



Minutes

FINANCE, PERFORMANCE AND RESOURCES SELECT COMMITTEE

**MINUTES OF THE FINANCE, PERFORMANCE AND RESOURCES SELECT COMMITTEE
HELD ON TUESDAY 15 DECEMBER 2015, IN MEZZANINE ROOM 2, COUNTY HALL,
AYLESBURY, COMMENCING AT 10.00 AM AND CONCLUDING AT 12.58 PM.**

This meeting was webcast. To review the detailed discussions that took place please see the webcast which can be found at: <http://www.buckscc.public-i.tv/core/portal/home>
The webcasts are retained on this website for 6 months. Recordings of any previous meetings beyond this can be requested (contact: democracy@buckscc.gov.uk)

MEMBERS PRESENT

Mr W Bendyshe-Brown, Mr W Chapple OBE (Vice-Chairman), Mr S Lambert, Mr D Martin, Mr B Roberts (Chairman), Mr D Shakespeare OBE and Mr A Stevens

OTHERS IN ATTENDANCE

Mr R Ambrose, Mr J Chilver, Mr J Huskinson, Mr D Johnston, Mr Z Mohammed, Dr J Nethercoat, Mr M Phillips, Mr R Schmidt, Ms J West and Mrs E Wheaton (Secretary)

1 APOLOGIES FOR ABSENCE/CHANGES IN MEMBERSHIP

Apologies were received from David Schofield. Bill Bendyshe-Brown joined the meeting late.

There were no changes in membership.

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 MINUTES

The minutes of the meeting held on Tuesday 10 November 2015 were agreed as a correct record.



The corrected amended minutes of the meeting held on 29 September 2015 were noted.

4 PUBLIC QUESTIONS

There were no public questions.

5 CHAIRMAN'S REPORT

The Chairman confirmed that David Shakespeare will be chairing the budget scrutiny inquiry. He reported that this Select Committee should agree the final report on the budget scrutiny inquiry which is submitted to Cabinet. However, due to the short timescale the report will be emailed round to Members for comment with a proposal to delegate final agreement of the report to the Chairman of Finance, Performance and Resources Select Committee in conjunction with the Chairman of the Budget Scrutiny Inquiry Group, David Shakespeare. Members agreed with this proposal.

The Chairman went on to say that Cabinet discussed the prudential borrowing paper at its meeting on 7 December and it will be discussed further at the majority group meeting in December. Cabinet will discuss it again in the New Year.

6 DRAFT INCOME GENERATION STRATEGY AND DRAFT CHARGING POLICY

The Chairman welcomed Richard Schmidt, Head of Strategic Finance and John Chilver, Cabinet Member for Resources.

The following main points were made during the presentation.

- The council needs to generate income to fund its services.
- There is a rising demand for services, yet Government funding is reducing so there is a need to look at the options for generating income.
- The largest single source of income was the dedicated schools grant which is a ring-fenced grant to be spent on funding schools.
- Council tax is the largest source of locally generated income for the council. The overall yield from council tax is large for Buckinghamshire, due to the relatively high value of properties.
- The council operates as a number of large “funds” and recharges between these “funds” can be like income as far as the receiving fund is concerned. If Business Units are going to sell their services, they need to know what the whole cost would be including support costs. There was an acceptance that the council does not want to over complicate the re-charging process but if Business Units are to adopt a more commercial approach, they need to understand all the costs associated with delivering the service.
- At present, the rate of taxation for businesses is set nationally.
- The council already makes a diverse range of charges for its services with some charges set by statute and others fully at the discretion of the council.
- There are three key principles underlying the Income Generation Strategy:
 - Change the culture of the organisation
 - Change approaches
 - Introduce new methods of working.
- Key stakeholders are not fully engaged with the proposed strategy but they will be over the coming months.
- Employees are being encouraged to undertake skills training in order to drive this approach forward.
- The discussions around pooling are well advanced and a bid has been submitted and accepted by Government which would see savings of around £0.5million a year.

SEE PAPERS/WEBCAST FOR FULL CONTENT

7 PROPERTY STRATEGY

The Chairman welcomed John Chilver (Cabinet Member for Resources), Joe Nethercoat (Head of Strategic Assets), Richard Drew (Rural Partner, Carter Jonas) and Jo West (Estates Officer).

The following main points were made during the presentation.

