overspend. All adjustments to the capital programme outside of the MTP (including new schemes, re-profiling or slippage) must be submitted to the Business Investment Group ('BIG') for recommendation to Cabinet.

Further information is detailed in Financial Instruction 2: Capital; Financial Instruction 11: MTP and Financial Instruction 13: Budget monitoring.

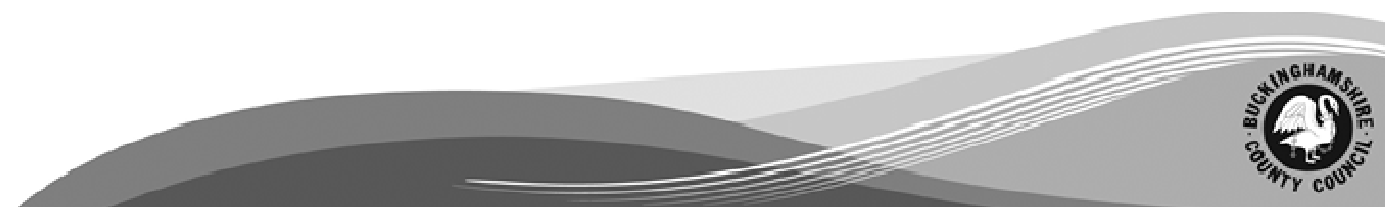
Next steps

As part of our commitment to continuous improvement, the Council is looking to improve outcomes within the capital programme by:

- A review of the Full Business Case template, in conjunction with Commercial Services, to include further analysis of options appraisal, budget planning and risk
- Enhanced capital monitoring through CoMT and Cabinet to provide further challenge of project timelines and compliance with forecasting.
- Better identification of separating our slippage from real over or under spends.
- Specific reporting on s106 / CIL and capital receipts to BIG
- Review of corporate funding to expand information provided in support of the MTP
- No re-profiling is planned to take place during 2013/14 to highlight existing issues and encourage improvement in budget planning and forecasting.
- Risk based review of existing projects in MTP to update budget profiles in advance of the 2014/15 MTP



- Develop a prioritised fall-back or contingency list of business cases that could be progressed, should funding become available
- Exploring how the Council can take opportunities to invest in assets to generate revenue income streams. This might include the creation of a reserve for such purposes.
- Reviewing the Capital Strategy including the Terms of Reference for the Business Investment Group.





CAPITAL INVESTMENT STRATEGY

July 2011

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Purpose of the Capital Investment Strategy

The purpose of the capital strategy is to ensure that all capital investments are in line with the Council's priorities and service delivery strategies, consider associated risks, recognise financial constraints over the longer term and represent value for money,.

This strategy has regard to the medium and long term. However, its focus is on the period April 2011 to March 2013 in line with the corporate plan and current funding settlements.

The Current Context

As at the 31 March 2011, the value of the assets on the Council's balance sheet was almost £1 billion and the efficient delivery of Council services requires on-going investment in these assets. Changes in the valuation of Transportation assets introduced through the Infrastructure Code will increase the value of these assets on the balance sheet by £3 billion.

Buckinghamshire County Council's position as a "floor" authority has meant that between 2006 and 2011 the Council received only the minimum increase in revenue funding and effectively no support for its approved borrowing. This placed great pressure on the Council's ability to maintain assets and resulted in a significant increase in the maintenance backlog.

The government decision in the funding settlement announced December 2010 to make all funding for integrated transport and highways capital maintenance grant rather than supported borrowing will provide the council with £24 million of unringfenced capital funding over the next two years, with indicative allocations for a further two years.

The December 2010 settlement recognised the need for capital investment in schools to increase pupil places (basic needs) and to prevent a backlog in property maintenance building up, and that local authorities were best placed to support local prioritisation and larger projects, with coordinated and efficient procurement. The settlement allocated Buckinghamshire £10.6 million for Capital Maintenance and £8.6million for Basic Needs in 2011/12. Again both these amount are unringfenced. Whilst the allocations for future years are subject to the Government's response to the James Review, the minister has indicated that total amounts available from 2012-13 to 2014-15 will be broadly in line with the 2011-12 settlement. The report from the James Review suggests that the Government may seek greater operational efficiency by centralising the design and procurement of larger projects, but still allow local decision over priorities. If the DfE choose to adopt such an approach it would make the funding allocations more notional than in cash and effectively create a ringfence round these resources.

Over the last three years, the downturn in the economy has had a significant effect on the construction industry and whilst activity has recently increased, the recovery may take a number of years. This has reduced the Council's ability to dispose of surplus assets and delayed S106 contributions expected from developers. Over the next three years reductions in government revenue grants, inflation and service pressure will result in the council needing to reduce its revenue expenditure by £56million (approximately 17%).

Following the scrapping of the South East Plan, it is likely that less new homes will be built in the county; however, the majority of those built are likely to be in the Aylesbury area.

Over the last two years, the cost of the Council's energy has increased by approximately 20% and price rises above overall inflation are expected to continue. From April 2011 the Council is being required to purchase allowances for each tonne of CO₂ emitted as a result of its use of energy from fossil fuels. Whilst the cost of allowances is fixed at £12 per tonne for the first two years, the price will then increase by £2 per annum reaching £30 per tonne by 2020/21. Given this and the pressure on revenue, it will become increasingly important that the Council takes action to reduce its energy consumption. The £1.76 million Salix Fund can help with this, but the scheme has strict criteria and sometimes part of the project costs may not comply and be eligible for funding. To achieve the benefits from recycling the funds, it may be necessary to use other capital resources to fund the non-compliant aspects of energy saving projects.

New Ways of Working may also help reduce energy consumption, as the Council seeks to rationalise its property portfolio and at the same time generate capital receipts. Linked to this are investments in technology to facilitate "lean" processes.

With the increasing costs of disposing of waste in landfill, due to increases in Landfill Tax, and potentially large fines for not diverting sufficient waste from landfill, this is an area of major importance. A procurement exercise is currently being undertaken to provide a long-term solution to waste disposal in the County. This is likely to require a very significant capital investment from the County Council in 3 to 4 years time.

The Current Horizon

The next few years will see huge changes in the role of local government and other public service providers. The Big Society is the Government's vision of a society where individuals and communities have more power and responsibility, and use it to create better neighbourhoods and local services. The Localism Bill forms a key part of this agenda and the general power of competence within the act will allow councils to do anything that is not specifically forbidden by law.

Education and health reforms are likely to result in a significant number of schools becoming independent of the Council as academies and the Council playing a greater role in local health provision. The government also intend to move towards Community Budgets where local areas get a single pot of money to spend as they see fit.

Within this context there may be opportunities for joint delivery and partnership working which may require capital investment in assets or may free up surplus assets for disposal and reinvestment.

Opportunities exist to increase overall contributions from developers through the introduction of local Community Investment Levy's (CIL), which will generally replace S106. CIL's are a tariff based levy that applies to all developments, not just those that currently attract s106 agreements and whilst District Council are responsible for them the County Council can influence how they are set.

The Objectives for Capital Investment

The main objectives for the Capital Investment Strategy are to:

- Support the Council's vision, values and priorities, as set out in the Corporate Plan
- Support service delivery strategies
- Optimise capital resources, investment opportunities and community benefits
- Ensure that investments are affordable and sustainable
- Maximise "Invest to Save" and "Invest to Contain" opportunities
- Safeguard the on-going integrity of existing assets (property, highways, ICT) ensuring they remain fit for purpose, including reducing the maintenance backlog.
- Ensure, where appropriate, that investments are in line with the Corporate Asset Management Plan.
- Ensure the long term impact of investment decisions are fully assessed and understood
- Encourage working in partnership with other organisations to maximise outputs and value for money
- Ensure that capital and revenue are fully integrated
- Ensure the health and safety of the public and staff

County Council Aims and Values

The reduction in government grants in 2010/11 and 2011/12 and resulting budget pressures which are set to continue over the next few years mean that Buckinghamshire County Council has need to review and refocus its priorities. The Corporate Plan for 2011- 2013 "Working with you for Buckinghamshire" set out the four priorities on which the Council will focus.

- Priority 1: Helping the most vulnerable
- Priority 2: Keeping Bucks Special
- Priority 3: Helping people to help themselves and each other
- Priority 4: Working with You

Overarching these priorities is the tenet that the Council will make every pound go further.

