Buckinghamshire County Council
Select Committee
Finance, Performance and Resources

Date: Tuesday 13 November 2018

Time: 10.00 am

Venue: Mezzanine Room 1 - County Hall, 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**	10:00	
2	**DECLARATIONS OF INTEREST** To disclose any Personal or Disclosable Pecuniary Interests		
3	**MINUTES** To agree the Minutes of the Meeting held on 11 September 2018.		7 - 20
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 the 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/getting-involved/

5   **CHAIRMAN'S REPORT**   **10:05**
For the Chairman of the Committee to provide an update to the Committee on recent scrutiny related activity.

6   **DRAFT CAPITAL AND INVESTMENT STRATEGY -**   **10:10**   **21 - 54**
        OVERVIEW
Members will be given an overview of the principles underlying the draft Capital and Investment Strategy. Following discussion, the Committee will have the opportunity to provide feedback to the Cabinet Member and the Director of Finance & Procurement on the draft strategy, ahead of it being considered at Cabinet in December 2018.

Contributors:
Mr John Chilver, Cabinet Member for Resources
Mr Richard Ambrose, Director of Finance & Procurement
Mr Oster Milambo, Deputy Head of Strategic Assets
Mr Mark Preston, Head of Finance – Resources & Pensions
Mr John Reed, Director of Property & Assets

Papers:
Presentation and draft strategy attached.

7   **BUDGET SCRUTINY 2019 - SCOPE**   **11:00**   **55 - 58**
The Committee will consider and agree the draft inquiry scope for the 2019 Budget Scrutiny Inquiry.

Papers:
Draft scope attached.

8   **COMMITTEE WORK PROGRAMME**   **11:05**   **59 - 62**
To consider and agree the Finance, Performance and Resources Select Committee Work Programme.

Papers:
Work Programme attached.

9	**NEW TECHNOLOGY STRATEGY - SMARTER BUCKS**	**11:10**	**63 - 90**

Members will have the opportunity to provide feedback to the Cabinet Member and the Joint Strategic Director for Information Assets & Digital Development on the draft new technology strategy for 2018-2020, entitled the 'Smarter Bucks Strategy', before it is considered by Cabinet in December 2018.

Contributors:
Mr John Chilver, Cabinet Member for Resources
Ms Balvinder Heran, Joint Strategic Director – Information Assets & Digital Development
Mr Tony Ellis, Chief Information Officer
Mr Ben Unsworth, Head of Digital
Mr Matt Sanford, ICT Solution Owner – Security

Papers:
Report and strategy attached.

10 **DATE AND TIME OF NEXT MEETING** **11:50**

The next meeting will be a **private briefing** for the Committee on Budget Scrutiny 2019-20. It will be held on 11 December 2018, 10.00am, in Mezzanine Room 1, County Hall, Aylesbury.

The next **public meetings** will be held at 10.00am on 8th, 9th and 10th January 2019 when the Committee will meet to undertake Budget Scrutiny 2019.

11 **EXCLUSION OF THE PRESS AND PUBLIC** **11:55**

To resolve to exclude the press and public as the following item 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)

12 **PRIVATE SESSION - CYBER SECURITY**

This will be a private session for Members to ask questions on the cyber security element of the Council's Smarter Bucks Strategy.

Purpose of the committee

The role of the Finance, Performance and Resources Select Committee is to hold decision-makers to account for improving outcomes and services for Buckinghamshire.

It shall have the power to scrutinise all issues in relation to the Council's strategic performance, financial management and corporate issues. This will include all areas under the remit of the Council's Assistant Chief Executive's Service (ACES) and Resources Business Unit. This includes, but not exclusively, responsibility for scrutinising issues in relation to:

- The Strategic Plan and Medium Term Financial Plan
- ACES responsibilities — including Council Communications, Business Intelligence.
- Resources responsibilities - including the Council's Technology Strategy, HR, procurement and Legal services and the strategic commissioning of Council resources.
- The overall effectiveness of the scrutiny function
- Strategic alliances and partnerships with others externally—nationally, regionally and locally.

By convention the Chairmen of the other Select Committees are invited to participate in the annual budget scrutiny inquiry, whereby the Executive's draft budget is automatically referred for scrutiny as part of the annual budget setting process.

Webcasting notice

Please note: this meeting may be filmed for subsequent broadcast via the Council's internet site - at the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed.

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Therefore by entering the meeting room, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes. If members of the public do not wish to have their image captured they should ask the committee clerk, who will advise where to sit.

If you have any queries regarding this, please contact Democratic Services on 01296 382343.

If you would like to attend a meeting, but need extra help to do so, for example because of a disability, please contact us as early as possible, so that we can try to put the right support in place.

For further information please contact: Fazeelat Bashir on 01296 382394; Email fbashir@buckscc.gov.uk

Members

Mr W Bendyshe-Brown	Mr D Shakespeare OBE
Mr T Butcher	Vacancy
Mr C Clare (VC)	Ms J Ward
Mr D Martin	Mr D Watson (C)

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 TUESDAY 11 SEPTEMBER 2018, IN MEZZANINE ROOM 1 - COUNTY HALL, AYLESBURY, COMMENCING AT 10.05 AM AND CONCLUDING AT 12.19 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 T Butcher,   Mr C Clare   (Vice-Chairman),   Mr D Martin, Mr D Shakespeare OBE, Ms J Ward and Mr D Watson (Chairman)

OTHERS IN ATTENDANCE

Mr R Ambrose,   Mrs W Mallen,   Ms J McAteer,   Ms G Quinton,   Mrs K Sutherland, Mr T Vouyioukas, Mr W Whyte, Ms E Williams and Ms B Winter

1   APOLOGIES FOR ABSENCE/CHANGES IN MEMBERSHIP

Apologies were received from Mr M Farrow.

2   DECLARATIONS OF INTEREST

Mr. B Bendyshe-Brown declared an interest in item 6 as he was a trustee of The Princes Centre in Princes Risborough, which provided adult day care services.

3   MINUTES

The minutes from the meeting held on 27 June 2018 were discussed and the following points highlighted:
- Mr L Jeffries, Director of Customer had provided an update to be appended to the minutes
- Mr A Smith, Director of Property and Assets would be invited to a future meeting.
                                                                 ACTION: Mrs Sutherland

RESOLVED: The minutes of the meeting held on 27 June 2018 were AGREED as an accurate record and signed by the Chairman.

4   PUBLIC QUESTIONS

There were none received.

5   CHAIRMAN'S REPORT

The Chairman gave the following update:
- The Chairman would take over the role of Chairman for the Planning for Effective Leadership Inquiry, with the first meeting taking place on 12 October 2018.
- Since the last meeting there had been a number of changes to the scheduling and content of the Select Committee work programme, which would be discussed later in the meeting.

6   MID-YEAR REVIEW OF COSTS AND SAVINGS IN ADULT SOCIAL CARE AND CHILDREN'S SERVICES

The Chairman welcomed Mr Warren Whyte, Cabinet Member for Children's Services, Mrs Wendy Mallen, Deputy Cabinet Member for Health and Wellbeing, Mr Richard Ambrose, Director of Finance and Procurement, Mr Tolis Vouyioukas, Executive Director for Children's Services, Ms Bev Winter, Finance Director for Communities, Health and Adult Social Care (CHASC), Ms Elizabeth Williams, Finance Director for Children's Services and Ms Gillian Quinton, Executive Director for CHASC to the meeting.

Members received an update from the Budget Board and the following items were raised and discussed:

- In response to a question regarding who attended the Budget Board and how often they were held, it was advised that they started on a weekly basis but this had now been changed to fortnightly. The meetings were chaired by the Director of Finance and Procurement and the relevant Executive Director and Service Directors would also be in attendance.
- The committee discussed the action plans that were produced following the boards and how these would be monitored. Mr Ambrose confirmed that an overall action plan had been produced and this would be reviewed at each board meeting. The initial focus was on improving governance and forecasting and most of the original actions were now completed. The budget boards could also undertake deep dives into certain issues and follow up actions would then be followed up within the Business Units. The Committee discussed debt management within the organisation and how this was being addressed. Mr Ambrose assured the Committee that there was a renewed focus on debt management. Mr Ambrose confirmed that debt had decreased in the last year by £3million with a specific debt team in place for historic debt. A key difference in the new Debt Management Strategy was that the debt team would take on any outstanding debts after 30 days, as opposed to 90 days previously.

Adult Social Care:

- The Deputy Cabinet Member for Health and Wellbeing gave an introduction, summarising the pressures faced by Adult Social Care, both locally and nationally. Emerging issues in Buckinghamshire included increasing complexity of domiciliary care

- packages, increasing numbers of older clients and an increasing number of self-funding clients running out of money and needing CHASC support.
- The Executive Director for CHASC highlighted that the struggling financial situation of the NHS was having an impact on Adult Social Care. Whilst Government had recently announced additional funding for the NHS, adequate funding for Adult Social Care was still not being addressed. There would be a Green Paper published in the autumn which would be critical in establishing a sustainable care system that goes across both health and social care.
- The budget allocated to Adult Social Care already accounted for 40 % of the Council's total budget, and the Executive Director for CHASC noted that this needed to be managed tightly to avoid impacting on other services. A transformation programme was currently underway to maintain the budget amid increasing demographic pressures. A detailed monitoring programme was in place which was already showing progress towards delivery of savings.
- The Chairman asked for clarification about the use of contingencies in CHASC. A budget of £128 million had been approved by the committee but there had been a budget transfer of £3,464,000. The Director of Finance and Procurement confirmed that at the end of the previous budget year, a contingency of £2.8m had been released for demographic growth and pay pressures in CHASC. This had then been incorporated into the base budget for 2018-19. The Executive Director, CHASC advised that having contingencies was prudent financial management and they would only be drawn down if absolutely essential. Members were advised that clients were staying in the system longer and individuals were presenting with more complex needs which resulted in higher placement costs. In addition, the number of depleted self-funders had increased significantly over the past three years.
- This was often because individuals were going into care homes early and finding that their resources depleted quickly. The Council were trying to signpost to other support, such as telecare and remote sensors which helped to keep people independent in their own homes.
- The CHASC Transformation programme had begun in January 2018 and was already delivering savings. The savings target against Reablement had not yet been realised. It was difficult to identify cashable savings as the main impact of Reablement was to prevent clients going into other areas of the system. An integrated approach with NHS therapy teams was being developed to improve the service.

- The following approximate figures were presented for service users in Buckinghamshire:800 people in residential care, 600 people in nursing care, 1200 people in domestic care, 1400 people in receipt of direct payments and a further 500 people in supported living. These numbers are similar to what was expected and budgeted for.
- There was a discussion regarding eligibility of clients for Continuing Health Care funding and the risks to Adult Social Care if users are no longer eligible. The Executive Director explained that there is a national criteria and anyone who might be eligible were assessed by the Clinical Commissioning Group (CCG.) This should be a joint review between Oxford Health and Adult Social Care. A social worker cannot always be in attendance, but reviews where costs could be diverted to ASC are prioritised. The Chairman asked the Finance Director for CHASC directly to identify her biggest areas of concern in terms of delivering the budget. In response she confirmed that the main concerns were an increase in complexity of needs leading to an increase in domiciliary care hours, the number of depleted self-funders and risks associated with Continuing Health Care. She also commented that workforce recruitment and retention could continue to be an issue, especially as NHS staff had recently received a significant pay award.

- In response to a member's question regarding the financial benefits of increased integration with the NHS, the Executive Director for CHASC advised that whilst patients were beginning to see the benefits, financial savings were unlikely to be seen until the next financial year.
- The Chairman thanked all the contributors for attending the meeting.

Children's Services

- Mr Warren Whyte, Cabinet Member for Children's Services introduced Mr Richard Nash, Service Director for Children's Services, Mr. Tolis Vouyioukas, Executive Director for Children's Services and Ms. Elizabeth Williams, Head of Finances for Children's Services. The Cabinet Member for Children's Services highlighted significant changes to the management team and some of the key issues and national context for Children's Services. It was noted that the main pressure was that the number of looked after children in Buckinghamshire had increased to over 500. In addition, the number of Children in Need had increased by 12% and children subject to child protection plans had increased by 11% over the past year. Also there had been a delay in implementing the new early help service and improved short breaks service which has had a detrimental effect on the budget.

The Executive Director for Children's Services outlined three key reasons as to why the Children's Services budget was currently under pressure:

- The 2017 Ofsted Inspection identified a number of existing cases that needed reworking, and this had led to an increase in both volume of work and legal spend.
- New cases are increasingly complex. Many cases feature themes such as domestic abuse, substance misuse and mental health issues. This created a challenging work environment for staff and it was highlighted that taking children into care is always the last resort.
- A prompt start had been made to the transformation programme, but it was unfortunate that the Early Help Review had been delayed.

- The Chairman reminded the Committee that the Council's budget agreed in February 2018 had set aside £62.5million for Children's Services and there had been an additional £5.4million allocated to the service during the financial year. The Finance Director for Children's Services explained that there had been a number of budget virements totalling £1.2m during the year, for example for IT budget adjustments during the year. In addition, various contingencies for Early Help, Social Care demography and High Cost Placements had been released.
- The Chairman asked for clarification as to why Early Help Savings delivery had been marked as green, given that changes to the service had been significantly delayed. The Finance Director for Children's Services advised that the savings targets for this year had been made in different ways including the release of contingencies and delays in recruitment to certain vacancies across the service. In response to a question as to what could be done to actively reduce legal costs, the Cabinet Member for Children's Services commented that whilst the number of Looked After Children continued to rise, it was impossible to reduce costs in this area, but the focus was on preventing costs getting out of control. It was important that social workers completed the elements of court preparation that they were responsible for before engaging Legal. Service Director sign-off for the commissioning of external barristers had also been introduced. The Cabinet Member reassured the Committee that a new Court Manager had also introduced improved internal processes.
- It was noted that a £2,000,000 commitment was made in 2017 to invest in new residential placements in Buckinghamshire, to ensure that children and young people could be closer

to home and to give the service better control over the budgets. One home had already been opened and started to be occupied and a second was on track to open this financial year. Sites for a further two homes were being sought. In addition, the Sufficiency Strategy aimed to increase the number of in-house foster carers. A target to increase the number of in-house carers by 20% year on year had been set and the Executive Director, Children's Services advised that he was confident that this would be reached. It was vital to get the right placement for each individual and whilst increasing in-house care capacity would support this, young people with more complex needs might still need to be placed externally.