- The Agricultural Estate is identified as an Investment Portfolio as against an Operational Estate.
- Carter Jonas was instructed to conduct an Agricultural Estate Asset Strategy Review. They have examined the Estate on an asset by asset basis.
- The draft report is currently being finalised but some highlights were mentioned:
 - The Agricultural Estate comprises approximately 4,500 acres of land and associated buildings.
 - The total gross income from the Estate is in excess of £600,000.
- Cabinet Members Warren Whyte and John Chilver will make a decision based on discussions with the local member.
- Forecasting can help to identify where rent will go up and where capital investment/expenditure lies.
- The Agricultural Estate has been broken down into three parts – core (has development opportunities), non-core and tradeable (could sell it tomorrow or hold onto it for an income).
- A review of the non-agricultural estate is also being carried out and has a targeted end date of June 2016.

SEE PAPERS/WEBCAST FOR FULL CONTENT

8 UPDATE ON CRISIS SUPPORT

The Chairman welcomed Martin Phillips, Cabinet Member for Community Engagement and Richard Ambrose, Director of Assurance.

At the last Committee meeting, Members received a six month progress update on the recommendations of the Crisis Support Inquiry. Committee Members requested further information on the proposed loan scheme in conjunction with the local Credit Union.

The Cabinet Member updated Members that representative from M4Money and council officers are meeting to discuss how the scheme will work. It is due to start on 1 April 2016.

The loan will be a corporate loan rather than using the Local Emergency Support funding. A private individual has offered to match the county council's £50k. The Chairman asked the Cabinet Member to pass on the Committee's thanks to the individual for their generosity.

Action: Cabinet Member for Community Engagement

The Cabinet Member for Community Engagement clarified that any reduction in voluntary sector funding is subject to an Equality Impact Assessment and a RAG status is assigned.

9 BUDGET SCRUTINY INQUIRY - PROGRESS REPORT ONE YEAR ON

Richard Ambrose, Director of Assurance took Members through the Budget Scrutiny Inquiry recommendations and provided a 12 month progress report for each recommendation. Attached is the RAG status which the Committee assigned to each recommendation.

SEE PAPERS/WEBCAST FOR FULL CONTENT

10 COMMITTEE WORK PROGRAMME

Members noted the work programme and were asked to submit any topics for consideration at future meetings to Liz Wheaton in Member Services (ewheaton@buckscc.gov.uk).

It was agreed to set up an Inquiry Group in the New Year to look in more detail at the County Council's Property portfolio.

11 FINANCIAL PRESSURES ON THE BUDGET - CHILDREN'S SERVICES

The Chairman welcomed Zahir Mohammed (Cabinet Member for Education and Skills), David Johnston (Strategic Director, Children and Young People) and John Huskinson (Finance Director). Apologies were received from Lin Hazell (Cabinet Member for Children's Services).

During the presentation and discussion, the following main points were made.

- There have been a number of significant pressures across the portfolio – a reliance on agency staff to support children's and safeguarding which has cost the county council twice as much as recruiting people directly. 35-36% of the workforce comprised agency staff at the beginning of the year but this has reduced to around 22-23% but it is still a significant pressure on budget.
- Buckinghamshire has a sustained, higher level of looked after children. 50 of these children are in residential placements which has driven the budget upwards.
- Since July this year, Kent County Council has written to Local Authorities asking for their assistance with unaccompanied asylum seekers (children). The provider market is driving the costs up due to demand. There are currently 22 children in Bucks and it costs around £40-50k per child to provide the services for unaccompanied children. The numbers are rising. There is a proposal about how to share the burden and the Strategic Director agreed to circulate a copy of the proposal.

Action: Strategic Director

- There has been an increase in the number of children with Special Educational Needs which has increased pressure on the budget. The level of funding cannot support the increase in the demand.
- A review of SEN transport will be starting in January, ready for implementation in July 2016. The Committee asked to see the feedback of the review before implementation.

Action: Strategic Director

- A transport options appraisal is currently taking place.
- A proposal is going to the One Council Board on the future of Foster Carers. The Strategic Director agreed to circulate the report to the Committee Members.

Action: Strategic Director

- The services are dealing with a range of emerging needs which have to meet.
- A number of men have been convicted for Child Sexual Exploitation and more investigations are going on with more victims coming forward. People have the confidence to come forward now but in order to meet the demand, more services need to put in place.

- There is a proposal being developed to build children's homes in the county. The Chairman asked for an update on this at a future Committee meeting.

Action: Strategic Director

SEE PAPERS/WECAST FOR FULL CONTENT

12 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded for the following item which is exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)

13 FINANCIAL PRESSURES ON THE BUDGET - CHILDREN'S SERVICES

The exempt session was not required at the meeting to discuss this item in further detail.

The confidential minutes of the meeting held on Tuesday 10 November 2015 were agreed as a correct record.

14 DATE AND TIME OF NEXT MEETING

The Budget Scrutiny Inquiry will be taking place on Tuesday 19th, Wednesday 20th and Thursday 21st January 2016.

2016 dates

8 March

3 May

28 June

13 September

1 November

CHAIRMAN