Key Areas for Investment

Given both the Capital Investment Objectives and the Corporate Priorities described above the following list, whilst not necessarily exhaustive, describes key areas where one might expect to see investment directed.

- Structural Maintenance of Highways Infrastructure

- Structural Maintenance of Properties in which the Council has a continuing interest, including schools within the local authority family of schools.
- Assets which facilitate community involvement in services which meet corporate objectives
- Investments that facilitate Economic Development in the County.
- ICT Infrastructure, including within the local community, e.g. Broadband connectivity across the community.
- The re-design/re-configuration of assets that permit lower on-going revenue costs, or halt a trend of increased revenue costs
- Assets that help the Council meet sustainability targets, such as reduced energy consumption/CO₂ emissions and reduced waste disposal via landfill.
- Assets which facilitate easier access to services, including the Council's website.
- Assets which facilitate service improvements provided that these are identified corporate priorities
- Assets that facilitate the release of other assets, where the net effect is an increase in value to the Council

Given that resources are limited it would not be expected that investments will be made in the following, although there might be exceptional circumstances that dictate otherwise.

- Assets which facilitate service improvements, but that are not corporate priorities
- Assets which result in increased revenue expenditure
- Assets that lead to an increased carbon footprint for the Council

Funding Capital Investment

Over the last few years Buckinghamshire County Council has funded its capital investment from the following sources

- Government Grants and Grants from various organisations
- Capital Receipts through the disposal of assets
- Salix funding
- Revenue Contributions to Capital
- Developer Contributions eg S106 agreements
- Prudential Borrowing
- Leasing
- Earmarked Reserves (including Repairs and Renewals funds)

Other opportunities that the council could take advantage of in the future include;

- Community Infrastructure Levy (CIL)

- Funding avenues made available following the Local Government Resource Review, such as Tax Increment Financing (TIF), or Local Gov. Bonds
- Partnership contributions to jointly run facilities

The Council will aim to maximise financing opportunities, whether through bidding, contributions, or disposals.

Whilst the Council has preferred not to prudentially borrow, the effect on the capital receipts resulting from the economic downturn meant some borrowing was necessary. However, with increases in the costs of borrowing and increasing pressure on revenue budgets future prudential borrowing will be limited, other than for specific exceptional circumstances. The changes in the Government's capital funding regime to move to greater funding through grants and less reliance on approved borrowing, will assist the Council in avoiding the need for prudential borrowing.

Capital Investment Processes - Overview

While this strategy sets out the framework for identifying, approving, implementing and reviewing projects, the detailed process is contained within the Financial Instructions for Capital (FI 2)

Identification of Need

The corporate plan priorities and the council objectives for capital investment should form the basis of identification of need. Investment requirements are generally identified annually through the MTP process, however where external funds are available additional projects may be considered during the year.

Approval of Projects

With the exception of block schemes and school self-help schemes an outline Business Case approved by the Business Investment Group is required for all projects. The purpose of the business case is to identify the cost, funding, revenue implications, benefits, timescales, value for money, deliverability, and risks in delivering the project. For large, or contentious projects, a full business case will be required.

Prior to their submission to the Business Investment Group, heads of service and cabinet members should agree business cases. Where projects involve investment in or acquisition of land or buildings approval from Property Board is also required and for IT projects support from the Chief Information Officer will be needed.

As part of the MTP the Business Investment Group will evaluate the bids in line with service and financial planning guidance and make recommendation on the schemes to be funded through the Council's capital programme to COMT and Cabinet.

Implementation of Projects

After approval, project managers are responsible for delivering and monitoring their projects. This includes the monitoring of slippage / accelerated progress of the project against the expenditure profile. The Business Investment Group will review overall progress during the year and the annual capital outturn and recommend what action should be taken in respect of overspend / underspends / accelerated progress or slippage of projects.

Review of Projects

At key milestones during a project and once it is complete, it is important that performance is reviewed so that success is recognised and where appropriate lessons are learned. To this end the Business Investment Group will receive a report at the completion of a project and at key milestones to check that the outcomes set out in the original approved business case have been achieved.

The Business Investment Group Terms of Reference

The Business Investment Group comprises the Assistant Head of Finance (chair), Capital Accountant, a Strategic Director (representing COMT), Head of Finance and Commercial Services, Cabinet Member for Finance and Resources and two further Members nominated by the Cabinet Member and three other Heads of Service from across the Council.

The Quorum for the group will be a minimum of 1 Member, 1 Head of Service and 1 Finance representative.

The Business Investment Group reports to COMT and Cabinet. It meets as a minimum 4 times a year, but can be convened more frequently if required.

The role of the Business Investment Group is to:

Consider the capital resource position and make recommendations to COMT and Cabinet/Council for incorporating capital schemes into the Council's Capital Investment Programme. This includes a review of new bids and preparation of pool schemes in light of new funding becoming available.

Ensure that no Council money is committed to any capital investment project prior to all the necessary approvals being obtained

Approve schemes that have no net cost to the agreed Capital Programme or revenue budget and have been endorsed by the relevant portfolio Cabinet Member, through the delegated authority of the Cabinet Member for Resources. Such schemes to be reported to Cabinet as part of the quarterly budget monitoring arrangements.

Take an overview of the County Council's capital monitoring position on at least a quarterly basis. Reviewing and challenging any overspending or slippage issues and making recommendations to COMT and Cabinet as necessary on the overall position and options for corrective action.

Consider new funding opportunities, e.g. Salix funding, Supplementary Business Rates etc. and make recommendations as appropriate.

Advise COMT and Cabinet on the Capital Investment Strategy

Approve detailed business cases within the allocation agreed by Council when setting the overall Capital Programme.

Carry out a review of all major projects at key milestones and when complete to assess the delivery against the outcomes set out in the original approved business case and make any recommendations to COMT arising from this.

Annually examine working practices and review lessons learnt.
Recommend to COMT any changes in operational practice deemed appropriate in order to improve the effective management of the Capital Programme.

Keep under review income from Capital receipts and their application to fund the Capital Programme.

Co-ordinate the production of a Capital Annual report each year.

Appendix B: Capital Programme 2013+

Service/Projects	Year 1 with with re- profiling adjs	Year 2 with with re- profiling adjs	Year 3 with with re- profiling adjs	Year 4 with with re- profiling adjs	Total
	2013 - 2014 £000's	2014 - 2015 £000's	2015-2016 £000's	2016-2017 £000's	ysr 1-4 £000's
Education & Skills/ Children's Services					
Aylesbury Vale Academy - New Build	8,232	0	0	0	8,232
Chesham Park Academy - New Build	2,515	0	0	0	2,515
University Technical College - New Build	5,922	0	0	0	5,922
Furzedown School - Rebuild	6,400	1,700	0	0	8,100
St Mary & All Saints Beaconsfield - Expansion	1,097	0	0	0	1,097
Mandeville School Sports Facilities	1,989	0	0	0	1,989
Berryfields Nursery & Primary School - New Build	4,347	0	0	0	4,347
Stony Dean Temp Classroom replacement	800	0	0	0	800
Buckingham Upper - Refurb and 6th Form Expansion	673	0	0	0	673
Floor Targets	1,372	0	0	0	1,372
Temporary Classrooms	3,153	0	0	0	3,153
Special Schools	4,979	1,578	0	0	6,557
Area Plan Capital	5,342	3,269	0	0	8,611
Aston Clinton School - Expansion	428	0	0	0	428
Endeavour Centre - New Provision	1,921	0	0	0	1,921
Schools Property maintenance programme	3,500	3,500	2,500	2,500	12,000
Provision for 2 year olds	250	1,000	1,000	750	3,000
Schools Access Provision	500	500	500	500	2,000
LLDD (Learners with learning disability & other disabilities)	200	800	1,000	0	2,000
Secondary school places	500	3,000	1,750	1,750	7,000
Primary school places	500	2,000	2,250	2,250	7,000
Amalgamations	200	1,000	800	1,800	3,800
Sustainability	500	500	500	500	2,000
Demolition of Quarrenden Tower Block	400	0	0	0	400
Total Capital Costs	55,720	18,847	10,300	10,050	94,917
Aylesbury Vale academy	-8,232	0	0	0	-8,232
Chesham Park Academy	-2,515	0	0	0	-2,515
University Technical College	-5,922	0	0	0	-5,922
Furzedown School	-4,100	0	0	0	-4,100
Mandeville School Sports Facilities	-1,242	0	0	0	-1,242
Berryfields Nursery & Primary School	-4,347	0	0	0	-4,347
Stony Dean Temp Classroom replacement	-800	0	0	0	-800
Floor Targets	-1,095	0	0	0	-1,095
Temporary Classrooms	-1,259	0	0	0	-1,259
Special Schools	-378	0	0	0	-378
Area Plan Capital	-1,582	-2,668	0	0	-4,250
Provision for 2 year olds- grant Funding	-250	-1,000	-1,000	-750	-3,000
Total Capital Funding	-31,722	-3,668	-1,000	-750	-37,140
Education & Skills/ Children's Services Total	23,998	15,179	9,300	9,300	57,777
Finance & Resources					
ICT					
Purchase of IT Hardware/Software	1,965	1,898	1,657	741	6,261
Web Transformation	65	35	0	0	100
SAP development Budget	265	80	0	0	345
Flood Wireless	200	0	0	0	200
One replacement	0	0	0	1,000	1,000
Total Capital Costs	2,495	2,013	1,657	1,741	7,906
Purchase of IT Hardware/Software	-1,965	-1,898	-1,657	-741	-6,261
Total Capital Funding	-1,965	-1,898	-1,657	-741	-6,261
ICT Total	530	115	0	1,000	1,645