The Chairman thanked all contributors for attending the meeting.

7   BUDGET SCRUTINY 2018 - 6 MONTH PROGRESS REPORT

The Chairman welcomed Mr Martin Tett, Leader of Buckinghamshire County Council, Mr John Chilver, Cabinet Member for Resources and Mr Richard Ambrose, Director of Finance and Procurement to the meeting.   The Chairman asked to review the progress of the recommendations made by the Committee regarding the 2018/2019 budget.

- **Recommendation 1**- The Chairman explained that the focus of this recommendation was that the Council should move to a system of monthly accruals accounting as this would give a more accurate picture, than the Council's current method which relied on forecasting. The Director of Finance and Procurement explained that Cabinet did not believe this was appropriate because accruals accounting was very resource intensive and was more suited to private business, where profit was the driver and where income could be directly matched to services delivered. An independent review had confirmed that the Council had the right approach but internal budget management processes had been tightened to ensure more accurate forecasting and to enable mitigating action to be taken much earlier.

- **Recommendation 2-** A member asked what the current situation was in terms of the budget book.   The Director of Finance and Procurement explained that officers would produce a Budget Book which would split out key elements of the budget and provide figures around average unit costs and numbers of clients etc. This would not be over-detailed but would enhance transparency. The Leader of the Council noted that Budget Scrutiny at Buckinghamshire County Council was far more rigorous and detailed than most other authorities. It was noted that the Director of Finance and Procurement's daily briefings ahead of Budget Scrutiny sessions with each individual Cabinet Member, were very helpful to the Committee.

- **Recommendation 4-** It was noted that exit interviews could not be made mandatory, however manager's had been set new DSP objectives which included an improved focus on exit interviews. The Director of HR would be undertaking analysis of exit interviews and would report any trends into CMT.

- **Recommendation 5**- It was noted that progress had been made in establishing an Information and Technology Board, which would meet for the first time in September. Business plans from service areas for resource allocation and approval would be considered by the Board going forward.

- **Recommendation 8**- The Director of Finance and Procurement acknowledged that an independent review had not taken place. However the Business intelligence teams had

undertaken a number of benchmarking exercises and a review of forecasting procedures had been completed. It was noted that most other local authorities with social care responsibilities were experiencing the same budget pressures. When asked if an independent review would be considered in future, the Leader commented that he would only commission one if it represented good value for money.

- **Recommendation 9-** The members discussed Home to School transport. Changes to policy were being considered but it was a very complex area and parents would need to be consulted. Proposals would be considered at Cabinet shortly.

- **Recommendations 11 & 12-** Members commented that the additional funding for gulley emptying was welcomed. It was noted that TfB followed a risk based maintenance programme. With regards to weed management, it was acknowledged that the budget remained very limited. The member for the Risboroughs reported that he has found a very effective method of weed management in his area. It was agreed that he would discuss this with the Cabinet Member to investigate if it might be feasible to replicate it elsewhere.

ACTION: Mr Bendyshe-Brown

The Chairman thanked Mr.Tett, Mr.Chilver and Mr. Ambrose for attending the meeting.

The Committee AGREED that the Chairman and Committee and Governance Adviser would draft the RAG status for the recommendations after the meeting and then circulate them to the Committee.

ACTION: Chairman/Committee & Governance Adviser

8   COMMITTEE WORK PROGRAMME

The Committee noted the forward Work Programme. The Chairman advised that he would like to keep the item on Modernising Local Government on the programme, although it might get deferred from the November meeting.

9   DATE AND TIME OF NEXT MEETING

13th November 2018 at 10am in Mezzanine Room 1, County Hall, Aylesbury. There will be a pre-meeting for Committee Members only at 9.30am.

CHAIRMAN

Budget Scrutiny Inquiry Progress Update on Recommendations
Interim Progress Report (6 months on)

Select Committee Inquiry Report Completion Date: February 2018
Date of this update: September 2018
Lead Officer responsible for this response: Richard Ambrose
Cabinet Member that has signed-off this update: Martin Tett

Accepted Recommendations	Agreed Yes/No?	Original Response and Actions	Progress Update	Committee Assessment of Progress (RAG status)
1. That all Business Units across the Council should switch to timely monthly management accounting on an accruals basis including meaningful variance analysis/reporting.	In part	The Cabinet agrees that we need to ensure a disciplined approach to budget forecasting. Monthly accounts are currently produced on a timely basis, including variance analysis. The Director of Finance is leading a review of financial management across the organisation and will consider our forecasting methodology and reporting arrangements as part of that review.	An independent review of our financial management arrangements has confirmed that our current approach to monitoring is right although there are opportunities to improve the accuracy and timeliness of forecasting by reviewing end to end processes. Moving to monthly accrual accounting would increase costs with minimal additional benefits for a local authority. Other counties follow the same approach as us. Following a series of workshops with Business Units an Accountabilities Framework has been written together with the 'Finance Service Offer'. Fundamental to this is greater partnership working together with a forward looking approach around forecasting.	*Whilst monthly accruals accounting has been discounted, other improvements including tighter financial monitoring and the introduction of an Accountabilities Framework are welcomed by the Committee.*

2. That there should be improved level of visibility in individual budget lines across all portfolios for future Budget Scrutiny Inquiries. The financial data submitted should clearly identify the major costs of running the Council e.g. Home to School Transport, the EfW plant income and costs, on street parking revenue, Skills budget, number of Full Time Equivalent (FTEs) staff, costs of agency staff/interims, key drivers of demand in Social Care and associated unit costs. A high level Budget Book to enable more transparency for Members and the Public is proposed.	In part	As part of the review of financial management identified above, we are reviewing reporting arrangements to ensure that financial information is clearly aligned to individual services which will help improve accessibility of the data. We will also carry out research into best practice in other councils, including in relation to the use of budget books, and consider opportunities for improving visibility of the major costs of running the council.	Appropriate information around costs and activity will be provided for future Budget Scrutiny Inquiries. This will help improve the level of visibility and understanding of the budget. Research is currently taking place around how other county authorities present their financial information.	⭐
3. That where there are figures in the County Council budget which will also be reflected in a District Council's budget, there should be liaison between financial colleagues to ensure that the relevant figures agree e.g. recycling credits, S106 funding.	Yes	We fully agree that there should be liaison with partner agencies, including District Councils, where there are key dependencies. There is already good liaison on many of the areas identified by the Select Committee – however, we recognise that there may be occasions where relevant figures do not match as organisations have taken different views.	Liaison between financial colleagues is taking place and will continue to do so.	⭐
4. That mandatory face to face exit interviews should be undertaken for all staff on Range 10 or above, and where deemed appropriate, staff below that range and that the online exit	Yes	The opportunity for face to face exit interviews is already available for all staff. Further steps will be taken to promote this, as well as the online exit interview process, although clearly we cannot make it mandatory for leavers	A new Mandatory management Objective is being launched across BCC for all line managers and this will cover Managing Resources and Managing People.	🟠 *Face-to-face exit interviews encouraged but not mandated.*

			to participate in these interviews.	The Managing People objective requires amongst other things that line managers are now responsible for ensuring that Leavers complete the BCC online exit interview, unless there are exceptional circumstances such as dismissal or ill health. The objective also encourages face to face exit conversations with the intention that Managers actively manage the exit processes, discussions and any actions on a timely basis. In addition HR will continue to promote the 'last opinion' survey which collects confidential structured information from Leavers about their experience of working at BCC.	
	interview process should be promoted more effectively to capture feedback from staff at other levels.				
5.	That Cabinet ensures that there is clear and effective leadership and programme management in the area of ICT and Digital to ensure that the Council's systems are robust, fit for purpose and can share data, where appropriate. This should include a centralised approval system for ICT procurement to ensure value for money and an improved customer experience.	Yes	The Cabinet agrees that effective leadership and governance arrangements are critical for the delivery of our technology strategy. We agree that it would be useful to ensure a centralised approval system, although will need to take care to ensure that such governance arrangements are designed in a way to be agile and responsive to service requirements.	Good progress has been made with the establishment of the Information and Technology Board. Terms of Reference are currently under consultation and the first Member lead meeting is to be held in September 2018. All business cases for resource allocation and approval will be via this board covering technology and digital for the Council. The September board will approve all projects due for completion prior to April 2019 and budgets required to support	✔

				these.	
6. That a realistic figure is included in the final Children's Services budget for legal fees.	Yes	There is more work to do to fully understand our expenditure on legal fees in children's services. The Cabinet Member will consider realigning budgets within the overall portfolio budget envelope in order to make the appropriate provision for legal costs. The Cabinet has also proposed setting aside a contingency of £250k to manage the risks associated with this area of expenditure.	Work has been done to analyse the expenditure on legal fees and this has been reported to Children's Budget Board. The expected impact of service improvement work will be to increase the legal spend during the current financial year. This trend is not expected to continue in the long term. The creation of a dedicated court team has enabled clear grip and control to be established.	*£1.98m for 2018/19. However, the question regarding whether this is a realistic figure remains.*
7. That the Fostering Service undertakes a benchmarking exercise on foster carers allowances and a best practice review of independent fostering agencies to better inform the Council's approach to recruiting additional in-house foster carers.	In part	As part of our Change for Children Programme, we have a specific focus on increasing our numbers of in-house foster carers. We know from previous research that, in making a choice, foster carers tends to focus on the wrap around support offered rather than the level of allowances. We will continue to review best practice from the public and private sectors and develop our approaches accordingly.	The Fostering Recruitment and Retention Strategy prioritises a review of allowances to ensure that the BCC offer is comparable to other authorities, as well as to simplify our payment structure to increase clarity for carers and increase the carer transfers and new applications	*Review not undertaken yet.*
8. That there should be a detailed independent review of the assumptions and cost drivers used to develop the Children's Services and Health and Wellbeing budgets, as well as a comprehensive review of processes and financial modelling to ensure more	In part	Key drivers of expenditure in these areas are volume of demand and the cost of provision, both of which can be volatile. As a result, it is important to recognise that these budgets can be challenging to predict with accuracy. We have started a detailed review of the processes and methodologies underpinning our forecasting in these	Finance has been working with both Commissioners and the Business Intelligence team to review budget assumptions around volumes and cost pressures. It should be recognised that this is not an exact science as the demand led nature of these services makes	*No detailed independent review has been commissioned. However forecasting*

accurate forecasting of spend.		budget areas, in order to provide Members with greater confidence about the budget forecasts during the course of the year. The proposed budget also includes additional contingencies to reflect the high risks within Social Care.	forecasting difficult. The majority of authorities with Social Care responsibilities have overspent in these areas in recent years. A review of forecasting processes has been undertaken to ensure greater accuracy and timeliness.	*processes have been reviewed.*
9. That the provision of Home to School Transport, both mainstream and children with EHC Plans, by the Council meets national statutory guidelines only, that discretionary transport should be phased out and that parents/guardians are provided with reasonable notice for any policy changes.	In part	Whilst the Council does currently offer some home to school transport provision that goes beyond our statutory obligations, we are committed to achieving full cost recovery. We will also ensure clear consultation with parents and carers when considering any further changes in this area. Further work is needed to fully understand the financial model of the discretionary provision and to establish alternative options for parents and carers.	A project is in place to review all cohorts of pupils and students accessing home to school transport to enable options to be prepared for pre-consultation and consideration, prior to public consultation and implementation of any changes from September 2019.	*A review of the Home to School transport policy is underway, but financial savings are unlikely to be delivered in this financial year.*
10. That as part of the Strategic Options Appraisal for redelivering Library Services, an e-book pilot study should be undertaken.	Yes	E-books are currently provided by our libraries; we will explore the further development of such options as part of the future direction of the library service.	Three strands of work are currently underway to identify scope for the development of ebooks. A report summarising the work on all three stands will be produced by the end of December 2018. 1) Cost/ benefit analysis of existing e-materials. This will quantify investment in e-books to date and measure performance and value for money of	*The recommendation is being explored.*

			current e-book provision relative to traditional hard copy books. **2)** Production of business case and customer survey to replace most hard copy newspapers with online resources. New digital resources can offer access to over 7,000 digital newspapers and magazines from over 100 countries and in 60 languages. **3)** Business case to consider feasibility of new e-book lending model based around loaning kindle devices to customers.	
11. That, within existing resources, a comprehensive gully survey is undertaken throughout the County to identify accurately the number of gullies and locations and use this to inform the creation of an effective maintenance programme.	Yes	TfB have confirmed that they have accurate records of known gully locations but Cabinet understands the importance of a well maintained highway drainage system and so is allocating a further £125k to this service area in the proposed budget.	The additional resource has allowed for a third emptier to be introduced, this has meant that emptying of catchpits etc. has been made possible as well as additional resource being available for ad-hoc emptying.	⭐
12. That sufficient budget is set aside to enable the introduction of a programme of weed management on footways across the County.	Yes	We recognise that we do not have the resources to undertake a full weed spraying programme. As an alternative, Cabinet is keen to explore options for pilot projects with District or Town/Parish Councils which could	Following discussions with the Deputy Member for Transportation it was agreed:- a) A sum of money was to be allocated to South Bucks District Council to allow for the fitting of	🟠 *It is recognised that due to financial constraints it is*

		deliver other potential solutions. A sum of £125k has been set aside in the proposed budget to support such initiatives.	a spray bar to their street cleansing fleet. The trial has commenced and results are expected soon. b) As the cost of delivering a meaningful programme was too high TfB were asked to develop a siding out programme that targeted "problem" areas and allows for the full width restoration of foot and cycle ways.	*not possible to set aside sufficient budget to address weeds on footways across the whole County but the Committee await results of the different pilot programmes with interest.*

RAG Status Guidance (For the Select Committee's Assessment)

✔	*Recommendation implemented to the satisfaction of the committee.*	🟠	*Committee have concerns the recommendation may not be fully delivered to its satisfaction*
⭐	*Recommendation on track to be completed to the satisfaction of the committee.*	🔺	*Committee consider the recommendation to have not been delivered/implemented*

Finance, Performance and Resources Select Committee
13th November 2018

Capital Strategy
(including Investment Strategy)

Richard Ambrose
Oster Milambo
Mark Preston
John Reed

Key recommendations to FPR Select Committee:

- To note the requirements of the revised Prudential Code.