Appendix B: Capital Programme 2013+

Service/Projects	Year 1 with	Year 2 with	Year 3 with	Year 4 with	Total
	with re-	with re-	with re-	with re-	
	profiling adjs	profiling adjs	profiling adjs	profiling adjs	
	2013 - 2014	2014 - 2015	2015-2016	2016-2017	ysrs 1-4
	£000's	£000's	£000's	£000's	£000's
Property					
Property Maintenance Programme	4,030	4,360	4,650	4,650	17,690
Major Emergency Repairs/ Renewals	1,600	0	0	0	1,600
Agricultural Estate	700	500	450	450	2,100
New County Offices	2,168	1,450	835	0	4,453
Disability Discrimination Act Works	125	0	0	0	125
Asbestos Removal	150	350	350	100	950
Legionella Programme	300	0	0	0	300
Gas Safety	250	0	0	0	250
New Ways of working	100	0	0	0	100
Minor Works	785	0	0	0	785
Rights of Way & Access -Emergency Work	100	0	0	0	100
Property	100	0	0	0	100
Property Disposal Preparation	150	0	0	0	150
Development in BCC Assets (Courts / Old County Hall/ Judges Lodgings, etc.)	1,500	1,000	0	0	2,500
Southern Area Office Strategy	4,405	0	0	0	4,405
Total Capital Costs	16,463	7,660	6,285	5,200	35,608
Total Capital Funding	0	0	0	0	0
Property Total	16,463	7,660	6,285	5,200	35,608
Finance & Resources Capital Costs Total	18,958	9,673	7,942	6,941	43,514
Finance & Resources Capital Funding Total	-1,965	-1,898	-1,657	-741	-6,261
Finance & Resources Total	16,993	7,775	6,285	6,200	37,253
Environment					
Public Rights of Way	87	50	0	0	137
Energy from Waste Plant	1,000	2,000	2,000	180,000	185,000
Waste Transfer Station	3,540	60	0	0	3,600
Household Waste Recycling Centres	38	50	0	0	88
Biowaste Treatment	400	300	6,500	2,000	9,200
District Heating Scheme at Black Park	270	0	0	0	270
Biomass Boilers	486	0	0	0	486
Total Capital Costs	5,821	2,460	8,500	182,000	198,781
Total Capital Funding	0	0	0	0	0
Environment Total	5,821	2,460	8,500	182,000	198,781
Health and Wellbeing					
Social Work Mobile Working Project	72	0	0	0	72
Day Care Reconfiguration	6,400	2,835	0	0	9,235
Total Capital Costs	6,472	2,835	0	0	9,307
Total Capital Funding	0	0	0	0	0
Health & Wellbeing Total	6,472	2,835	0	0	9,307
Leader					
Broadband Expansion	2,500	1,200	0	0	3,700
Total Capital Costs	2,500	1,200	0	0	3,700
BD UK Broadband Expansion - Growing Places Fund	-500	-1,200	0	0	-1,700
BD UK Broadband Expansion - New Homes Bonus	-2,000	0	0	0	-2,000
Total Capital Funding	-2,500	-1,200	0	0	-3,700
Total Leader	0	0	0	0	0
Community Engagement					
Library Management System	100	0	0	0	100
Halton Museum Collec. & Learning Centre	0	0	1,500	3,000	4,500
Total Capital Costs	100	0	1,500	3,000	4,600
Museum Collec. & Learning Centre - Heritage Lottery Funding			-1,230	-2,460	-3,690
Total Capital Funding	0	0	-1,230	-2,460	-3,690
Community Engagement Total	100	0	270	540	910

Appendix B: Capital Programme 2013+

Service/Projects	Year 1 with with re- profiling adjs	Year 2 with with re- profiling adjs	Year 3 with with re- profiling adjs	Year 4 with with re- profiling adjs	Total
	2013 - 2014	2014 - 2015	2015-2016	2016-2017	yrs 1-4
	£000's	£000's	£000's	£000's	£000's
Transportation					
Lighting Maintenance & Operation	600	600	400	400	2,000
Street Lighting Lantern Replacement	925	925	925	0	2,775
High Wycombe Master Plan	550	0	0	0	550
Casualty Reduction	250	250	0	0	500
Strategic Highway Maintenance & Mgt	12,750	11,750	9,750	9,750	44,000
Footway Structural Repairs	250	250	250	250	1,000
Maintenance Principal Roads - signs & lines	300	300	300	300	1,200
Maintenance Principal Roads - drainage	720	720	720	720	2,880
Safety Fences	150	150	150	150	600
General Traffic and Congestion Mgt	200	200	0	0	400
Traffic & Congestion Management -Bollards	200	0	0	0	200
Traffic Signals	200	200	400	400	1,200
Bridge Maintenance	550	550	550	550	2,200
Bridge Maintenance - Abbey Way Flyover	650	1,050	0	0	1,700
Vehicles	317	446	312	138	1,213
East West Rail	1,000	1,000	1,000	1,000	4,000
Broad Street flooding	140	0	0	0	140
Fullers Hill Flood Alleviation Scheme	45	0	0	0	45
The Spinneys Flood Alleviation Scheme	30	0	0	0	30
Infrastructure - business case development early design costs:					
- Aylesbury Eastern Link Road	80	50	0	0	130
- A418/A4146 Improvements	250	250	0	0	500
- Chapel Lane Diversion (High Wycombe)	150	150	0	0	300
- Stocklake Link Road (Aylesbury)	150	150	0	0	300
- A41 Corridor	150	400	0	0	550
- Junction 3A (M40)	0	500	450	0	950
- Westhorpe Junction	0	0	150	150	300
- Wilton Park Diversion	0	0	150	150	300
- A4010 Improvements	0	0	150	150	300
- Network Improvements	155	125	125	125	530
- Other	1,065	350	0	425	1,840
Parking Enforcement Camera Car	120	0	0	0	120
Total Capital Costs	21,947	20,366	15,782	14,658	72,753
Transportation					
Use of Salix Fund for Street Lighting Lantern Replacement	-350	-350	-350	0	-1,050
Use of Efficiency Fund for Street Lighting Lantern Replacement	-300	-200	-200	0	-700
Vehicles	-317	-446	-312	-138	-1,213
Broad Street flooding	-140	0	0	0	-140
Fullers Hill Flood Alleviation Scheme	-45	0	0	0	-45
The Spinneys Flood Alleviation Scheme	-30	0	0	0	-30
Total Capital Funding	-1,182	-996	-862	-138	-3,178
Transportation Total	20,765	19,370	14,920	14,520	69,575
Corporate Projects					
Contingency	750	750	750	750	3,000
Total General Pump Priming	750	750	750	750	3,000
Grand Total Expenditure	112,268	56,131	44,774	217,399	430,572
Grand Total Funding	-37,369	-7,762	-4,749	-4,089	-53,969
Net Programme Financed From Central Funding	74,899	48,369	40,025	213,310	376,603

Appendix B: Capital Programme 2013+

Service/Projects	Year 1 with with re- profiling adjs	Year 2 with with re- profiling adjs	Year 3 with with re- profiling adjs	Year 4 with with re- profiling adjs	Total
	2013 - 2014 £000's	2014 - 2015 £000's	2015-2016 £000's	2016-2017 £000's	yrs 1-4 £000's
Corporate Funding:					
Unringfenced Capital Grants					
Integrated Transport - Grant	-2,862	-4,025	-3,500	-3,450	-13,837
Highways Maintenance - Grant	-9,223	-8,050	-6,850	-6,800	-30,923
Education & Skills Grants	-12,550	-11,750	-11,000	-10,000	-45,300
Personal Social Services Grant	-899	-917	-935	-955	-3,706
Sub total Unringfenced Grants	-25,534	-24,742	-22,285	-21,205	-93,766
Central Financing					
Funding from Waste Reserve	-4,540	-2,060	-2,000	-50,000	-58,600
Funding from Capital Reserves b/fwd from Prior Years	-30,913	-6,559	-151	0	-37,623
Prudential Borrowing	0	0	0	-130,000	-130,000
Capital Receipts	-6,033	-2,000	-5,875	-6,900	-20,808
Use of Finance Lease Rents- Denham	-577	-610	-645	-683	-2,515
s106/CIL(Community Infrastructure Levy)	-550	-550	-550	-550	-2,200
Revenue Contributions (inc. C. Tax Freeze Grant in 13/14 & 14/15)	-4,900	-3,021	-500	-2,750	-11,171
Revenue Contribution - Agricultural Estates.	-500	-500	-450	-450	-1,900
Revenue Contribution - DSG	-3,300	-3,300	-3,300	-3,300	-13,200
Contribution from GF Reserves	-3,000	-2,000	0	0	-5,000
Sub Total Central Funding	-54,313	-20,600	-13,471	-194,633	-283,017
Total Corporate Funding	-79,847	-45,342	-35,756	-215,838	-376,783
Funding Gap	-4,948	3,027	4,269	-2,528	-180
Balance of Accumulated Programme Over Years 1-4	-4,948	-1,921	2,348	-180	



Buckinghamshire County Council
Select Committee

Finance, Performance and Resources Select Committee

Report to the Finance, Performance and Resources Select Committee

Title: Commercial Activity Update

Committee date: 5 September 2013

Author: Rose Younger

Contact officer: Rose Younger

Signed off by Cabinet Member: Peter Hardy; Cabinet Member for Finance and Resources

Gillian Hibberd, Strategic Director
Resources &
Business Transformation

Electoral divisions affected: All

Purpose of Agenda Item

1. At the request of the Chairman of this Committee, this is a report to provide the Committee with a Commercial Activity Update.

Background

2. This report follows that provided in October 2012 and updates the Committee on the progress of Commercial Services and Commercial Activity within the organisation.

Summary

3. This has been an exciting time in Commercial Services, with a new Commercial Manager, alternative delivery vehicles, Transformation phase II, integration of Public Health to name but a few.

4. Contract Management

- a. The development of the Contract Management Application (CMA – a software solution) and Contract Management Framework (CMF) is progressing well and will deliver benefits to the Authority.
- b. We have a Strategic Relationship Manager (SRM) lead in post on a 12 month FTC (March 14).

- c. Platinum contracts are now segmented and have had an initial best practice review. Platinum contract managers have undergone technical and soft skills training and are about to go through Business Continuity Management training. This training will be rolled out to Gold contract managers.
- d. We will be bringing all of our Platinum suppliers together for a conference in September 2013.
- e. Contract Managers will be starting best practice reviews of Gold Contracts in the next months.
- f. We are planning a strategic review of all contracts with a value greater than £500,000.

5. Contract Management Application

- a. The Contract Management Application (CMA) is a cloud based computer contract management solution. We have designed and built this specifically for Bucks CC's needs to support our Contract Management Framework, this system will increase in importance as the new TOM evolves.
- b. The CMA will facilitate robust performance management of BCC contracts with 3rd party suppliers.
- c. The CMA will be an important tool for contract managers and allows visibility of all contract information e.g. performance, contact, communications and complaints history. In addition the system will allow early warning of the expiry of contracts. This in turn will reduce the need for Exemptions from Contract Standing Orders.
- d. The CMA is now in user acceptance testing and will go live in mid-September.
- e. This is an exciting system and we believe that with continued development this will be an attractive system to other local authorities and offer an opportunity to generate income.

6. Complaints

- a. Priority contracts have been reviewed to ensure that an appropriate complaints clause is included.
- b. All new contracts should now have the appropriate complaints clause.
- c. Reporting of complaints is via Respond, a corporate system operated by the Customer Insight and Complaints team

7. Commercial Skills

- a. Many senior officers in Support Services have been through a Commercial skills course designed to improve commercial skills and awareness.

- b. The move to becoming a Commercial Council will require Commercial thinking. We hope to be collaborating to develop a passport to practice with neighbouring authorities.

8. SME / Local Business.

- a. The relationship with Bucks Business First (BBF) is good and regular meetings continue.
- b. We report regularly on the value of business the County conducts with local businesses.
- c. We are supporting a P2P (Purchase to Payment) project which should enable automated reporting.
- d. Esourcing: The use of the system has increased significantly from £19 million to £37 million. There is therefore greater visibility of procurement activity, which in turn means that local SME's are able to access these opportunities.

9. Savings

- a. The target for 12-13 of £2 million was exceeded and delivered £3.2 million.
- b. The Category review for older people is completed and this identified potential savings of £4.2m against spend of £33m – i.e. 12.9%.
- c. The Hard FM Category review identified potential savings of £0.475m against a capital (90%) and revenue (10%) spend of £16.2m.
- d. We are proposing a greater focus on Category Management.
- e. The pipeline of savings will be strengthened once Category Management is fully implemented.
- f. We recognise that the financial position of the Council requires a focus on delivering savings. Objectives for Category Managers now include a requirement to review spend on a 5 year rolling cycle (approx. 20% per year). We are confident that this refocussing will identify opportunities.
- g. Revenue Generation: This is a major theme in the Council and whilst there are opportunities there are also risks. We are confident that we will be able to support the revenue initiative once we are in a position to market the CMA to other authorities.

10. Other Achievements

- a. Public Health has transitioned to BCC. We are now working on integrating health colleagues with BCC commercial procedures.
- b. We have been involved with and supporting a number of high profile projects (Bucks Learning Trust, Buckinghamshire Care

[previously known as LATC – Local Authority Trading Company] etc.). Use of Pcards has also increased significantly (from £602,000 to £1,097,000) – this results in reduced numbers of transactions.

- c. Exemptions: We have completely reviewed the exemptions process. The new system went live in August 2103 and will be reviewed once the system has been tested.
- d. Broadband – we have supported this complex cross county initiative to deliver superfast broadband to Buckinghamshire.

11. Resource Implications:

- a. The new TOM will require high calibre public sector commercial specialists to be providing expertise to the Council. This skill set will need to be embedded across the Council and is a key priority going forward.

12. The next six months

- a. A strong focus on Category reviews and the identification of savings
- b. Strong focus on Transformation II and the new Target Operating Model
- c. Review of Contract Standing Orders to ensure fit for purpose for future shape of Council
- d. Support the implementation and launch of alternative vehicles
- e. Embed the Contract Management Framework (gold contracts)
- f. Complete User Acceptance testing of CMA and roll out across BCC
- g. Identify opportunities for Revenue Generation
- h. Develop plans for the Commercial Academy
- i. Feasibility study Project Sterling

Rose Younger
Commercial Manager
12th August 2013



Buckinghamshire County Council Select Committee

Finance, Performance and Resources Select Committee

Report to the Finance, Performance and Resources Select Committee

Title: Assess the use of the urgency rule for a Cabinet Member Decision

Committee date: 5 September 2013

Author: Anne Davies

Purpose of Agenda Item

The purpose of the item is to assess the request submitted in relation to the Cabinet Member Decision relating to the Transfer of 5 County Council managed Children's Centres to the management of Barnardo's. Urgent decisions cannot be called-in as they need to be implemented immediately. This is not a 'call-in' of the decision itself but an assessment of the use of the urgency rule for a Cabinet Member Decision.