- To note the contents of the proposed draft Capital Strategy, recognising that further amendments will be required as the Medium Term Financial Plan develops

- To suggest improvements to the draft strategy prior to onward submission formally to Cabinet.

The Prudential Code

- Revised December 2017 and supported by guidance from MHCLG (Feb 2018)

- Requires Capital Strategy to be approved by Full Council but the Treasury Management Strategy no longer required to go

- Should "tell the story" of all capital investments

- New requirement for an Investment Strategy, but can be included within Capital Strategy.

- Strategy to focus on delivering local policy objectives and locally determined risk appetite. (local indicators)

The Context

- Delivering against a potentially huge growth agenda and leveraging the resources to do so.

- Maintaining existing assets in good order in the face of significant financial constraint.

- Little funding certainty from Government

- Striking an appropriate balance between Revenue and Capital.

- Short term vs. long term

- Leveraging our assets to maximise an income stream whilst managing/mitigating the associated risk.

- Striking an appropriate balance between public accountability (transparency) and commercial confidentiality.

Research Undertaken

- Read the Codes and guidance itself.

- Attended CIPFA Capital Conference and "Better Capital Strategies" workshop.

- Canvassed views of other S.E. Counties

Findings

- Most other councils are further behind in their thinking.

- CIPFA encouraging issues to be taken more seriously, but more local discretion.

- Strategy to focus on delivering local policy objectives and locally deternined risk appetite. (Local indicators)

- Increased accountability – role of Audit important.

- Generally others sticking with existing governance arrangements and making as few changes as possible.

The Updated Capital Strategy

- Redrafted to include a major new section on commercial investments in order to meet the new Investment Strategy requirements.

- Moving the service/portfolio specific elements to an appendix. This appendix is necessarily still being drafted as it will need to align with the agreed capital programme being developed through the MTFP process.

- Reframed the governance section to align with recent developments.

- Brought in the MRP section and capital prudential indicators from the Treasury Management Strategy.

- Added in some performance indicators (still in draft), as required by MHCLG guidance.

Investment Property

- Target Portfolio £250m (currently £80m, 2 new proposals would bring it up to £159m).

- Minimum 5% yield per property, blended portfolio yield 6%

- Lot size ideally £5m-£30m

- Lease length or average lease length 5+ years

- Preference for within County or with an economic footprint falling within County

- Properties with strong covenant tenants on full repairing leases

- Strategic locations with good transport links

- Properties/tenants that align with Council ethical values and aims

- Properties with an opportunity of enhancement in value or income stream

Financial Considerations for BCC (1)

- Spend too much and financing the associated debt could become unaffordable.

- Spend too little and our assets will deteriorate with impacts on asset values and an increase in revenue maintenance

- Revenue contributions to Capital have been reduced

- Grant streams from Government are reducing, most notably Basic Need funding.

- The introduction of CIL and new rules on s106 add further constraint.

Financial Considerations for BCC (2)

- LASR and OPE present opportunities for capital receipts, but this needs to be balanced with holding some assets for strategic reasons and generating a revenue income.

- Failing to invest in an economic development initiative, or a high yielding investment property, may represent a lost opportunity.

- High profile failures in the retail sector illustrate some of the risks associated with investment properties, making portfolio diversification and robust due diligence essential features of the strategy.

Colleagues and Partners

- Delivery of a substantial growth agenda will require extensive partnerships working with other agencies in both the public and private sectors e.g. TVLEP, District Councils, Bucks Advantage, developers etc

- Rationalisation of the public estate under the OPE programme will require working with other organisations across the public sector e.g. districts, health, police etc

The next steps proposed

- Update the information included in the service specific requirements (Appendix A)

- Finalise the governance arrangements around capital/asset management and reflect this in the strategy.

- Agree an appropriate set of performance and prudential indicators to include within the strategy.

- FPR Select Committee review of draft strategy 13 November 2018

- Draft strategy formally approved by Cabinet on 10 December 2018

- Final Capital Strategy approved by Full Council on 21 February 2019

Buckinghamshire County Council
Capital Strategy

Version	Nature of Change	Date	By Who
1.0	Original Draft	30/07/18	RS
1.1	Amendments to reflect comments from RA	15/08/18	RS
2.1	Major Revision to include: • Amalgamation with Investment Strategy • Resources and H&W input to Appendix A • Addition of governance arrangements • Addition of prudential indicators	29/08/18	RS
2.2	Amendments to reflect comments from SA	30/08/18	RS
2.3	Amendments to reflect comments from CMT	06/09/18	RS
2.4	Amendments to reflect comments from Property Board	11/10/18	MP
2.5	Amendments to reflect DoF&P comments	17/10/18	MP
2.6	Amendments to reflect TEE and Resources updates	18/10/18	MP

Issued: December 2018

Contents

1. Purpose of the Capital Strategy

1.1 The main purpose of the Capital Strategy is to define how the Council will maximise the impact of its limited capital resources to deliver its key aims and priorities. It must consider future capital investment needs, especially in relation to the growth agenda and ensure the maximum impact of those investments.

1.2 In seeking to do this the Council will have regard to its statutory obligations within the context of a changing operational environment, the longer term impact of its decisions, the delivery of value for money and the risks associated with any particular course of action.

1.3 The strategy is designed to fully comply with the Prudential Code of Practice for local authority capital investment which has recently been revised by the Chartered Institute of Public Finance and Accountancy (CIPFA) in parallel with revised guidance to local authorities from the Ministry of Housing, Communities and Local Government (MHCLG). The main purpose of the Code is to ensure that capital investment proposals are affordable, prudent and sustainable.

1.4 By the very nature of capital investment it is necessary that this strategy takes a longer term view. However, the strategy also focusses on the medium term to fit in with the Medium Term Financial Plan (MTFP), the latest version of which covers the period 2019 – 2023. This includes the Capital Programme for the same period.

1.5 This strategy is underpinned by a number of other strategies and plans. In particular the longer term view needs to have regard to the Growth Strategy and the related Buckinghamshire Strategic Infrastructure Plan (BSIP). The Council holds a wide range of assets, but two major classes of assets in particular for which it needs to have regard in maintaining their integrity. To this end there is a Property Asset Management Plan (PAMP) and a Highways Asset Management Plan (HAMP). There is also a Technology Service Strategy to guide investment in that increasingly significant asset class.

1.6 Following revisions to the Prudential Code and guidance from MHCLG in February 2018 this Strategy includes the Investment Strategy and needs to be read in conjunction with the Treasury Management Strategy.

2. The Context of the Capital Strategy

2.1 The Council's Aims and Priorities

2.1.1 The Council's aims and priorities are set out in the Strategic Plan, the latest version of which covers the period 2017-20, although the underpinning service delivery plans are refreshed annually.

The priorities set out in the Strategic Plan are:

- Safeguarding our vulnerable

- Creating Opportunities and Building Self Reliance

- Ensuring Buckinghamshire is Thriving and Attractive

2.1.2 Of course, all that the Council does is set within a legislative context, so that meeting its statutory obligations is a key component determining the actions it takes. In the context of the capital strategy examples of the statutory requirements are the need to provide sufficient school places, to maintain the highway infrastructure to certain standards and to provide suitable disposal facilities for waste.

2.2 Growth and Demographic Change in Buckinghamshire

2.2.1 The population of Buckinghamshire is constantly changing and the County Council needs to take account of these changes in planning its future service provision. The County Council in partnership with other agencies, the Local Enterprise Partnership in particular, has responsibility for facilitating the infrastructure to promote economic growth. Current local plans indicate housing growth in Buckinghamshire of around 46,000 by 2033 leading to a population increase from c. 541,000[1] to 635,000. Recent indications from Government set expectations much higher than that, suggesting housing growth of 61,000 by 2033 and a further 42,000 by 2050. This would mean the population of Buckinghamshire growing by just over 50% between now and 2050 and may be larger still if Buckinghamshire need to pick up growth targets from neighbours unable to hit their own targets. This level of growth not only has implications for new infrastructure, but also for the wear and tear on existing infrastructure.

2.2.2 Beyond the current confirmed plans for housing growth there are many pressures in the system to go further as indicated by the Government figures mentioned in the previous paragraph. The County Council and its partners are already promoting a major development at the "Woodlands" site in south east Aylesbury. The Government has been keen to push forward housing growth through the concept of Garden Towns and the Council has submitted a Housing Infrastructure Fund (HIF) Forward Funding bid for over £200m to create the infrastructure to support these plans.

2.2.3 Notwithstanding the overall growth in the population the nature of the population is also changing. Buckinghamshire already has one of the highest rates of increase in people aged over 85 of all county areas in the country. The diversity of the ethnic and socio-economic make-up of the county is also increasing. These changes are likely to increase the demand on a range of public services, particularly care services. This too will need to be factored into the longer term planning of service provision.

2.2.4 The location of Buckinghamshire also creates a unique set of circumstances which impacts on economic development and other infrastructure demands which are likely to have capital implications. The high speed rail line (HS2) will run through the county and have significant knock-on impacts. The proximity of the south of the county to London and Heathrow Airport is likely to place an increased burden on transport infrastructure. The north of the county lies at the heart of plans to link Oxford and Cambridge with both an East-West Railway and major new highway. Few of these plans are yet firm, less so how they will

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[1] ONS Mid-year estimate 2018

be funded, yet the direction of travel is clear, so they cannot be ignored by this Capital Strategy, albeit presents a challenge to plan with certainty.

2.3   Changes in Technology

2.3.1 As well as changes to the profile of the population, developing the economy needs to reflect changes to the way we work and better still to reflect the way we will work in the future. The pace of change in technological advancement appears to get ever faster, so keeping up with these changes presents a range of challenges.

2.3.2 The Council has a role in putting in place, or at least facilitating, enabling infrastructure. A good example of this currently might be the developing market in electric vehicles that need a more comprehensive network of charging points. However, as is often the case with emerging technologies there are a number of different options available, so identifying which particular solution to support is a key challenge if capital investment is not to be wasted.

2.3.3 By contrast the economic development role the Council plays may need to facilitate experimentation, such as creating space for start-up businesses in emerging technologies. The very nature of this means that there is likely to be a fair degree of failure and the Council needs to determine the degree of risk it is prepared to take and the mitigations that can be put in place.

2.4 The Changing Public Sector Landscape.

2.4.1 The County Council has made application to the Secretary of State proposing a single unitary council for Buckinghamshire to replace the current County Council and four District Councils. The Secretary of State has stated that he is minded to agree this proposal, but a final decision is still awaited. Should this decision be confirmed this is likely to need to a rationalisation and re-profiling of the local government estate in Buckinghamshire.

2.4.2 Regardless of the outcome of the decision on a unitary authority there are pressures in the system likely to lead to change, as all public sector bodies are under financial pressure as well as there being a need to offer the public a more coherent means of accessing services. The One Public Estate (OPE) project aims to achieve the rationalisation of publicly held assets regardless of the existence of a unitary authority. Also as part of this property rationalisation and in order to facilitate a more coherent service offer to the public the Council is also pursuing the creation of Community Hubs to bring access to a wide range of service into a single location.

2.4.3 Those financial pressures on local authorities, caused in large part by huge cuts in Government grant funding, but also significant increases in demand for services, lead to the exploration of alternative sources of income. This in turn prompts consideration of investment in assets which can support the generation of additional income. This might mean investing in existing assets to facilitate their use to create income streams. It may also mean investing in assets purely, or significantly, for the purposes of making a return.

3 Capital Investment Objectives

3.1 The key objectives of capital investment will be to:

- Support service delivery in line with the Council's strategic objectives

- Facilitate the generation of income, be that from commercial assets held predominantly for their rental yield, or service based assets capable of generating income as a by-product.

- Enhance value for money by helping to reduce or avoid costs

- Support economic development and the wider growth agenda

3.2 Where assets are held by the Council that do not fall into the above categories the Council will aim to dispose of such assets. However, it will seek to maximise the return in doing so and therefore will on occasions hold assets awaiting favourable market conditions. The retention of assets in this way will require an explicit decision to do so.

3.3 As well as the key objectives set out in 3.1 above there will also be regard for the following:

- Meeting legislative requirements, such as school place planning requirements, or health and safety.

- Maximise community benefits, working in partnership with other agencies

- Ensure that investments are affordable and sustainable

- Safeguard the on-going integrity of existing assets (property, highways, ICT, etc.) ensuring they remain fit for purpose, including reducing the maintenance backlog.

- Be forward looking in terms of investing in future technologies and recognising societal behaviour patterns and not the ways of the past.

- Ensure, where appropriate, that investments are in line with the Property Asset Management Plan, the Highways Asset Management Plan and the Technology Strategy

3.4 Based on the above objectives it is envisaged that capital investment will fall into three main categories:

- Assets owned by the Council to support the direct delivery of services by the Council itself.

- Assets owned by the Council to support the delivery of services by third parties where there is a strategic need/advantage in continuing to own the assets.

- Assets held for a financial return to support the financial resilience of the Council.

3.5 In addition the Council may on occasions make capital investments in assets owned by third parties where doing so facilitates the delivery of Council objectives, or legislative requirements.

4   Key Areas for Investment

4.1   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.

- Meeting the statutory requirement to provide school places for all primary and secondary age children

- Investment to increase availability of specialised accommodation to meet needs of increasing numbers of highly vulnerable adults and children

- Assets which facilitate community involvement in services which meet corporate objectives

- New infrastructure such as roads and schools to support the growth in housing.

- Investments that facilitate Economic Development in the County.

- ICT Infrastructure, both to facilitate modern service delivery from the Council and within the local community, e.g. Broadband connectivity across the community.