Background

- A consultation process began on 23rd November 2012 proposing to transfer five Centres from the management of BCC to the management of Barnardo's. This was due to the underperformance of in-house Centres, which meant that children and families of under fives, particularly those 'in greatest need of early intervention' were not getting the high quality support they need at the most critical point in their development.
- There was strong evidence from Ofsted results and contract monitoring that Barnardo's, which already ran 11 Centres in Buckinghamshire, would be able to turn around the performance of these Centres.
- The original timeline outlined in the consultation letter was that:
 - The consultation would run until 22nd January
 - If the transfer went ahead, it would take place at the beginning of March, following a one month handover period
 - The Council said that during the consultation period it would hold separate meetings with staff and parents/Advisory Boards in each of the 5 Centres.
- Children's Centres were all due to be re-commissioned for April 2014. This would give Barnardo's 13 months to turn around the performance of the 5 Centres.



- Meetings were then held at each of the 5 Centres, at which the Cabinet Member told parents and Advisory Boards that, when the consultation period ended, he would come back again to speak to them before making a final decision.
- Parents then submitted the following petitions on the following dates and these were accepted by the Council

- Wycombe East & Hampden Way	09/01/13 to 17/02/13
- Chalfonts	24/01/13 to 17/02/13
- Marlow	06/02/13 to 20/03/13
- Wooburn Green	07/02/13 to 20/03/13
- The Cabinet Member decided that, in order to properly consider the views of parents and to make this a meaningful consultation, the petitions should run their course before making a decision.
- The Cabinet Member went to meet with parents and Advisory Boards from all of the 5 Centres on Tuesday 26th March.
- The Cabinet Member then reviewed all the information that had been received and the Cabinet Member decision report was drafted. Consulting with Legal and Democratic Services, however, it was apparent that if the decision were called in, then with elections taking place on 2nd May it would not be possible for the scrutiny process to be completed before the election took place. After the election Executive members and committees would not be appointed until after the Council's Annual general meeting on 23rd May and it was therefore unlikely that an Overview and Scrutiny Committee would take place until June at the earliest.
- The Deputy Leader and the Chairman of the Overview and Scrutiny Commissioning Committee agreed that the decision should be taken under the urgency rule on Tuesday 16 April 2013.

Reasons for Urgency

The Cabinet Member for Education and Skills therefore decided that the decision needed to be taken as an urgent one. If the decision had not been taken as urgent then, if the decision had been called in, it would have been delayed by at least a further two months.

The consultation with staff and Advisory Boards to start the process began on 23rd November, with the intention being that a decision would be made in February and implementation of the proposed changes in March. Due to the petitions the decision had already been delayed by two months and a further two month delay would have meant that it would have taken more than six months from beginning the consultation until the decision was made.

- As above there was strong evidence that Barnardo's would be able to turn around the performance of these Centres. The uncertainty in this period impacted on delivery as well. Delaying that improvement for a further two months and extending that uncertainty would have meant that a significant number of children and families would not receive the high quality support needed at the most important stage of their development.

- With the one month handover the implementation of the decision would have taken place in July and this would have given the new provider only eight months to turn around the performance of the Centre. Part of the rationale for the change was to get the Centres' performance up to a level where providers would be prepared to bid for them when tendered. This might not have been possible in such a reduced timeframe.
- It would not have been fair to those affected, staff, Advisory Boards and parents, to have continued uncertainty regarding the outcome for what would be more than six months.
- This change represented a change in provider- it did not represent a change to the budget for the Children's Centres concerned or the framework and specification that they were working to.

Reasons for call in request

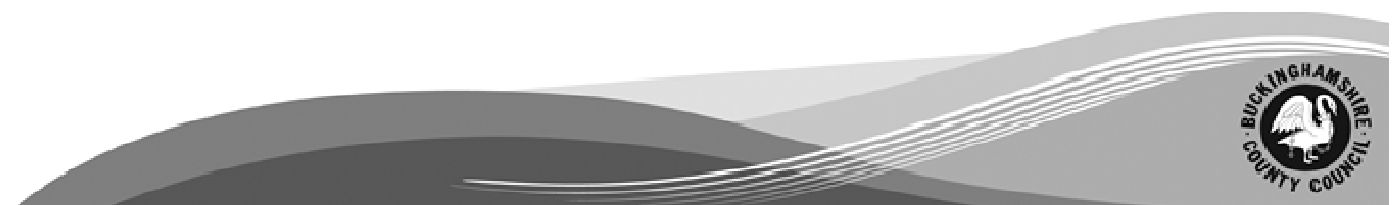
On the call in request form submitted by Julia Wassell and signed also by Avril Davies and Chaudhary Ditta they believe that the decision was not genuinely urgent because of the following reasons:-

"The decision is not urgent because the reason given is due to elections being held on 2 May. Had the decision been taken in a timely manner, it would have been easier for the Overview and Scrutiny (now Select Committee) to have heard the matter. However, it was still technically possible for the matter to have been heard.

It is said that the decision had to be urgent as it would not have been 'fair' on those affected. In fact, parents and staff and Local Members wanted it to be called in to scrutiny on a number of grounds.

We dispute that it was either urgent because of elections or 'unfair' to delay the decision. We feel that it is a very significant decision, where new information was brought forward, and that this decision may affect the future of all other County run Children's Centres. This decision has taken away the resident's and local member's rights to have a call in at all. It raises serious questions of the democratic process and what might happen if key decisions were not open to scrutiny due to elections, which could have far reaching consequences for the Council.

When Local Members sought additional information from the Cabinet Member and Officer prior to the decision, they did not respond, which has been acknowledged. Parents feel that Local members should call in the decision. One Local Member is the Cabinet Member so they are further disadvantaged."



Information from the Constitution on the Special Urgency Rule

If by virtue of the date by which a decision must be taken Standing Order 15 (general exception) cannot be followed and the five clear days notice of the decision cannot be given then the decision can only be taken if the decision taker (if an individual) or the Chairman of the body making the decision, obtains the agreement of the Leader and the Chairman of the relevant Select Committee that the taking of the decision cannot be reasonably deferred.

Notice in writing of the application to the Chairman of the appropriate Select Committee must be published on the Council's website and copies made available to the public at the offices of the Council.

If a decision needed to be taken that has not had the required notice on the Forward Plan but gives five clear days notice then the Select Committee needs to be informed.

If there is no Chairman of a relevant Select Committee, or if the Chairman of the relevant Select Committee is unable to act, then the agreement of the Chairman of the Council, or in their absence the Vice Chairman will suffice.

Next steps

The Committee now need to consider

- a) Whether to note the position as set out in the report and confirm that it understands the reason for the decision being taken as an urgent one, and does not wish to challenge this process**

- b) In any event whether there is any aspect of the process it would ask the Regulatory and Audit Committee – as the Committee responsible for the Council's Constitution, to consider further or change.**

Additional Paperwork

Call in request form
Written submissions
Cabinet Member decision



Call-in Request Form

Decision Title:	Transfer of 5 County Council managed Children's Centres to the management of Barnardo's.
Decision Number:	DLES.12.13
Decision-taker:	Cabinet Member Education and Skills
Was the decision taken under the urgent action procedure?	Yes
<p>If yes, please set out why you believe the decision is not genuinely urgent: The decision is not urgent because the reason given is due to elections being held on 2nd May. Had the decision been taken in a timely manner, it would have been easier for the Overview and Scrutiny to have heard the matter. However, it was still technically possible for the matter to have been heard. It is said that the decision had to be urgent as it would not have been 'fair' on those affected. In fact, parents, staff and local members wanted it to be called in to scrutiny on a number of grounds. We dispute that it was either urgent because of elections or 'unfair' to delay the decision. We feel that it is a very significant decision, where new information was brought forward, and that this decision may affect the future of all other County run Children's Centres. This decision has taken away the resident's and local member's rights to have a Call In at all. It raises serious questions of the democratic process and what might happen if Key decisions were not open to scrutiny due to elections, which could have far reaching consequences for the Council. When local members sought additional information from the Cabinet Member and Officer prior to the Decision, they did not respond, which has been acknowledged. Parents feel that Local members should call in the decision. One local Member is the Cabinet Member so they are further disadvantaged.</p>	
<p>Grounds for the Call-in:</p> <p><i>Please tick as many boxes that apply. At least one option must apply for the request to be valid to go forward to the OSCC.</i></p>	<p>It is alleged that the decision-making process was flawed because:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> all relevant matters were not taken into account in reaching a decision; Yes <input checked="" type="checkbox"/> it was not proportionate to the desired outcome; Yes <input checked="" type="checkbox"/> there was inadequate consultation; Yes with local members <input checked="" type="checkbox"/> it did not comply with the constitutional decision-making guidance; Yes <input checked="" type="checkbox"/> there was a lack of openness and transparency; In that the matter could have been called in. <input checked="" type="checkbox"/> it did not accord with the Council's aims & strategies; Yes, Members First and other policies. <input checked="" type="checkbox"/> it was not properly recorded and published within the appropriate timeframe, together with declarations of interest and background papers; It could have been published sooner. <input checked="" type="checkbox"/> the views of relevant local members were not sought; and <input checked="" type="checkbox"/> it is outside of the Council's agreed policy and budget framework. Yes

Reasons for the Call-in:

The decision should not have been made as 'urgent'.

Desired outcome/alternative course of action sought:
Proceed with call-in.

If your Call-in request is accepted as valid, would you like to request that you:
(please tick)

can submit further documentation Yes.

If you would like to nominate witnesses to support your case, please use this section to provide their names and details:

*Chair Parents Forum
Richard Scott County Councillor
Chaudhary Ditta*

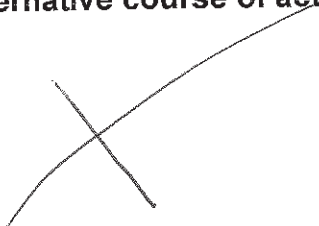

Lead member: (who will be the main contact and spokesperson for the group):

Attached

Member signatures: (minimum of 3 members required in total)

Attached

This form will be submitted to the Monitoring Officer and OSCC Chairman

Desired outcome/alternative course of action sought: 	
If your Call-in request is accepted as valid, would you like to request that you: (please tick)	
<input checked="" type="checkbox"/> can submit further documentation	
If you would like to nominate witnesses to support your case, please use this section to provide their names and details: (maximum of three) CHILDRENS CENTRE PARENTS FORUM REPRESENTATIVE CLLR RICHARD SCOTT - PARLOW CHAUDHARY DITTA	
Lead member: (who will be the main contact and spokesperson for the group):	JULIA WASSSELL
Member signatures: (minimum of 3 members required in total) JULIA WASSSELL CHAUDHARY DITTA MARY BARDWIN	Julia Wassell 19/4/13 

This form will be submitted to the Monitoring Officer and OSCC Chairman

Decision

Deputy Leader and Cabinet Member for Education and Skills

In accordance with the previously published schedule and reports, the Deputy Leader and Cabinet Member for Education and Skills has made the following decision. This decision will take effect from Tuesday 16 April 2013.

The decision has been taken under the Special Urgency Rules (Rule 16 of the Access to Information Standing Orders). The County Council Elections take place on 2nd May and it will not be possible for the scrutiny process to be completed before the election takes place. After the election Executive members and committees will not be appointed until after the Council's Annual general meeting on 23rd May and it is unlikely that an Overview and Scrutiny Committee would take place until June at the earliest. The Cabinet Member for Education and Skills has therefore decided that the decision to 'Transfer five County Council run Children's Centres to the management of Barnardo's' needs to be taken as an urgent decision because the consultation with staff and Advisory Boards to start the process began on 23rd November and it is not fair to those affected to have continued uncertainty regarding the outcome for what would be more than six months.

Title

Transfer of five County Council managed Children's Centres to the management of Barnardo's

Reference Number:

DLES12.13

Decision Taken

The Cabinet Member for Education and Skills agreed that the management of five Children's Centres, which are currently managed by Bucks County Council be transferred to the management of Barnardo's.

As part of the implementation there will be a transition plan which will include arrangements for BCC staff to continue to provide outreach support to families they are currently working with for up to six months, giving continuity for the families that are most in need of support.



INVESTOR IN PEOPLE



Contact Officer

Ben Thomas Operations Manager (Commissioning) Tel: 01296 387701

Date of Publication

16 April 2013

Report to Deputy Leader and Cabinet Member for Education & Skills

Decision to be taken on or after 11 April 2013

Decision can normally be implemented at least 3 working days after decision has been signed

Cabinet Member Report No. DLES12.13

Title:	Transfer of five County Council run Children's Centres to the management of Barnardo's
Date:	3 April 2013
Author:	Chris Munday
Contact officer:	Ben Thomas 01296 387701 and Ian Elkington 01296 382407
Local members affected:	Mike Appleyard - Cabinet Member for Education and Skills Julia Wassell- Councillor for Bowerdean, Micklefield & Totteridge Chaudhary Ditta- Councillor for Bowerdean, Micklefield & Totteridge Bruce Allen- Councillor for Chalfont St Peter Douglas Anson- Councillor for Marlow Richard Scott- Councillor for Marlow Timothy Butcher – Councillor for Chalfonts and Seers Green Martin Tett – Councillor for The Chalfonts and Seers Green David Watson – Councillor for Thames

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

The Council's duty is to secure sufficient Children's Centres provision to meet local need and to consult before any significant changes.

There are 35 Children's Centres across Buckinghamshire, delivered by four organisations:



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- The County Council, which delivers 21 Children’s Centres
- Barnardo’s, which delivers 11 Children’s Centres
- The Healthy Living Centre, which delivers two Children’s Centres
- Disraeli School, which delivers one Children’s Centre.

Children’s Centres are subject to Ofsted inspections and recent judgements of the in-house centres indicate that the in-house Centres are not performing well. The recommendation is to transfer five of the in-house Centres to Barnardo’s. This will provide an opportunity for a current provider of Children’s Centres in Buckinghamshire to turn around the performance of these five Centres and for the in-house management team to focus on bringing sustained improvement to the remaining 16 Centres.

There has been a consultation undertaken with the five Centres’ staff, Advisory Boards and parents. There have also been four petitions published online, which have received more than 1,000 signatures. It is because of these petitions that a Cabinet Member decision has become necessary.

Recommendation

The Cabinet Member for Education and Skills is recommended to agree that the management of five Children’s Centres, which are currently managed by Bucks County Council be transferred to the management of Barnardo’s.

As part of the implementation there will be a transition plan which will include arrangements for BCC staff to continue to provide outreach support to families they are currently working with for up to six months, giving continuity for the families that are most in need of support.

A. Narrative setting out the reasons for the decision

1. Legislation

- 1.1 The Apprenticeships, Skills, Children and Learning Act 2009 inserted new sections into Section 5D of the Childcare Act 2006, which mean that local authorities are under a duty to secure sufficient Children’s Centres provision to meet local need so far as is reasonably practicable.
- 1.2 The Childcare Act places a duty on local authorities to secure that such consultation as they think is appropriate is carried out before three types of action are taken in relation to a children’s centre.
 - making arrangements for the provision of a children’s centre, i.e. before establishing a new children’s centre;
 - making any significant change in the services provided through an existing children’s centre;
 - doing anything which would result in a children’s centre ceasing to be a children’s centre, i.e. either closing it or reducing the services provided to such an extent that it no longer meets the statutory definition of a Sure Start Children’s Centre.

2. The current arrangements for Children’s Centres in Buckinghamshire

- 2.1 There are 35 Children’s Centres across Buckinghamshire, delivered by four providers: Bucks County Council (21 Centres), Barnardo’s (11 Centres), Healthy Living Centre (2 Centres) and Disraeli School (1 Centre).
- 2.2 The performance of all of the Children’s Centres, in-house and externally provided, is monitored in the same way, including through:

- A review undertaken each year (Annual Conversation) with each Children's Centre by a panel of professionals, including from Commissioning, social care and health.
- A User Satisfaction Survey conducted each year with users and non-users of Centres. A summary report is then produced for each Children's Centre. More than 2,000 responses were received this year.
- A report is produced each quarter for each Children's Centre summarising attendance by target groups and outcome information.