- The re-design/re-configuration of assets or services that permit lower on-going revenue costs, or halt a trend of increased revenue costs.

- New or enhanced existing assets that allow a secure revenue income stream to the Council.

- Assets that help the Council meet sustainability targets, such as reduced energy consumption/CO_2 emissions, reduced waste disposal via landfill and flood defence.

- Assets which facilitate easier access to services, including the Council's website.

- Assets which facilitate service improvements provided that these are identified corporate priorities and are financially sustainable on an on-going basis.

- Assets that facilitate the release of other assets, where the net effect is an increase in value to the Council.

4.2   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 unless meeting other key priorities

- Assets that lead to an adverse environmental impact created by the Council unless this is unavoidable in achieving a statutory requirement, of Strategic Plan objective.

- Assets where the risk exposure exceeds the probable benefits

5.   Investments for a Return

5.1.1   Beyond those investments for cash management purposes and for service enhancement the Council may also make investments, with a range of economic and social objectives in mind, but with a key element being on making a return on the investment. It is these types of investments which are the focus of this section of the Strategy.

5.1.2   It must not be forgotten that the Council is an organisation heavily governed by statute and that it is not a commercial organisation with the purpose of making a financial return for shareholders. Nonetheless like any organisation it does need to fund its activities and with more traditional funding sources, such as government grants, substantially decreasing and local taxation being heavily constrained by central government rules, there is a need to look to more innovative ways of generating income, the financial return on investments being one such approach in addition to other intangible social and regeneration benefits these investments can yield.

5.1.3   Recognising the Council's core objectives to support its local community there may be a range of further objectives beyond a simple financial return that the Council seeks when making investments and in so doing may accept a lower rate of financial return in order to achieve, or facilitate these other objectives. Examples of this might be to promote local economic development, or to support partner organisations. The remainder of this section seeks to set out the nature of investments the Council will engage in and the circumstances in which it will do so.

5.2   Financial Investments

5.2.1   Financial Investments can fall into three categories, as defined by the Statutory Guidance issued under section 15(1)(a) of the Local Government Act 2003: Specified Investments; Loans and; Non-specified Investments.

5.2.2   Specified and non-specified investments are only likely to be undertaken on either a short, or a long term basis as part of managing the council's cash flows and are therefore covered by the Treasury Management Strategy rather than here.

5.2.3 Loans may also be used for treasury management purposes, but where they are used in support of service delivery objectives this is covered by the Loans and Guarantees Financial Instruction.

5.3 Non-Financial Investments

5.3.1 For purposes of this strategy a non-financial investment is a non-financial asset held by the authority primarily, or partially to generate a surplus. This might be through an anticipated appreciation in the capital value of the asset, or by way of delivering a regular income stream, or a combination of both. However, in the current financial climate the emphasis is likely to be on assets that generate a regular income stream.

5.3.2 Although the Council remains open minded to consider a range of opportunities the high likelihood is that non-financial investments will involve property assets. Chosen carefully, property offers the opportunity for a higher yield and less volatility than financial investments, however, it is an illiquid asset and carries with it the inherent risk of being unable to respond quickly enough to changes in market conditions.

5.3.3 The recommendation of the council's expert property advisors is that the council should aim to have an investment portfolio of in the regions of £250m in the long run, in order to achieve a suitably balanced portfolio of asset classes, locations, etc. so that risks are spread. A portfolio of this size at a yield of 6% would produce a revenue income stream of £15m p.a.

5.3.4 When selecting suitable properties in which to invest the Council will have regard to the following criteria:
- Lot size to ideally be within a range of £5m to £30m. Exceptions can be made for high value strategic purchases.
- Target rate of return for the portfolio is a blended running yield of **6.00%** for the entire portfolio, after the deduction of purchaser's costs, with a minimum expected yield per property of 5.00%. The yield is calculated before allowing for the cost of any borrowing necessary to finance the purchase of the asset.
- Lease length, or the average of lease lengths if multiple occupation, to be generally 5 years left to run or greater.
- A preference for purchases to be in locations within but not limited to the County, or with an economic footprint falling within the County.
- Only opportunities let to strong covenant tenants on full repairing leases will be considered based on Dun & Bradstreet ratings, or similar.
- Properties in strategic locations with good transport links
- Properties that offer a marriage value with the existing portfolio
- Properties and/or tenants consistent with the ethical values and aims of the public sector.

- Weight will be given to properties that offer the option of alternative uses through gaining planning permission for a change of use, or through redevelopment in order to enhance the capital value.
- A preference will be given to premises that offer the opportunity to increase income streams by infilling additional services e.g. coffee shop.

5.3.5 The following risks associated with the purchase of commercial property are recognised:
- The relative illiquidity of property as an asset class compared with holding cash reserves or a share portfolio.
- As lease lengths erode the value of the asset will tend to diminish in most cases.
- The risk of a tenant failing financially, which will present the Landlord with a temporary loss of income coupled with the cost of re-letting the accommodation.
- Void rates and service charge liability whilst the property remains vacant.
- Obsolescence of the building and the cost of returning it to a tenantable condition at the end of a lease.
- Over time certain segments of the property market can weaken leading to a loss of both a revenue income stream and capital value.

5.3.6 In order to mitigate the risks it will be essential to carry out full due diligence. To this end investments in property will only be made following advice from suitably qualified and experienced specialist advisors. Adherence to the selection criteria set out in 5.3.4 will also be important to ensure that properties are well located and have tenants with a strong covenant. It will also be important that a diverse portfolio is established to reduce vulnerability to market fluctuations. A suitable balance needs to be found between yield rates and lease length and security. Active asset management will be essential to ensure that tenant obligations under the lease are fulfilled and regular rent reviews are carried out, as well as looking for opportunities to maximise income streams and reduce the likelihood of voids. Despite these measures it is inevitable in any portfolio of scale that there will be some level of voids from time to time. A reserve account has been created into which is paid 5% of all rental income in order to cover unforeseen void/default issues.

5.3.7 The acquisition and disposal of property assets can require a quick response to market opportunities, which does not necessarily fit readily with normal Council governance processes. However, it remains of vital importance that appropriate governance is applied to such significant decisions. In recognition of this a separate governance arrangement exists to address these competing demands and is set out in Appendix B which is intended to streamline the decision making process to align with the market without unduly losing out on good opportunities.

5.3.8 On occasions the Council may choose to purchase land or property for strategic reasons rather than for any short term return. This might be to protect existing service provision, but will most likely linked to its community leadership role in accommodating and facilitating economic and housing growth. This will require well documented formal decision.

6.   Funding Capital Investment

6.1   There are a number of potential sources of financing for the capital programme. These can be described as follows:

6.1.1 **Grant Funding** (often specifically for capital purposes and also often from central government, but they may come from, or through, other agencies).

6.1.2 **Capital Receipts** (receipts arising from the disposal of existing assets are constrained to only be useable for the purposes of funding new assets. Such funds when generated are held in a Capital Receipts Reserve until such time as used).

6.1.3 **Developer Contributions** (S106 agreements and/or the Community Infrastructure Levy (CIL) effectively impose a tax on new development in order to fund infrastructure required as a consequence of the development.)

6.1.4 **Partner Contributions** (some projects may be jointly funded between the Council and other agencies, such as schools, other councils, or the Buckinghamshire Thames Valley Local Enterprise Partnership (BTVLEP). Under current arrangements the Council is the accountable body for the BTVLEP and thus capital expenditure on behalf of the BTVLEP is included in the Council's Capital Programme and funded by resources available to the BTVLEP)

6.1.5 **Prudential Borrowing** (the Council is able to borrow in order to fund its capital expenditure provided that the revenue financing costs of such borrowing are affordable and sustainable. Prudential borrowing will be considered as a source of capital funding in accordance with the Government's guidelines and with regard to the Prudential Code for capital finance in local authorities.)

6.1.6 **Revenue Contributions to Capital** (the Council is able to use it revenue resources to fund its capital expenditure, but obviously this then reduces the funding available for recurrent expenditure.)

6.1.7 **Use of Earmarked Reserves** (essentially this is just a mechanism for deferring the application of one of the sources listed above, e.g. revenue contributions, or capital receipts. A typical example is the use of a Repairs and Renewals Fund)

6.1.8 **Leasing** (essentially this is a specialised form of borrowing linked directly to the asset)

6.2   The choice of funding for the capital programme and projects within it will depend upon the overall availability of resources and any constraints applicable to particular sources.

- Wherever possible external resources such as partner contributions, or grants will be the first preference for funding projects. It is likely that

developer or partner contributions will only be available for specific projects. It is also possible that some grant funding is ring-fenced for specific purposes, although this tends not to be the case in recent times.

- Prudential borrowing will be the second choice of funding, but will only be used where there is a strong business case offering an appropriate rate of return.

- Finally the Council's own resources (capital receipts and revenue contributions) will be used where available and affordable.

6.3 The Council will aim to maximise its funding for capital expenditure by bidding for grant funding, disposing of surplus assets, seeking to maximise its leverage with partners in respect of joint funding opportunities, etc. Indeed the ability to respond to the very substantial growth agenda will be heavily dependent upon the ability to attract additional resources. This may come in the form of additional funding from Government, such as is being sought via the HIF bid, developer contributions, or working in partnership with other bodies e.g. district councils, the BTVLEP, other public bodies, or the business community. The council has carried out the Location Asset Strategic Review (LASR) which has identified opportunities to reduce the property estate and thus generate capital receipts. However, there may be longer term strategic reasons to hold on to assets and/or the ability to improve the operational efficiency including the potential to generate income which need to be considered.

6.4 Although the Council will continue to bid for all the resources it can, the Government's austerity measures are leading to a tightening of grant funding. For Buckinghamshire this is particularly relevant in respect of Basic Need funding for school places where there has been a zero allocation for 2020/21.

6.5 Historically the Council has provided a reasonable level of revenue contributions to fund the capital programme. However, as part of measures to keep the revenue budget in balance in the face of reduced funding and increasing service pressures the capacity to do this has been reduced to a relatively low level in the future.

6.6 Any capital investment decision which involves prudential borrowing must include the cost of servicing the debt as part of a robust business case. Investment decisions will be supported when the cashable cost reductions (or increased income) exceed the financing costs of any borrowing needed to fund the investment over its life, with a reasonable tolerance to cover off risk.

7. Minimum Revenue Provision

7.1 Minimum Revenue Provision (MRP) is the charge to revenue made in respect of paying off the principal sum of the borrowing undertaken to finance the capital programme. MRP, which is largely defined by regulation is aimed at ensuring that the council does not have time expired/fully depreciated assets, but still has associated outstanding debt.

7.2 Where capital expenditure was incurred before 1 April 2008 MRP will be charged on a straight line basis over 50 years in accordance with the guidance. For capital expenditure incurred on or after 1 April 2008 and funded through

borrowing, the Council will calculate MRP using the asset life annuity method. Using this method MRP is calculated in a similar way as calculating the capital repayment element of a fixed rate repayment mortgage.

7.3   In accordance with provisions in the guidance, MRP will be first charged in the year following the date that an asset becomes operational.

7.4   The asset life annuity method calculation requires estimated useful lives of assets to be input in to the calculations. These life periods will be determined under delegated powers to the Director of Finance and Procurement, with regard to the statutory guidance. However, the Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the asset life annuity method would not be appropriate.

7.5   As some types of capital expenditure incurred by the Council are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

7.6   Recognising the impact of MRP on the revenue budget is an important element in determining the affordability and sustainability of borrowing to fund an asset. Essentially, if there is no on-going capacity within the revenue budget to afford the MRP then one shouldn't take out the borrowing in the first place. This is why a robust business case demonstrating a rate of return in excess of costs (including MRP) is important.

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8.   Capital Governance and Processes

8.1 Overview

8.1.1 This Capital Strategy sets out the framework for the governance of capital assets for the organisation. Primary responsibility for the development of the Strategy rests with the Director of Finance & Procurement, although ultimate accountability for its approval rests with Full Council in line with the Prudential Code.

8.1.2 The development or purchase of new assets, maintenance of existing assets and disposal of surplus assets are matters of operational and financial significance and therefore require robust governance arrangements. For this reason the Corporate Management Team (CMT) will play a pivotal role in these governance arrangements, providing co-ordination and consistency across the organisation.

8.1.3 Whilst this Strategy sets out the framework for identifying, approving, implementing and reviewing capital projects, the details are set out in the Financial Instructions for Capital.

8.2 Governance Boards

8.2.1 Although the assets held by the Council can be as diverse as the services it delivers they can be grouped into a few broad categories, namely: property; technology and; highways. For each of these broad categories this will be an appropriate governance board chaired by the relevant Cabinet Member.

8.2.2 The Property Board will cover all land and property whether held for service delivery purposes, or as an investment for financial return. It will be responsible for all land and property regardless of which services are delivered from those premises at any point in time. So, for example, it will cover multi use offices, but also care homes, highways depots, waste processing sites and other single service premises.

8.2.3 The Technology & Digital Board will cover all technology assets, be that laptops, screens, phones, or servers, cabling and other hidden infrastructure. It will also include capitalisable software licences and assistive technology. This will apply to technology assets owned by the council whether they be within council premises, or elsewhere.

8.2.4 The Highways Strategy Board will cover all highways assets, such as roads and footpaths, but also bridges, signals, safety fences etc.

8.2.5 For any assets that do not fall readily into any of these major categories, potentially some items of plant and equipment, CMT will either allocate responsibility to one of the above Boards, or exercise that responsibility directly itself.

8.2.6 To ensure that appropriate technical financial advice is available to each of the boards, there will be a senior finance representative on each board:

- Property & Assets Board – Director of Finance & Procurement
- Technology & Digital Board – Resources Head of Finance
- Highways Strategy Board – TEE Head of Finance

8.3 Development of the Capital Programme

8.3.1 Each year the Capital Programme will be developed as part of the Medium Term Financial Plan, culminating in approval by full Council in February each year. The table below sets out the timeline to be followed.