3. **The need for change**

3.1 The Council's performance monitoring information has shown that the in-house Centres are performing less well than the other providers.

3.2 Children's Centres are subject to Ofsted inspections. There have been 14 inspections of Children's Centres in Buckinghamshire, of which 13 are BCC Centres and the other was the Healthy Living Centre. Barnardo's and Disraeli Centres are yet to be inspected. These inspections have shown that the in-house Centres are performing poorly in comparison to other Children's Centres nationally:

- 36% are achieving good or outstanding for overall effectiveness, compared to 69% nationally.
- 36% are achieving good or outstanding for capacity for sustained improvement compared to 71% nationally
- There are no outstanding Centres compared to 13% nationally.
- There are 7% that were judged inadequate at their first inspection compared to 2% nationally.

3.3 Further changes to the Ofsted Inspection framework for Children's Centres are planned for 2013 and it is likely that the Satisfactory grade will be removed from the framework to be replaced with Inadequate or Requires Improvement. All Centres must therefore be able to evidence sustained improvement over the coming months and years and evidence they are moving towards becoming a Good or an Outstanding Centre.

3.4 Work is being done to improve the performance of the in-house Centres but more radical change is needed in order to improve the long-term sustainability and quality of the services and support offered by County Council Centres overall.

3.5 Transferring five Centres to a provider with a track record of successfully delivering Children's Centres will bring an opportunity to drive up the performance of these centres.

3.6 Evidence that Barnardo's has a good track record of successfully delivering Children's Centres nationally is:

- They run 132 Centres nationally, of which 19% are Phase 1, 52% are Phase 2, and 29% are Phase 3.
- Barnardo's centres are higher than the national average with 71% of those inspected rated as good or outstanding, and 29% rated as satisfactory.
- Barnardo's have no Children's Centres rated as inadequate.

3.7 Performance monitoring information for the 11 Centres in Buckinghamshire that Barnardo's run shows that they are performing well and significantly better than the in-house Centres. For example:

- In the 2012 Annual Conversations, 55% of the Barnardo's Centres were performing 'very well' (the top grade) compared to 10% of the in-house Centres. 100% of the Barnardo's Centres were performing at least 'well' compared to 43% of the in-house Centres.
- In the most recent quarterly report (Oct to Dec 2012), Barnardo's had more than 20% higher levels of attendance of Children's Centres from

across their catchment areas than the BCC Centres (17% of catchment compared to 14%).

- In the most recent quarterly report (Oct to Dec 2012), Barnardo's had more than 25% higher levels of engagement with families identified as vulnerable.
- Barnardo's manage and deliver Little Breaks, a County wide service for disabled children under five, which is delivered in Children's Centres, was recently inspected by Ofsted and received an 'Outstanding' grade.

3.8 Removing five Centres will also allow the in-house management team to focus on driving sustained improvement in the remaining 16 Centres .

3.9 The proposal covers the period until at least April 2014 during which time we will be preparing to go to tender on all commissioned Centres.

4. Criteria for selecting the Centres

4.1 There were 3 criteria used in deciding which Centres are recommended for transfer. These were:

- Level of performance of Centres- to focus on those that need sustained improvement
- Levels of permanent staffing- to minimise the need for moving permanent staff
- Geographical fit with the BCC and Barnardo's Centres- so that Centres for each Provider are clustered as far as possible.

5. The implementation of the change

5.1 The staff in the five Centres which are being transferred would be transferred to the remaining 16 County Council managed Children's Centres, which will build additional capacity in these centres to support improvement.

5.2 There will be a transition period of two months, during which time the County Council staff from the five transferring Children's Centres will continue to work with families to whom they are currently providing support.

5.3 As a result of consulting with staff and families the transition will also include arrangements for BCC staff to continue to provide outreach support to families they are currently working with for up to six months, giving continuity for the families that are most in need of support.

B. Other options available, and their pros and cons

The other option is to continue with in-house provision until April 2014 and include the BCC Centres when the external contracts (ie Barnardo's and HLC) are due for tender.

Pros:

- This would provide continuity of service and staffing in the Centres.
- The ePetitions and responses to the consultation have shown that current service users would like the Children's Centres to continue to be managed in-house.

Cons:

- Performance monitoring over the last three years has highlighted that these Centres are underperforming and this has been reinforced by the Ofsted results.
- This would not realise the benefits of the recommended action.
- Risk that if we go to the market with significant number of Centres identified by Ofsted as requiring improvement, there will not be many providers that come forward to bid.

C. Resource implications

There is a funding formula, based on the Indices of Multiple Deprivation, which calculates how the overall Children's Centres Programme budget is allocated to each Centre. The budget for these five Centres will be transferred to Barnardo's. The recommended action will therefore have no impact on the Children's Centres Programme budget.

D. Value for Money (VfM) Self Assessment

The budget will not be affected by the recommended action, so VfM will be achieved through an improvement in performance of the Centres.

E. Legal implications

Advice has been sought from the Head of Legal and Democratic Services which confirms that the transfer of management of the five Children's Centres can proceed.

F. Property implications

There will be a transfer of leases from BCC to Barnardo's for the five Centres involved.

G. Other implications/issues

All Children's Centres providers are working to same contract and performance framework with the Council, operating to the same core purpose, as set out by the Department for Education, and subject to the same Ofsted regime.

There will be a transition period during which the in-house staff will work alongside the Barnardo's staff.

H. Feedback from consultation, Local Area Forums and Local Member views

Consultation with staff, Advisory Boards and parents

A consultation paper was sent to all staff affected by the proposed transfer, as well as the Advisory Board and Parents Forum for each Centre. This stated that the consultation period of five weeks would end on the 30th January. Formal consultation meetings were then held at each of the five Centres, firstly with the group of staff affected and then separately with the Advisory Board and parents. Generally parents wanted the Centres to remain under the management of BCC. Parents main concerns were:

- That Centres were going to be closed.
It was clarified that the County Council are committed to retaining the Children's Centres.
- Why are in-house not being given a chance to improve performance?
These Centres have been run in-house for five years so sufficient time has been given to improve performance.
- That Barnardo's has been chosen as the provider when they have not delivered in Phase 1 or 2 areas in Buckinghamshire before.
Evidence above shows that Barnardo's are experienced in working with vulnerable families and have run this provision successfully elsewhere.

- Continuity of support during the transition
A clear transition plan to provide continuity of support will be put in place.

In addition, one to one consultation meetings were made available to affected staff. The purpose of these meetings was to give employees, who were potentially directly affected, an opportunity to discuss options open to them including other Children's Centres to which it is proposed they are redeployed. Where employees were members of Unison they were entitled to be accompanied by their union representative.

Throughout, Unison has been invited to participate in the formal consultation meetings, and the Employee Representative for the Children and Young People's Service was invited to attend.

Four e-petitions were published on the Council website, which have the following numbers of signatures:

- Wycombe East and Hampden Way- 477 signatures
- Marlow- 306 signatures
- Bourne End and Wooburn Green- 478 signatures
- The Chalfonts- 156 signatures

The following should be noted about the e-petitions:

- The Wycombe East, Hampden Way and Chalfonts petitions were to 'keep the Centres as Buckinghamshire County Council Surestart Children's Centres and not Barnardo's run centres'. The recommended decision does not mean that the Centres will cease to be Surestart Children's Centres, it is that they will become Surestart Children's Centres but with a different management.
- The Wycombe East, Hampden Way and Chalfonts petitions state that 'Clearly Barnardo's in Buckinghamshire have no experience addressing the needs of the Phase I & II centres.' However, the data shows that they are working with more vulnerable families in the phase 3 Centres than the in-house Centres currently are in the Phase 1 and 2 Centres.
- The Wycombe East, Hampden Way and Chalfonts petitions state that 'both centres have not been consulted at any point about this recent decision'. A five week consultation involving face to face meetings with staff, parents and Advisory Boards has been carried out before the decision is made.
- The Marlow petition stated that 'Barnardos don't currently offer a phase 2, which shows that they would have no experience of dealing with these families.' The evidence stated above shows that Barnardo's manage more than 90 Phase 1 and 2 Centres and have significant experience of working with these families.

Local members were informed about the proposed transfer prior to the consultation paper being sent out and the response received acknowledged that change was needed in the interests of those who cannot access the Centres currently.

I. Communication issues

A letter will be sent to staff, Advisory Boards and Parents Forums who would be affected by the proposals shortly after a decision is made, informing them of the decision. This will be followed up with meetings with staff affected.

Despite the decision might not be what parents wanted the County Council is committed to working with parents and all involved in the Centres to get the best outcomes for all our children and young people.

J. Progress Monitoring

Officers produce performance reports for each Centre quarterly and have a contract monitoring meeting with each provider quarterly. This will continue.

K. Review

The decision will not result in a change in policy.

Background Papers

Your questions and views

If you have any questions about the matters contained in this paper please get in touch with the Contact Officer whose telephone number is given at the head of the paper.

If you have any views on this paper that you would like the Cabinet Member to consider, or if you wish to object to the proposed decision, please inform the Democratic Services Team by 5.00pm on 10 April 2013. This can be done by telephone (to 01296 383610), Fax (to 01296 382538), or e-mail to cabinet@buckscc.gov.uk

Finance, Performance and Resources select committee – Draft work programme and possible committee items 23.08.2013

Committee	Date	Topic	Description and Purpose	Attendees
Finance, Performance & Resources	5 Sept 2013	Commercial activity update	For Members to examine progress of the Council's commercial activity, including the commercial academy and contract management skills.	Peter Hardy Rose Younger
	5 Sept 2013	Capital Programme	To examine capital spending following a scrutiny recommendation in Jan 2013 'to develop a more strategic and corporate approach' to capital.	John Chilver Richard Schmidt
	5 Sept 2013	Budget Scrutiny	Timeline paper for information & verbal update following the proposal/options paper	N/A
*Joint item with ETLS committee	31 Oct 2013	Section 106 monies (Town and Country Planning Act 1990)	For members to receive a briefing on the allocation of section 106 monies and to review the current status i.e. monies spent, outstanding and earmarked.	TBC
	31 Oct 2013	Property	For members to receive a briefing on the management of the Council's property portfolio, including progress of the Council's Corporate Landlord programme.	Peter Hardy Ian Boll
	31 Oct 2013	Transformation Phase 2 / Target Operating Model	For members to receive a quarterly update on plans being developed to enable the Council to meet future challenges.	Peter Hardy Nick Cave
	31 Oct 2013	Balanced scorecard and joint monitoring report – quarter 2	Paper for information	N/A
	5 Dec 2013	Local Emergency Support (formerly administered by DWP as the 'Social Fund')	For members to have a first look at Council's approach to allocating funding (from April 2013) and to explore how this offering could be developed or improved from April 2014	TBC
	5 Dec 2013	Consultant spend by BCC and use of interim / agency staff	For Members to examine BCC use of and spend on consultants, including comparisons with other authorities	TBC

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	5 Dec 2013	Customer Contact update	For Members to receive a briefing on how services are being re-organised around customers (including customer insight and corporate complaints)	Martin Phillips Amanda Brooke-Webb
	5 Dec 2013	Budget Scrutiny	For Members to review the draft budget proposals relating to portfolios and services within the committee's terms of reference.	N/A discussion item prior to 3 day budget scrutiny hearing
	7 - 9 Jan 2014	Budget scrutiny – evidence gathering sessions	Sessions over 3 days for members to check and challenge the Council's draft budget for 2014/15.	All Cabinet Members with senior officers
	25 Feb 14	Transformation Phase 2 / Target Operating Model	For members to receive a quarterly update on plans being developed to enable the Council to meet future challenges.	Peter Hardy Nick Cave
	25 Feb 14	Strategic Alliances	For Members to receive a progress update on the development of and opportunities for Strategic Alliances	Nick Cave
	25 Feb 14	Commercial activity update	For Members to receive a bi-annual commercial activity update	Peter Hardy Rose Younger
	25 Feb 14	Balanced scorecard and joint monitoring report Q3	Paper for information	N/A
	1 April 14	Corporate Communications	For Members to receive a briefing on corporate communications including effectiveness, audience groups, branding, use of channels	Sophie Payne
	1 April 14	New website capabilities / online offering	For Members to receive an update on the Council's online offering and services available online, following the launch of a new website in May 2013.	Sophie Payne
	1 April 14	Freedom of Information	For Members to receive a briefing on FOI requests, progress and costs and options to make more information available to reduce FOI requests	Neil Doling
	6 May 14	Property	For members to receive a briefing on the Council's property portfolio, including progress of the Corporate Landlord programme.	Peter Hardy Ian Boll

Finance, Performance and Resources select committee – Draft work programme and possible committee items 23.08.2013

	6 May 14	Benchmarking	For Members to review the Council's performance compared to other local authorities (statistical neighbours)	TBC
	6 May 14	Olympics Legacy	For Members to receive an update on the Olympics legacy in Buckinghamshire, and how local economic benefits are being achieved.	TBC
	3 June 14	Transformation Phase 2 / Target Operating Model	For members to receive a quarterly update on plans being developed to enable the Council to meet future challenges.	Peter Hardy Nick Cave
	3 June 14	Local Emergency Support (formerly administered by DWP as the 'Social Fund')	For members to revisit this topic and explore how we are meeting the needs of service users and the impacts of BCC policy.	Peter Hardy Richard Ambrose District Council / voluntary sector representatives
	3 June 14	Resilience / Business Continuity planning	For Members to examine the service post-Olympics and to comment on costs, risks and options	Phil Dart Andrew Fyfe
	3 June 14	Balanced scorecard and joint monitoring report – quarter 4	Paper for information	N/A
	8 July 14	Employee engagement	For Members to receive a briefing on employee engagement work, including use of Viewpoint survey and Employee Reps	Frances Mills
	8 July 14	Employee Terms and Conditions / staff management practices	For Members to examine employee terms and conditions, impact of savings, staff absence rates, and comparisons with other local authorities	Chris Daltry
	8 July 14	Resourcing contract	For Members to receive a briefing on staffing levels and the Pertemps resourcing contract. To review recommendations raised in the Hays review (Jan 2010) and consider future resourcing needs.	Chris Daltry



Budget Scrutiny timeline – 2013/14

Date	Type	Description	Lead Member / Officer
25 July 13	Member input – meeting	Budget scrutiny options paper to FPR select committee	Brian Roberts / Andrew Brown
Aug – Nov 13	Action	Information gathering	Brian Roberts / Andrew Brown
2 Dec 13	Key document published	Draft budget proposals published	Richard Ambrose
4 Dec 13	Member input – meeting	Draft budget proposals to ETLS select committee	Warren Whyte / Kama Wager
5 Dec 13	Member input – meeting	Draft budget proposals to FPR select committee	Brian Roberts / Andrew Brown
9 Dec 13	Executive decision	Draft budget proposals approved by Cabinet	Peter Hardy / Richard Ambrose
10 Dec 13	Member input – meeting	Draft budget proposals to ESCS select committee	Val Letheren / Michael Carr
12 Dec 13	Member input – meeting	Draft budget proposals to HASC select committee	Lin Hazell / James Povey
7-9 Jan 14	Member input – scrutiny sessions	Budget Scrutiny sessions (other select committee chairs to attend sessions relevant to their committee)	Brian Roberts / Andrew Brown
9-24 Jan 14	Action	Report & recommendations drafting	Brian Roberts / Andrew Brown
13 Jan 14	Action & consultation	First draft budget scrutiny report to Chairmen & Vice Chairmen & to relevant senior officers	Brian Roberts / Andrew Brown
17 Jan 14	Action & consultation	Second draft budget scrutiny report to FPR committee members and key stakeholders	Brian Roberts / Andrew Brown
20 Jan 14	Executive decision	Budget to LAG	Richard Ambrose



20-24 Jan 14	Action & consultation	Consultations/amendments to draft budget scrutiny report and communications work	Brian Roberts / Andrew Brown
24 Jan 14	Deadline	Cabinet papers published	
3 Feb 14	Member input - Cabinet	Budget to cabinet (with scrutiny report and recommendations)	
4 Feb 14	Action	Any final amendments to budget scrutiny report	Brian Roberts / Andrew Brown
5 Feb 14	Deadline	Council papers published	
13 Feb 14	Member input – full Council	Budget to Council (with scrutiny report and recommendations)	
July 14	Action	6 month progress update to FPR select committee	Brian Roberts / Andrew Brown