Jun - Aug	Portfolio groups/BUs develop capital bids (Robust business cases produced supported by BU FD)
Early Sep	Corporate Finance consolidates bids and reports summary to CMT CMT advise on strategy to resolve any gap.
Mid Sep	Property/Technology/Highways Boards review bids and prioritise
Late Sept/ Early Oct	Director of Finance and Procurement convenes a Capital Star Chamber meeting of FDs and Board lead Members/officers to scrutinise bids in detail and arrive at a proposal for a balanced capital programme.
Mid Oct/Nov	CMT reviews DoF&P proposal and agrees recommendation to Cabinet
Dec	Cabinet approves draft capital programme for consultation
Jan -Feb	Follows MTFP process in parallel with revenue

8.3.2 bids to the capital programme should be prioritised by both Portfolio groups and the three governance boards taking guidance from this Capital Strategy and any relevant service priorities. The following criteria will be used to prioritise bids in order to close any gap to the available resources:

a. Reductions from the previous programme
b. Ring-fenced funding, e.g. S106 or genuinely ring-fenced grants (i.e. no call on Council resources)
c. Strong financial business case, i.e. the savings arising from the investment will pay back the cost of the investment within 7 years (or less); or the capital receipt generated exceeds the cost of the investment.
d. Statutory requirement (including Health & Safety)
e. Strategic Plan priority
f. Business Unit, Service Plan priority

8.4 Monitoring of Progress

8.4.1 Once the Capital Programme is approved individual schemes will be allocated to the most appropriate governance board. Each Board will then have the authority to release resources on individual schemes to project managers in line with the Capital Gateway Process, subject to the necessary requirements at that stage, e.g. outline business case, full business case, etc.

8.4.2 Each Board will put in place appropriate arrangements to monitor progress and drive delivery of the individual projects both in financial terms and practical delivery, effectively carrying out a high level Programme Management Office role.

Portfolio Needs Analysis and Priorities

Details of the capital requirements and priorities for each Portfolio and the One Public Estate project, including condition survey information where appropriate, will be included here. This will include the details of the approved capital programme.

Health & Wellbeing

Education & Skills

Resources

Planning & Environment

Transportation

One Public Estate

BCC Investment Commercial Property Governance

OPPORTUNITIES IDENTIFIED BY CJ BASED ON INVESTMENT CRITERIA
(risk level, location, blended 6% yield from total portfolio, diversification etc)

CJ Identify property & prepare synopsis of merits/demerits of opportunity and recommend to proceed to verbal offer

DHoSA Reviews and acts on recommendation from CJ

Approval sought from Property Board

Property Board confirm **Do Not Proceed**

Note confirming "Offer Declined" sent to CJ by DHoSA

Property Board confirm **Proceed**

CJ make verbal offer to vendor (enter bidding process)

Verbal offer declined

Note confirming "Offer Declined" sent by CJ to DHoSA, who updates Property Board

Verbal offer accepted

CJ confirms details in writing including conditions and timetable for Cabinet approval – solicitors confirmed

Written offer declined

Written offer accepted

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          ┌─────────┐
          │  Page   │
          │    1    │
          └────┬────┘
               │
               ▼
┌────────────────────────────┐
│ CJ and DHoSA agree Heads of │
│ Terms, instruct solicitors, │
│  surveyors undertake due    │
│   diligence. Solicitors and │
│  Surveyors advise on issues │
│ which may prevent the deal  │
│        proceeding           │
└────────────┬───────────────┘
             │
             ▼
┌────────────────────────────┐
│   CJ provide written        │
│ recommendation on how BCC   │
│ should proceed and refer to BCC │
│   for a decision (subject to│
│ searches/ contract/ surveys etc) │
└────────────┬───────────────┘
             │
             ▼
┌────────────────────────────┐      ◆ Not         ┌──────────────────┐
│ DHofSA drafts Cabinet report in │  Approved  ──────▶│ Updates to Stakeholders │
│  consultation with CMR, Local   │──▶   by          │    by DHoSA      │
│  Member, Legal, Finance and     │   Cabinet        └──────────────────┘
│ Executive Director for Resources│
└────────────┬───────────────┘
             │
             ▼
          ◆ Approved
             by
           Cabinet
             │
             ▼
┌────────────────────────────┐
│    Matter proceeds to       │
│ exchange/completion (subject│
│  to satisfactory due diligence) │
└────────────┬───────────────┘
             │
             ▼
┌────────────────────────────┐
│  Pay 10% Deposit and exchange│
│          contract           │
└────────────┬───────────────┘
             │
             ▼
┌────────────────────────────┐      ┌──────────────────────┐
│ Completion of purchase on an│      │ CMR, Property terrier, all │
│   agreed date – Balance of  │─────▶│  relevant BCC officers     │
│ monies transferred to solicitors │ │        updated             │
└────────────────────────────┘      └──────────────────────┘
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Prudential and Performance Indicators

Prudential Indicators

Indicator			Unit	2018/19	2019/20	2020/21	2021/22	2022/23
Estimates of capital expenditure	Estimate	Years 1, 2 and 3 (and longer as necessary)	£000	122,611	141,841	80,726	74,474	74,474

Indicator			Unit	2018/19	2019/20	2020/21	2021/22	2022/23
Estimates of capital financing requirement (CFR)	Estimate	Years 1, 2 and 3	£000	390,866	403,813	445,189	448,813	440,905

Indicator			Unit	2018/19	2019/20	2020/21	2021/22	2022/23
Estimates of ratio of financing costs to net revenue stream	Estimate	Years 1, 2 and 3	%	4.8%	4.5%	4.3%	4.3%	4.4%

Indicator			Unit	2018/19	2019/20	2020/21	2021/22	2022/23
Estimates of the incremental impact of capital investment decisions on Council Tax	Estimate	Years 1, 2 and 3	£ per Band D Equivalent	£1.36	-£1.94	£0.06	-£0.25	-£0.31
			%	0.11%	-0.15%	0.00%	-0.02%	-0.02%

Indicator			Unit	2018/19	2019/20	2020/21	2021/22	2022/23
Gross Borrowing	Estimate	Years 1, 2 and 3	£000	195,000	185,000	185,001	185,002	185,002
Capital Financing Requirement			£000	390,866	403,813	445,189	448,813	440,905

Indicator			Unit	2018/19	2019/20	2020/21	2021/22	2022/23
Authorised limit (for borrowing) *	Estimate	Years 1, 2 and 3	£000	230,000	230,000	230,000	230,000	230,000
Authorised limit (for other long term liabilities) *	Estimate	Years 1, 2 and 3	£000	15,000	15,000	15,000	15,000	15,000
Authorised limit (for total external debt) *	Estimate	Years 1, 2 and 3	£000	245,000	245,000	245,000	245,000	245,000
* These limits can only be breached with the approval of the full Council to raise them								

Indicator			Unit	2018/19	2019/20	2020/21	2021/22	2022/23
Operational boundary (for borrowing)	Estimate	Years 1, 2 and 3	£000	210,000	200,000	200,000	200,000	200,000
Operational boundary (for other long term liabilities)	Estimate	Years 1, 2 and 3	£000	7,500	7,500	7,500	7,500	7,500
Operational boundary (for total external debt)	Estimate	Years 1, 2 and 3	£000	217,500	207,500	207,500	207,500	207,500

Investment Performance Indicators

Indicator	Target Level	Current Level
Debt to Net Service Expenditure (NSE) ratio		
Commercial Income to NSE ratio		
Investment Cover ratio		
Loan to Value ratio		
Target Income Returns – blended yield	6.00%	
Benchmarking of Returns	4.70% (industry benchmark)	
Gross Investment Income	£15m	
Net Investment Income		
Operating Costs as a proportion of Investment Value		
Weighted Average Unutilised Lease Term (WAULT)	7 Years	
Vacancy Levels for Non-Financial Investments	MSCI Benchmark currently at 7.11%	

Draft Inquiry Scope

Title	Budget Scrutiny 2019
Signed-off by	FPR Select Committee
	Claire Hawkes, Interim Head of Democratic Services (Statutory Scrutiny Officer)
Author	Kelly Sutherland, Committee and Governance Manager
Date	13 November 2018
Inquiry Group Membership	FPR Select Committee Members and the Chairmen of all other Select Committees
Member Services Resource	Democratic Services will provide the following officer support: Claire Hawkes, Interim Head of Member Services –Report Quality Assurance Kelly Sutherland, Committee & Governance Manager – Policy Advice & Project Oversight Fazeelat Bashir - Policy Lead and Project Management Committee Assistant – Administrative support (as needed)
Lead Cabinet Member	Martin Tett, Leader John Chilver, Cabinet Member for Resources
Lead HQ/BU Officer	Richard Ambrose, Director of Finance and Procurement/ Sarah Ashmead, Executive Director for Resources and Assistant Chief Executive Officer
What is the problem that is trying to be solved?	Members require assurance each year that the Council's proposed budgets are realistic, deliverable and in line with the Council's priorities as outlined in its Strategic Plan. The Finance, Performance and Resources Select Committee will conduct hearings in January 2019 in order to develop the conclusions and recommendations of its 2019/20 Budget Scrutiny Inquiry. As in previous years, Cabinet Members will be questioned by members of the inquiry group on their planning, assumptions and budgetary proposals for the period of the Medium Term Plan, with their responses forming the evidence base for the recommendations that will be presented to Cabinet. This will include a business as usual budget and a transition budget.
Is the issue of significance to Buckinghamshire as a whole?	Yes - Budget proposals for the County Council will have an impact on Buckinghamshire as a whole.
Is the topic of relevance to the work of BCC?	Yes, see above
Is this topic within the remit of the	Scrutiny of the budget is a priority within the Select Committee's remit. The subject falls within the remit of the Leader and the

Select Committee?	Cabinet Member for Resources but involves all Cabinet Members.
What work is underway already on this issue?	See key timing considerations • On 11th September 2018 the Committee received a 6-month update on progress against the 2018 Budget Scrutiny recommendations. • On 11th December 2018 the Committee will receive a briefing from Richard Ambrose, the Director of Finance and Procurement, on the draft budget and key financial issues.
Are there any key changes that might impact on this issue?	• The Modernising Local Government agenda within the County and any unforeseen changes to government funding. • Possible implications of Brexit.
What are the key timing considerations?	Timings of budget consultation: 10th December 2018 – Cabinet agrees draft budget 11th December 2018 – FPR budget scrutiny preparatory briefing **Budget Scrutiny – 8th to 11th January 2019** 11th February 2019 – Cabinet recommends final budget 21st February 2019 – Council agrees final budget
Who are the key stakeholders & decision-makers?	• Cabinet Members • Corporate Management Team • Public (in terms of consultation)
What might the Inquiry Achieve?	The Inquiry will result in recommendations to Cabinet to ensure that the Budget for 2019/20 is robust.
What media/communications support do you want?	• Press release and social media communications to launch Budget Scrutiny Week • Questions invited from Public via social media during Budget Scrutiny Week • Link with Communications team regarding Council's consideration of the Budget • Press release and social media communications to promote the report once published

Evidence-gathering Methodology

What types of methods of evidence-gathering will you use?
• Information provided by the Director of Finance and Procurement • Business Unit Commercial Plans • Equality Impact Assessments • Three days of meetings with Cabinet Members • Consultation feedback • Questions from the Public via social media
How will you involve service-users and the public in this inquiry?
• Meetings with each individual Cabinet Member held in public and webcast

- Feedback will be fed through from the Public via budget consultation
- Public can pose questions via social media during Budget Scrutiny Week meetings

Outline Inquiry Project Plan

Stage	Key Activity	Dates
Scoping	Inquiry Scope Agreed by Select Committee	13 November 2018
Evidence-gathering	Pre-Budget briefing	11 December 2018
	Budget Inquiry Meetings with individual Cabinet Members	8 - 10 January 2019
Developing Recommendations	Inquiry Group/SC meeting – Key Findings Report & Possible Areas of Recommendations considered	11 January 2019
	Testing & developing recommendations with stakeholders	21 - 24 January 2019
Reporting	Draft Inquiry Group report with recommendations completed (signed-off by SC Chairman)	27 January 2019
	LAG meeting	28 January 2019
	Select Committee agrees report to go forward to decision-makers (either at Committee Meeting or via email)	29 January 2019
	Cabinet papers published	1 February 2019
	Cabinet considers recommendations	11 February 2019
	Full Council Report	21 February 2019

Finance, Performance & Resources Select Committee				
13 Nov 2018	Draft Capital and Investment Strategy - Overview	Members will be given an overview of the principles underlying the draft Capital and Investment Strategy. Following discussion, the Committee will have the opportunity to provide feedback to the Cabinet Member and the Director of Finance & Procurement on the draft strategy, ahead of it being considered at Cabinet in December 2018.	Richard Ambrose, Director of Finance & Procurement	John Chilver, Cabinet Member for Resources Richard Ambrose, Director of Finance & Procurement Oster Milambo, Deputy Head of Strategic Assets Mark Preston, Head of Finance – Resources and Pensions John Reed, Director of Property & Assets

13 Nov 2018	New Technology Strategy – Smarter Bucks	Members will have the opportunity to provide feedback to the Cabinet Member and the Joint Strategic Director for Information Assets & Digital Development on the draft new technology strategy for 2018-2020, entitled the 'Smarter Bucks Strategy', before it is considered by Cabinet in December 2018.	Balvinder Heran, Joint Strategic Director – Information Assets and Digital Development	John Chilver, Cabinet Member for Resources Balvinder Heran, Joint Strategic Director - Information Assets and Digital Development Tony Ellis, Chief Information Officer Ben Unsworth, Head of Digital Matt Sanford, ICT Solution Owner - Security
13 Nov 2018	Budget Scrutiny 2019 - Scoping	The Committee will consider and agree the draft inquiry scope for the 2019 Budget Scrutiny Inquiry.	Fazeelat Bashir, Committee & Governance Advisor	Committee Members
13 Nov 2018	Work Programme Update	For Members to discuss the Committee's work programme.	Fazeelat Bashir, Committee & Governance Advisor	Committee Members

11 Dec 2018	Private Budget Briefing for FPR Select Committee	This will be a private briefing for Members ahead of the 2019 Budget Scrutiny Inquiry.	Richard Ambrose, Director of Finance & Procurement	John Chilver, Cabinet Member for Resources Richard Ambrose, Director of Finance & Procurement Committee Members Chairmen of all Select Committees
11 Dec 2018	Modernising Local Government - Update	This will be a private update for Members ahead of the 2019 Budget Scrutiny Inquiry.	Sarah Ashmead, Executive Director for Resources	John Chilver, Cabinet Member for Resources Sarah Ashmead, Executive Director for Resources & Assistant Chief Executive Officer Richard Ambrose, Director of Finance & Procurement Committee Members Chairmen of all Select Committees
11 Dec 2018	Work Programme Update	For Members to discuss the Committee's work programme.	Fazeelat Bashir, Committee & Governance Advisor	Committee Members

26 Mar 2019	Business Rates Retention - Change Implications	Members will review the changes to business rates retention and how these will impact the Council and small businesses in Buckinghamshire.	Richard Ambrose, Director of Finance & Procurement	John Chilver, Cabinet Member for Resources Richard Ambrose, Director of Finance & Procurement Matthew Strevens, Corporate Finance Business Partner, Resources
26 Mar 2019	Work Programme Update	For Members to discuss the Committee's work programme.	Fazeelat Bashir, Committee & Governance Advisor	Committee Members

Buckinghamshire County Council

Finance, Performance and Resources Select Committee

Title:	**Smarter Bucks Strategy**
Committee date:	13th November 2018
Author:	Balvinder Heran
Contact officer:	Balvinder Heran, bheran@buckscc.gov.uk
Cabinet Member sign-off:	Councillor John Chilver

Purpose of Agenda Item

- To present the Smarter Bucks Strategy (2018–2020) and receive comments from the FPR (Finance, Performance and Resources) Select Committee, before presenting it to Cabinet.

Background

- The Council's previous ICT Strategy was last published in 2015. The majority of recommendations and actions were completed or superseded. The Smarter Bucks Strategy has been prepared to cover the next two year period (2018–2020) and is attached as Appendix A.

- The lifespan of this strategy is shorter due to the number of strategic changes taking place across Buckinghamshire, in relation to integrating health and social care and the ICT and digital developments.

- To support the integration, Buckinghamshire County Council along with its partners the Clinical Commissioning Group and Buckinghamshire Healthcare Trust, appointed a Joint Strategic Director for Information Assets and Digital Development to work across the Integrated Care System (ICS), to ensure that all technical and digital programmes are shaped around individual need rather than organisational boundaries. The aim is to significantly improve the customer experience when accessing public services across Buckinghamshire, and to use technology to deliver cost and time efficiencies across all the public sector providers within Buckinghamshire.

- A Buckinghamshire wide Customer, Information and Digital Strategy will be presented to members for consideration in 2019.

Summary

- The Smarter Bucks Strategy builds on the strong work undertaken to date by the Council in the areas of ICT and digital provision. The Council recognises the role that technology plays in improving quality of access to services, and has approved significant investment in technology over the next few years to achieve this.

- These investments include making sure residents and businesses have access to fast, reliable broadband to enable 24/7 access to Council services through improved on-line provision; and providing Members and staff with the tools to more effectively undertake their work across the county to better support residents, staff and visitors.

- The strategy is made up of five themes:

  o **Smarter County** – using technology to create opportunities and ensure Buckinghamshire thrives;

  o **Smarter Communities** – safeguarding our vulnerable and building self-reliant communities;

  o **Smarter for Customers** – making it easier for people to access our services;

  o **Smarter Council** – creating an efficient organisation, helping staff and Members to do their jobs;

  o **Enablement** – delivering this strategy and ensuring value for money.

It will be underpinned by the ICT Improvement Programme to ensure that the ICT and digital operating model is shaped around business and customer need, and that ICT and digital services adapt their staffing, supplier and contractor arrangements, processes and use of technologies to meet the changing organisational landscape.

The Improvement Plan will be shaped to deliver the following key outcomes:-

- Enabling solutions for the workforce to be able to work flexibly, where and when it best suits them, their customers and service users;

- Working with our partners to shape the joint Programme around improving the health and wellbeing of the local population through technology-enabled integrated health and social care services;

- Robust, timely and accessible information that drives informed decision-making, service commissioning and business transformation;

- A flexible, scalable and secure infrastructure where service cost is tied to applications, and usage and user experience is managed.

The ICT Service will continue to operate a hybrid staffing model of a core baseline in-house team and supplier contracts, supplemented by supplier and flexi-resources. Delivery of this Strategy will require additional resources to ensure that the right capacity and capabilities are available to deliver across the concurrent programmes. These will be presented to the ICT and Digital Board along with the proposed Improvement Programme and Strategy Delivery Plan

The programmes and projects approach will adopt appropriate PRINCE2 and Agile Project methodologies to ensure effective governance and management of plans, milestones, resources, risks and issues. These are currently under development.

Resource implications:-

None at this stage. The Council has an approved Capital Programme for ICT projects which is currently being reviewed in line with the Smarter Bucks Strategy and the requirements of the ICT Improvement Programme. A revised capital programme, Smarter Bucks Delivery Plan and the ICT Improvement Plan are under development.

RECOMMENDATION:

The Select Committee notes this report and provides any comments before it is considered by Cabinet on 10 December 2018.

**BUCKINGHAMSHIRE
COUNTY COUNCIL**

SMARTER
BUCKINGHAMSHIRE

2018-2020

CONTENTS

I am proud to present, on behalf of Cabinet and the County Council, our Smarter Buckinghamshire strategy, which sets out how technology will support our ambitions for the council and county.

The council has often been modest in its achievements but there is much to celebrate. With our partners in the local NHS organisations, we are leading the way on health and social care integration. We are already taking forward some innovative partnership projects, including a digital process for discharging patients from hospital to social care, and we have appointed the newly created shared post of Joint Strategic Director of Information Assets and Digital Developments. This post will work across the County Council, the Clinical Commissioning Group and Healthcare Trust, and support the acceleration of our plans to form one of the country's first integrated care systems.

Our website attracts more than 2.4 million visits each year and we have made savings of £1m through channel shift, digital process redesign and reducing paper. We have embraced social media, with an average 42,000 Twitter impressions per week and reaching 30,000 people through this channel alone during last year's Annual Council Debate.

We continue to engage with residents in shaping the most appropriate solutions for our customers and have commissioned a Digital Programme to take us forward.

We cannot rest on our laurels - the pace at which technology advances continues to increase at the same rate as our residents' expectations for how we are embracing it. That is why I am pleased that Members have agreed to invest almost £15m in technology over 4 years (2018-2022). This investment is vital to delivering our strategic priorities – from ensuring the council has secure and flexible ICT systems, to helping people to get online to ensuring our online services are easy to use; and forming partnerships for innovation that will stimulate economic growth; to making sure our young people have the right skills for a digital economy. We will use the information received from our customers to continually improve and enhance our digital offering to ensure that our services are shaped around individual needs providing confidence to our customers that their data is in safe hands. .

It is our duty to ensure that every penny of this investment is spent wisely and in support of the council's priorities. This strategy sets out how we will do this and the difference it will make to our county. I would like to thank the many staff, Members and other organisations that have contributed to its development, and I look forward to its successful implementation delivering a 'Smarter Buckinghamshire'.

John Chilver

Cabinet Member for Resources

Summary of deliverables from the ICT Strategy 2015 -2018

- Improved public access to services over the web, revamped website and platform to enable access via any device types, enhanced web journeys, increased self-serve activity, and increased process automation requiring less manual input;

- A more mobile workforce taking advantage of new technologies to work flexibly across sites and away from the office;

- Commenced development of technologies to sit between core ICT back-end systems and user devices to support mobile working, workflow automation and secure systems integration;

- Commenced the work to build an ICT delivery model which makes best use of in-house, supplier and contractor resources and skills;

- Supported the corporate cost reduction programme through the effective provision of technology shaped by the needs of the business;

This strategy has been developed in the context of the key business drivers which will support the County Council in delivering its strategic priorities as set out in the Strategic Plan. The council's Strategic Plan sets out our vision for ensuring that, in the next ten years, Buckinghamshire will still be a great place to live and work, with our economy one of the strongest in the country.

Our strategic priorities are:

Safeguarding Our Vulnerable	Creating Opportunities and Building Self Reliance	Ensuring Buckinghamshire is Thriving and Attractive

The council has ambitious plans for Buckinghamshire and its residents. This strategy, Smarter Buckinghamshire, sets out how we will support the delivery of the Strategic Plan using technology. It is a strategy first and foremost to improve the lives of the people who live in, work in and visit Buckinghamshire and each chapter has been linked to one or more of the strategic priorities.

Delivering our Strategy

The council recognises technology underpins the changes we need to make Buckinghamshire 'better every day'. Members have approved significant investment in technology over the next few years to achieve this; from ensuring we have secure and flexible ICT infrastructure; to making sure residents and businesses have access to fast, reliable broadband; to making more of our services digital by design; to utilising smart technology that will help people live independently for longer; to ensuring that staff and Members have the tools do their jobs efficiently from wherever they are.

This strategy outlines how we intend to spend that investment. It comprises five themes:

- **Smarter County** – using technology to create opportunities and ensure Buckinghamshire thrives
- **Smarter Communities** – safeguarding our vulnerable and building self-reliant communities
- **Smarter for Customers** – making it easier for people to access our services
- **Smarter Council** – creating an efficient organisation, helping staff and Members to do their jobs
- **Enablement** – delivering this strategy and ensuring value for money.

> ## Using technology to create opportunities and ensure Buckinghamshire thrives

Access to the public services of the future will rely on fast, reliable internet connections. But more than this, access to high speed broadband and mobile connections is directly linked to higher household incomes, more businesses, and lower levels of unemployment, especially in rural areas. That's why new residential and business developments are being designed with connectivity in mind, which has already become a vital utility for most people.

> ## 74% of people say that fast broadband is critically important to their home lives. *ISPreview*

Connecting the County

Place-based technology projects globally have tended to focus on densely populated or urban areas. There is an opportunity for the county council, working with our partners, to adapt some of the innovations seen in these Smart City projects and apply them to the rural geography of Buckinghamshire. Opportunities to better connect the county, its communities and data include:

- We continue to rollout **broadband to rural communities** through the Connected Counties programme, in partnership with Hertfordshire County Council and the Buckinghamshire and Thames Valley Local Enterprise Partnership (BTVLEP). The programme originally had a target of delivering superfast connectivity (greater than 24Mb/sec) to 95% of Buckinghamshire premises. This target has now been met, approximately 16 months early, and we hope to deliver to approximately 96.3% of premises by December 2019 when the contract finishes;

- We are adopting the European Commission's **action plan for smart villages**, which seeks to introduce digital thinking into all aspects of rural life – from agriculture and rural economics to transport and digital literacy - and ensuring that new built environments where we play a role as a developer, such as Aylesbury Woodlands, are built with good connectivity in mind and are designed to be ready for digital and smart technologies;

- We are launching a series of small **smart technology pilots** - making use of easily available, low cost sensor and wireless technologies to create 'smart streetlights' and 'smart street furniture'. We are also looking to partner with businesses on transport innovation, including autonomous cars, next generation vehicles and vehicle to infrastructure connectivity.

Getting Businesses Online

We recognise the importance of access to high speed, reliable broadband as being key to building one of the country's strongest economies.

We will help to ensure that Buckinghamshire's businesses are poised to compete by:

- Submitting a bid for **additional funding for broadband to rural businesses** from the Rural Payments Agency and DEFRA. In partnership with Buckinghamshire Business First (BBF), the council has submitted a bid for £1.8m funding to improve connectivity across the county.

- Championing the use of the Department for Culture, Media and Sport's Gigabit Broadband Voucher Scheme, which is helping SMEs and those living in rural areas to subside the cost to upgrade to superfast broadband.

Connecting County Resources

Place shaping requires a strategic and collaborative approach. The council has taken a bold and exciting move towards this by recruiting the new joint Strategic Director of Information Assets and Digital Developments jointly with our partners at the Buckinghamshire Clinical Commissioning Group and Buckinghamshire NHS Healthcare Trust. This role will not only be instrumental in enabling integration of health and social care through technology, but will also drive closer working across the public sector estate more broadly.

Other emerging areas include supporting the development of the new Buckinghamshire Industrial Strategy, and working closely on key initiatives which seek to improve the quality of life of our residents, workers and those who visit our county. Key local partners include but not limited to:

- District Councils
- Clinical Commissioning Group
- Healthcare Trust
- Local Enterprise Partnership

- Business community, through Buckinghamshire Business First and locally based big businesses
- Education sector, including schools, academies, further and higher education

Key to effective partnership working is the ability to share information between organisations in a way that protects the interests of vulnerable individuals. Open systems standards will be adopted that are both secure and supportive in the movement of information between organisations.

> ## Using technology to help safeguard our vulnerable and build self-reliant communities

Having the technical infrastructure in place to deliver the services of the future is only part of the challenge. We need individuals and communities to have the means, skills and confidence to access services online – whether those are public services or completing everyday tasks like booking appointments or paying household bills. According to national statistics, 'offline' households are missing out on average savings of £560 per year by not taking advantage of the online marketplace.

Being online gives people more opportunities to search and apply for jobs, and studies have shown a clear link between regular access to the internet and educational attainment at both Key Stages 3 and 4. Technology also has a key role to play in helping people to live independent lives for longer. It can be used to monitor health, help people to stay in their own homes for longer, and help to tackle isolation and loneliness.

It is equally important to ensure that the move to more online services does not exclude our vulnerable communities. Therefore, all our projects will take into account the need for a multi-channel approach to ensure that our most vulnerable customers are able to access the services they are entitled to, easily and effectively.

> ## 90% of jobs require at least some computer skills.
> *NHS Good Things Foundation*

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Getting Communities Online

We will ensure all residents can access information and services online through:

- Free Wi-Fi and access to devices to get online at locations across the county. This will include the existing service in our libraries, as well as implementing the technology to enable the development of a network of 'community-based hubs' where residents can access public services;

- Staff and volunteers at these locations will be trained to help customers to get online – whether to access council services or other online resources. Council library staff and volunteers already offer sessions covering IT skills at 12 locations.

Getting Communities Involved

We will make it easier for residents to participate in local democracy by:

- Delivering public consultations online which enables customers to participate from their own homes, on a mobile device, or in one of our digitally-enabled community hubs.
- Enable Members to set up online surgeries using applications such as Facebook and Live Chat.
- Reach our customers through the channels they are already using, for example streaming public meetings on popular online channels such as Facebook, so as to reach more people than using the council's website alone.

Keeping People Independent for Longer
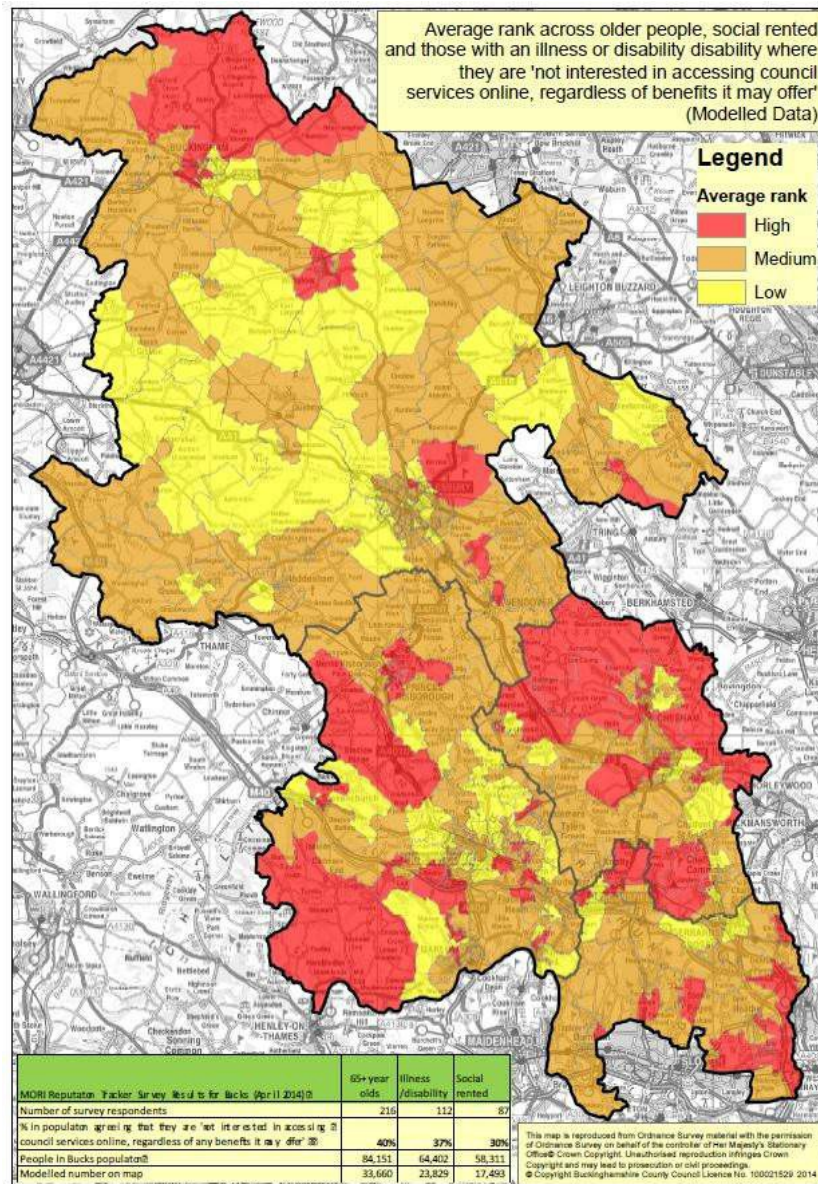
We will help people to live independent lives by:

- Implementing a 'smart technology for social care' pilot, using physical and environmental condition monitoring to enable early interventions that will help keep people living in their own homes for longer. This will be based on national exemplars such as the Health and Social care theme of Manchester's CityVerve programme.

Smarter Communities

Social exclusion and digital exclusion in Buckinghamshire

MORI map of social and digital exclusion in Buckinghamshire

Average rank across older people, social rented and those with an illness or disability disability where they are 'not interested in accessing council services online, regardless of benefits it may offer' (Modelled Data)

Legend

Average rank
- High
- Medium
- Low

MORI Reputation Tracker Survey Results for Bucks (April 2014)	65+ year olds	Illness /disability	Social rented
Number of survey respondents	216	112	87
% in population agreeing that they are 'not interested in accessing council services online, regardless of any benefits it may offer'	40%	37%	30%
People in Bucks population	84,151	64,402	58,311
Modelled number on map	33,660	23,829	17,493

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Solutions shaped around individual needs

We continue to work with our partners and other services to design solutions around individual needs. We undertake regular customer consultation to gain a better understanding of who the users of our services are, and how they wish to receive council services. Our priorities are to:

- deliver better value for money;

- ensure online services are safe and secure;

- get it right, first time.

We will continue work to consolidate our websites into a single buckscc.gov.uk ensuring the content is written with the customer in mind.

The digital and web teams design end-to-end services across all our channels (face to face, phone and on line) so that no matter how a customer contacts us, they receive the same excellent customer experience.

Alongside this, we continue to look at emerging technologies which can further improve our customer experience and enable them to access our services when and how it suits them.

Digital by Design

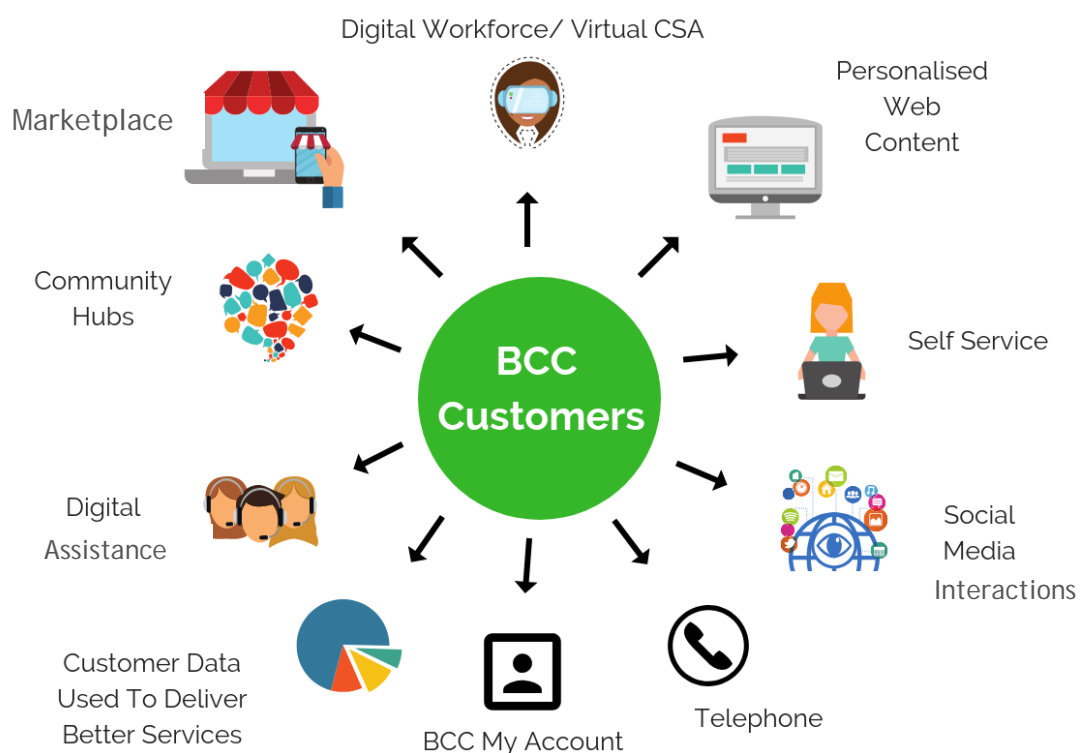With the drive to bring services online, we will ensure that services are designed with digital in mind, by:

- Promoting **buckscc.gov.uk as the frontline route** to access our services;

- Ensuring our websites meet the SOCITM (Society of Information Technology Management) accessibility standards, while ensuring that the content on our site is easy to find, easy to understand, and is always up to date;

- Developing our capacity and skills to write content that is accessible and relatable to our customers, and structure our website with customer needs in mind.

- We will explore the use of **Virtual Customer Service Advisers** (which use artificial intelligence to simulate a human interaction) to reduce the cost of routine queries which will improve the speed and consistency of the customer experience. By managing demand in this way, we will free up our human resources to deal with more complex enquiries. This technology is already being used by large banks and insurance companies, resolving up to 93% of queries first time, even for relatively complex queries such as health insurance claims.

Excellent Customer Experience

We will enhance the customer experience and create a seamless online journey by:

- Creating a new, single e-commerce platform which allows the marketing, management and sale of the full range of council products and services online – whether ordering a birth certificate, accessing the care marketplace, or buying HR services for schools. Upgraded search and account features will allow customers to easily search for services, pay online, and manage their orders through an online account. The new marketplace will streamline the administration of social care and offer services to self-funders. Moving the majority of our transactions through our e-commerce platform will improve the quality, completeness and accessibility of the data on our income from fees and charges.

- Rationalising our 80 microsites and consolidating to buckscc.gov.uk to facilitate an easier customer journey, improving content and quality control, and a strengthened county council brand.

- Trialling the use of MyBuckinghamshire skills allowing residents to access information and services from home using voice commands.

The Buckinghamshire Vision for Customer Experience:

Digital Workforce/ Virtual CSA

Marketplace

Personalised Web Content

Community Hubs

BCC Customers

Self Service

Digital Assistance

Social Media Interactions

Customer Data Used To Deliver Better Services

BCC My Account

Telephone

Excellent Customer Insight

We will leverage the power of our data to design and deliver better services, by:

- Creating a **single customer record** by drawing our customer data into a new integrated data platform, ensuring staff across the council are using the same information – a single view of the truth.

- **Bringing our various sources of data together to create a richer picture** to identify patterns of behaviour that may indicate a future need for intervention, before it arises. We will use this insight to deliver a more preventative approach, making small, targeted interventions that will delay or avert the need for high cost, high dependency services, especially in social care and education. We will follow a privacy and security by design approach, carrying out privacy impact and data ethics assessments of all projects that use people's data.

> **"** Our new customer model will push more demand to lower-cost, digital channels while enriching our insight into our customers and services

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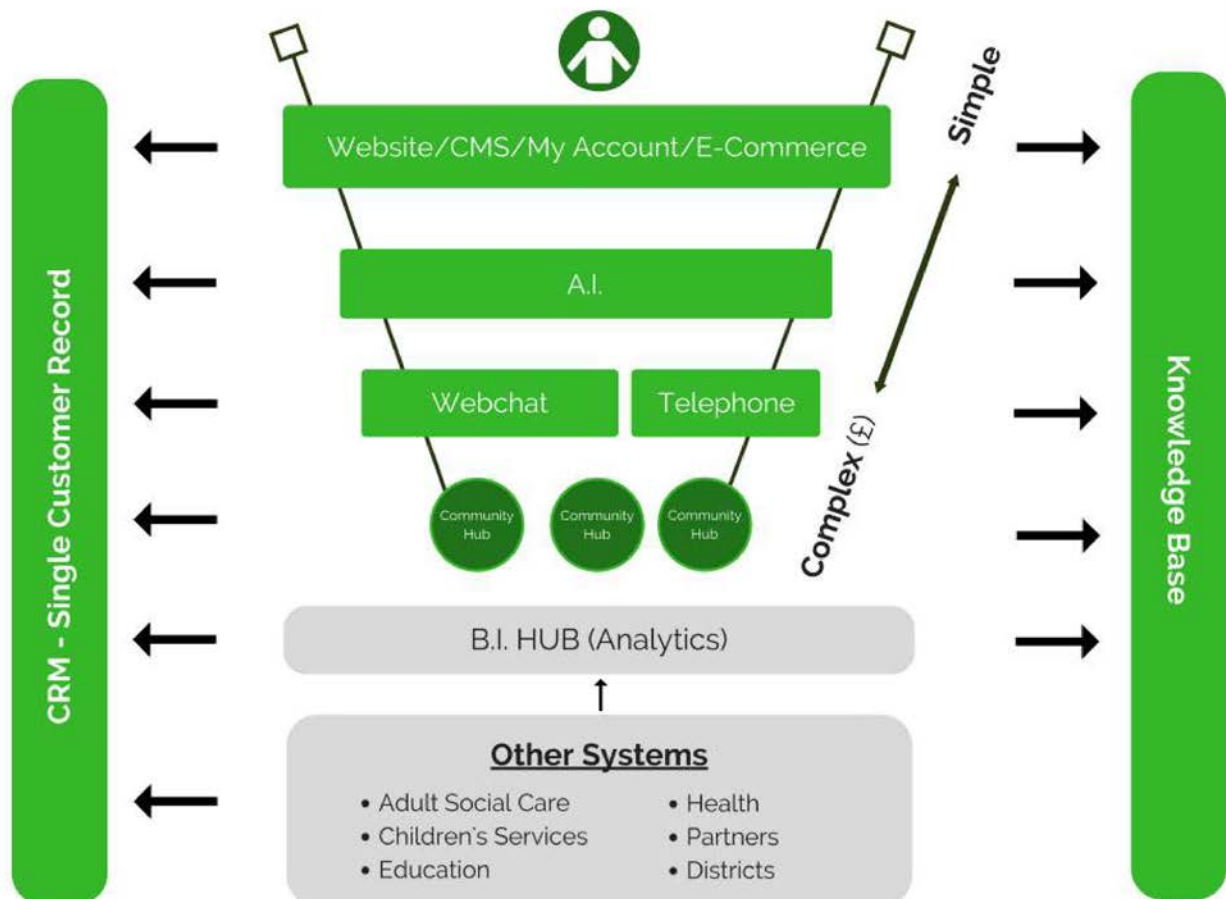
Supporting our Members and Workers

The nature of public services has changed. While budgets have dramatically reduced, customer expectations haven't, meaning that local authorities will need to become more efficient to keep up with demand. Technology plays a key role in helping staff and Members to do their jobs more effectively, while allowing the organisation to reduce its costs.

There are a number of projects that will help to meet this challenge under the following workstreams:

- Improving our ICT Operations;
- Making work easier;
- Making better use of data;

" For the vast majority of work that the public sector does, the internet is ok
Government Technology Blog

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Improving our ICT Operations

We will procure/develop high quality, value for money ICT platforms and applications through the delivery of the ICT Improvement Programme. This will:

- Ensure we have a clearly defined and governed IT Work Programme that is aligned with the council's strategic objectives;
- Ensure we have a technical roadmap that enables the council to maximise the value of emerging technology while also making efficiency savings;
- Ensure we have a fit for purpose infrastructure design that provides a flexible, cost effective, and secure platform. That design will maximise the power and potential of the latest marketplace technical solutions;
- Review our cyber security requirements and ensure we remain compliant with all National Cyber Security Centre and other accredited bodies. In addition, our infrastructure design thinking will adopt security by design principles;
- Review our Public Services Network (PSN) offer to our customers;
- Continue to rationalise our technical architecture by reducing our applications to a newly defined core service offer;
- Provide a SAP Roadmap for our core Finance, HR and Purchasing system that is more powerful, more connected to other applications, and more user friendly;
- Build stronger partnerships with local SMEs and UK technology partners to ensure we have access to the latest and most relevant technical capabilities;
- We will use the Government Digital Service Technology Code of Practice as a model for the assurance of technology spending. This will help us introduce technology that:

  - Meets user needs, based on research with users;
  - Is easily maintained;
  - Scales for future use;
  - Delivers better value for money.

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Making Work Easier

We will make it easier for staff and Members to do their jobs more effectively by:

- Providing the appropriate ICT tools and applications based on job roles – by segmenting our workforce by the type of job they do (e.g. Member, senior manager, social worker), we will make sure they have the most appropriate devices and software for their roles, providing technology that meets customer needs, not 'one size fits all';
- Making it as easy as possible for staff and Members to use their own devices (BYOD), offering more flexibility and choice for individuals while reducing costs for the council;
- Moving all users to upgraded Microsoft applications, starting with Windows 10;
- Ensuring all staff and Members have access to Skype for Business voice and video calling;
- A refreshed intranet that is easier to use, is built around the things people most commonly want to know and do, and delivers a modern employee experience;
- Reviewing our service desk system offering more self-service and automated help, improving efficiency for service desk agents when human intervention is required;
- Ensuring the ICT services have efficient, effective processes in place to meet the needs of all their customers.

Making better use of Data

We will maximise the value of the data we hold by:-

- Unlocking the power and potential of the data we hold on our systems;
- Providing an enhanced information governance capability which supports the aims and objectives of the Information Governance Board.
- Improving the quality of the data we hold and adherence to national data standards;
- Developing a strategy for connecting our systems;
- Implementing appropriate information governance tools that enable us to index and search all the structured and unstructured data held on our network;
- Developing an Information Governance Strategy designed to ensure that all our data is held securely and only viewed/shared by authorised users;
- Maximising the value of predictive analytical models so that our business services can accurately identify key clients, i.e. vulnerable children and adults and build predictive models for future service demand;
- Ensuring our corporate business intelligence resources have access to the corporate data and the latest most appropriate technical solutions.

66 Improved self-service and automation can increase employee productivity by up to 200%. *Forrester Research*

Effective Governance and Value for Money

Delivering this strategy and making the most efficient use of our resources will require a whole organisation approach to ICT and digital, with clear governance and decision making, agreed principles and priorities, and effective procurement based on a category management approach.

We will need to strike a new balance between flexibility and responsiveness to service-specific needs and a corporate approach to managing our technology estate and spend that focuses on simplification and managing down costs. This strategy proposes the introduction of a new governance framework for the council's technology that moves from a project-driven, or 'bottom up' approach, to a more strategic one, with greater emphasis on whole-system design, effective forward planning, and delivering against agreed priorities.

" IT governance is essential for any well-functioning transformation in the public sector. *McKinsey & Co.*

Smarter Governance

We will achieve better forward planning, use of resources, and value from technology spend, by:

- Embedding a **new governance framework** which clearly sets out the processes for ICT projects and procurement, working on a principle of first seeking to reuse technology that we already have before buying new applications. This will manage down our costs while making it easier to share data between a smaller number of systems for a single view of the truth. This will mark a big change for the council, moving from a model where service areas often choose and procure their own technology solutions, to one where service areas work with ICT Services to turn their business plans into projects that will form a prioritised pipeline of technology work, against agreed corporate criteria. There will always be unexpected requirements, and our governance model has to be agile enough to respond to these by asking business unit boards to review their programmes of work and agree which projects should be paused or postponed to free up the resources to deliver the new requirement.

- **Updating our technical architecture**. Technology moves so quickly that there is little chance of large organisations with complex legacy systems being able to move to a target ICT architecture before that architecture is out of date. We will agree a set of target architecture principles which any new projects will need to conform to, including the Government Design Principles, reuse of existing technology and open standards supported by appropriate security principles.

- Introducing **more rigour to the ICT procurement process** to ensure early engagement with ICT Services and Procurement. The corporate teams will help service areas turn their business objectives into technical solutions and procure these through the most appropriate route.
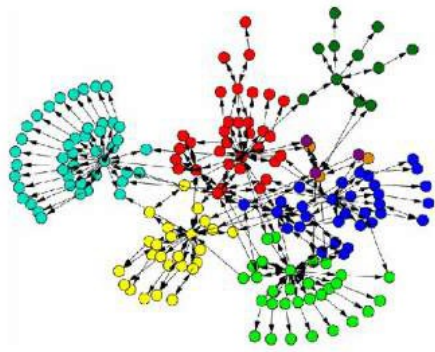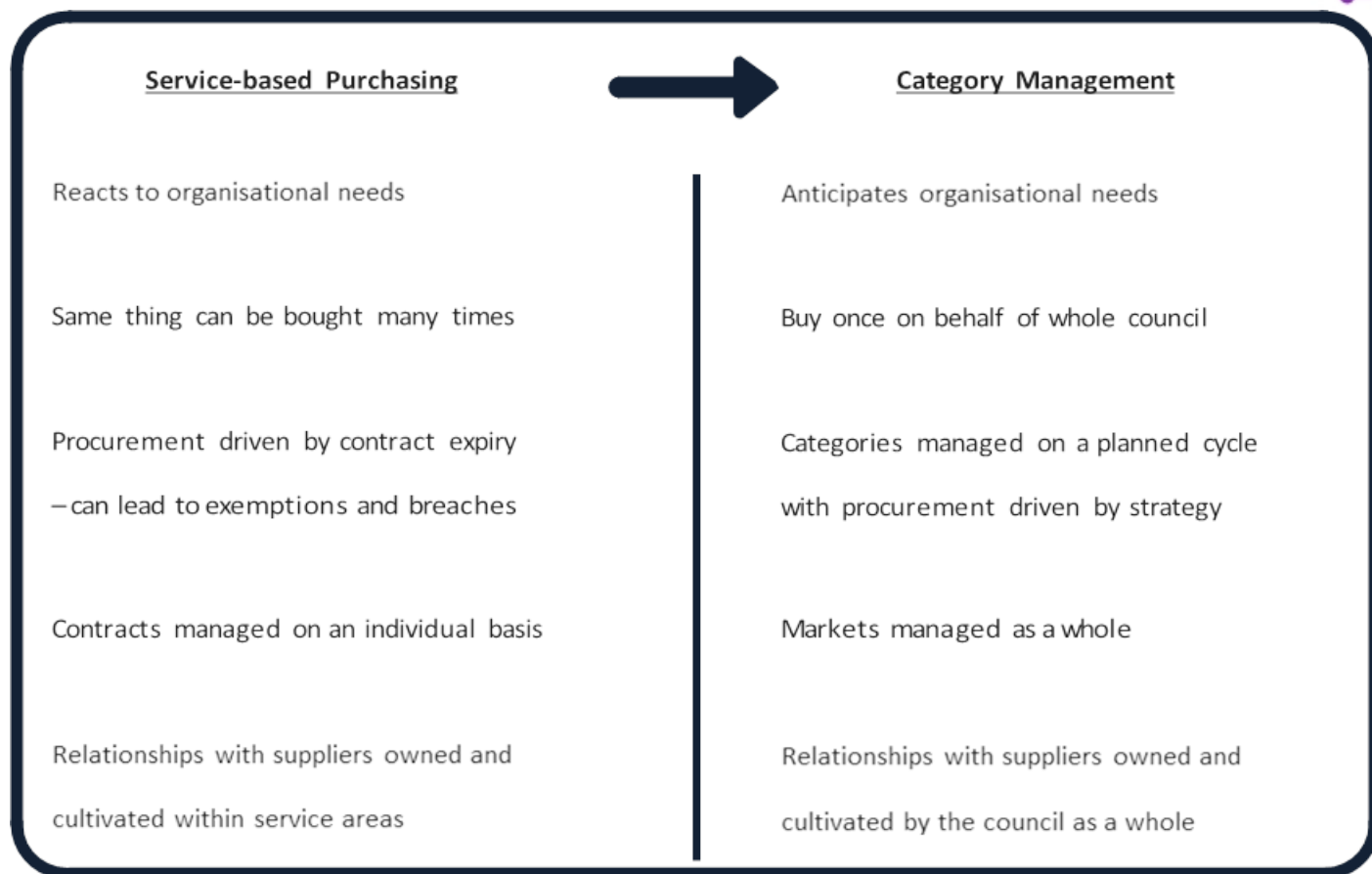
"I need a specialist solution"   **"We can't afford to be so special"**

Smarter Sourcing

We will achieve better value for money and quicker access to market by:

- Developing a **category management approach to ICT**, taking a whole-organisation view of the procurement of goods and services, organising purchasing activity by 'category' (e.g. hardware, applications) rather than by service area. Category management still delivers specific business needs but it sets out clearly what we should buy corporately to achieve value for money for the whole organisation and where there is room for service-specific variation. By organising spend by category, it allows us to secure value for money through economies of scale and base our purchasing decisions on a detailed understanding of key markets.

- Establishing an **ecosystem of digital suppliers** who can be called on to accelerate the pace of our digital programme – from building small scale applications to larger transformation programmes. The ecosystem will be made up of suppliers listed on the **Government Digital Marketplace**, specialist interims via our agency providers, local SMEs and education providers, including work experience opportunities for students. We'll work with our local partners to stimulate the market for local digital agencies and skills.

Service-based Purchasing	Category Management
Reacts to organisational needs	Anticipates organisational needs
Same thing can be bought many times	Buy once on behalf of whole council
Procurement driven by contract expiry – can lead to exemptions and breaches	Categories managed on a planned cycle with procurement driven by strategy
Contracts managed on an individual basis	Markets managed as a whole
Relationships with suppliers owned and cultivated within service areas	Relationships with suppliers owned and cultivated by the council as a whole

Smarter Skills

Finding different ways of doing things will require new skills – not just for staff who are directly involved in technology projects, but for commissioners of services, leaders and Members across the council. Digital awareness is a core competency for the modern manager, every bit as crucial to success as good financial and people management. For commissioners, understanding the potential of technology to transform services is key.

We will enhance our capabilities in this area by:

- Developing a **new commissioning framework**, led by the internal Commissioning and Supplier Management Group, which includes the tools, training and resources commissioners need to embed digital by design in the commissioning cycle. This will ensure that technology is considered up front, at the very start of the service design process.
- Developing **digital skills training** for non-commissioners, including senior officers and Members that will arm them with the awareness they need to think about digital in the context of their teams and services, providing opportunities for process redesign and better customer access.
  We will model this curriculum on the **Government Digital Service Academy**, which provides content tailored to staff in different roles – from digital awareness for leaders and policy makers, to more hands-on content for business analysts and service managers. We will also develop some lighter content to raise awareness among Members.

Conclusion

Funding a Smarter Buckinghamshire

Investment funding of £14.6m in ICT has been made available in the Medium Term Financial Plan over the next four years. This funding will deliver a number of the projects in this strategy as well making vital upgrades and maintenance to our existing technology infrastructure and architecture.

All projects will be assessed and measured using the following criteria:

- **Economic** – the project will support the county's economy and make it a great place to live, work and visit;

- **Customer** – the project will improve the quality of services to our customers;

- **Productivity** – the project will make the council and its partners more efficient;

- **Value for Money** – the project will demonstrate best use of the resources invested by the council and ensure sustainability.

In delivering our ICT solutions we will continue to operate a hybrid staffing model of a core baseline in-house team and supplier contracts, supplemented by supplier and flexi-resources. Delivery of this strategy will require additional resources to ensure that the right capacity and capabilities are available to deliver across the concurrent programmes.

A programmes and projects approach will be taken to the delivery of this strategy and themed under the key investment strands:-

1. **Smarter County** – using technology to create opportunities and ensure Buckinghamshire thrives;
2. **Smarter Communities** – safeguarding our vulnerable and building self-reliant communities;
3. **Smarter for Customers** – making it easier for people to access our services;
4. **Smarter Council** – creating an efficient organisation, helping staff and Members to do their jobs;
5. **Enablement** – delivering this strategy and ensuring value for money.

Conclusion

It will be supported by the ICT Improvement Programme to ensure the ICT and digital operating model is shaped around business and customer needs and that ICT and digital services adapt their staffing, supplier and contractor arrangements, processes and use of technologies to meet the changing organisational landscape. The ICT improvement plan will be focussed on delivering the following key outcomes:

- Enabling solutions for the workforce to be able to work flexibly, where and when it best suits them, their customers and service users;

- Working with our partners to shape joint programmes around Improving the health and wellbeing of the local population through technology enabled integrated health and social care services;

- Robust, timely and accessible information that drives informed decision making, service commissioning, and business transformation;

- A flexible, scalable and secure infrastructure where service cost is tied to applications and usage, and user experience is managed;

The programmes and projects approach will adopt appropriate PRINCE2 and Agile Project methodologies to ensure effective governance and management of plans, milestones, resources, risks and issues.