



Buckinghamshire District Councils

Strategic options case for modernising local government in Buckinghamshire

10 October 2016

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Deloitte LLP
Leeds
October 2016

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Executive summary

Purpose of the report

In view of the ongoing discussions concerning the establishment of unitary authorities (UA), Wycombe, Aylesbury Vale, Chiltern and South Bucks district councils commissioned Deloitte to produce a strategic options case that provides independent analysis of options for alternative governance arrangements in Buckinghamshire in the form of unitary local government. A number of options are set out in this report to satisfy the need for a robust and comprehensive comparative analysis. This is intended to help the district councils form a view of which option best serves the interests of residents.

Deloitte were commissioned to produce this strategic options case and the scope of the work is summarised below:

- Facilitate a visioning workshop with the senior management teams to consider the key strategic themes that characterise a sustainable and appropriate role for local government in Buckinghamshire.
- Facilitate a series of workshops with senior managers to examine how key strategic services can be delivered and the different options for delivering them, including adult social care, children's services, transport, spatial planning and economic development.
- Perform a non-financial analysis of the options for new unitary organisations in Buckinghamshire based on agreed criteria.
- Perform an analysis of the financial viability and sustainability of the options for new unitary organisations in Buckinghamshire based on agreed criteria.
- Recommend next steps for the district councils including stakeholder engagement activity with: Buckinghamshire County Council (the County Council), Local Enterprise Partnerships (LEP), Thames Valley Police, the Department for Communities and Local Government (DCLG), Members of Parliament (MPs), health partners, and town and parish councils.

Local context for local government reorganisation

Any reorganisation of local government in Buckinghamshire should be designed to sit at the heart of wider public sector reform and transformation in the county. Without this, consolidation of local government into a single tier, whilst providing important savings, will not create the improved outcomes and long term sustainability which residents require. Indeed, unless this happens there is a real danger that an inward-focused reorganisation of local government will get in the way of much-needed integration and transformation in the health and care system and other key aspects of public sector reform, without which the savings achieved will be more than consumed by cost pressures elsewhere. Set in the wider context, local government reorganisation should enable and accelerate reform across the public sector, providing leadership of place and democratic accountability. Most importantly of all local government will need to reshape its relationship with the residents of Buckinghamshire, focusing much more on building resilience and independence rather than defaulting automatically to service provision. Sustainable local government will work alongside people and communities to assist them in securing their own wellbeing, with much greater emphasis on early intervention and prevention to avoid demand for hard-stretched public services.

The starting point for this journey, therefore, needs to be about building a broad consensus, across public sector partners in Buckinghamshire, on an ambitious vision for the future of public services. This vision needs to be set in the context of rapidly rising demand for public services as a result of demographic change, continued resource constraint across the public sector and the changing way that people are living their lives as a result of digitisation and other influences.

Getting the organisational form of local government right within that context of wider public sector reform is extremely important but care needs to be taken to ensure that this takes account of the increasingly complex landscape that local government operates in. A one-size-fits-all approach is not appropriate as it would stifle innovation and become a blockage to the sort of collaboration and relationships needed to secure outcomes on a range of different geographies. Successful local government in the future will need to build influence across a variety of geographies from the very local to the pan regional. Of fundamental importance will be the ability to build a new set of relationships with individual communities at a local level, underpinned by visible and accountable leadership and real engagement in decision-making and resource allocation. Even on the issues which benefit from greater scale, such as economic planning and health and social care integration, it is the action on the ground in communities that will prove to be truly transformational in securing improved outcomes.

Overview of Buckinghamshire

Buckinghamshire has six councils: Buckinghamshire County Council, Milton Keynes Council (unitary authority), Aylesbury Vale District Council, Wycombe District Council, Chiltern District Council and South Bucks District Council. Any reference to Buckinghamshire within the context of this report refers to the geography covered by the four district councils and not the ceremonial county of Buckinghamshire which includes Milton Keynes.

Buckinghamshire has 168 parish and town councils, and a total population of 528,400. Aylesbury Vale is the largest district council with a population of 188,707. Wycombe District Council is the second largest district council with a population of 176,028. Chiltern and South Bucks District Councils have populations of 94,545 and 69,120 respectively.¹ Residents are represented by five Members of Parliament, 49 county councillors and 187 district council members.

There are distinct differences between the north and south of Buckinghamshire; for example, South Bucks has significant links with West London and Reading and Slough in terms of Functioning Economic Market Areas (FEMA) and Housing Market Areas (HMA) whereas Aylesbury Vale has strong economic links with Milton Keynes and Oxfordshire which is a key focus of its work with the South East Midlands Local Enterprise Partnership (SEMLEP).²

Surrounding unitary authorities include Milton Keynes Council with a population of 261,762, Central Bedfordshire with a population of 274,022, Slough Borough Council with a population of 145,734 and the Royal Borough of Windsor and Maidenhead with a population of 147,708.³ Other surrounding top tier authorities include Bedford Borough Council, Hertfordshire County Council and Northamptonshire County Council. Surrounding local authority districts include South Oxfordshire District Council, Cherwell District Council, Dacorum Borough Council, Three Rivers District Council and South Northamptonshire Council.

¹ Office for National Statistics as at mid-2015

² Identifying HMAs and FEMAs in Buckinghamshire and the surrounding areas, 2015

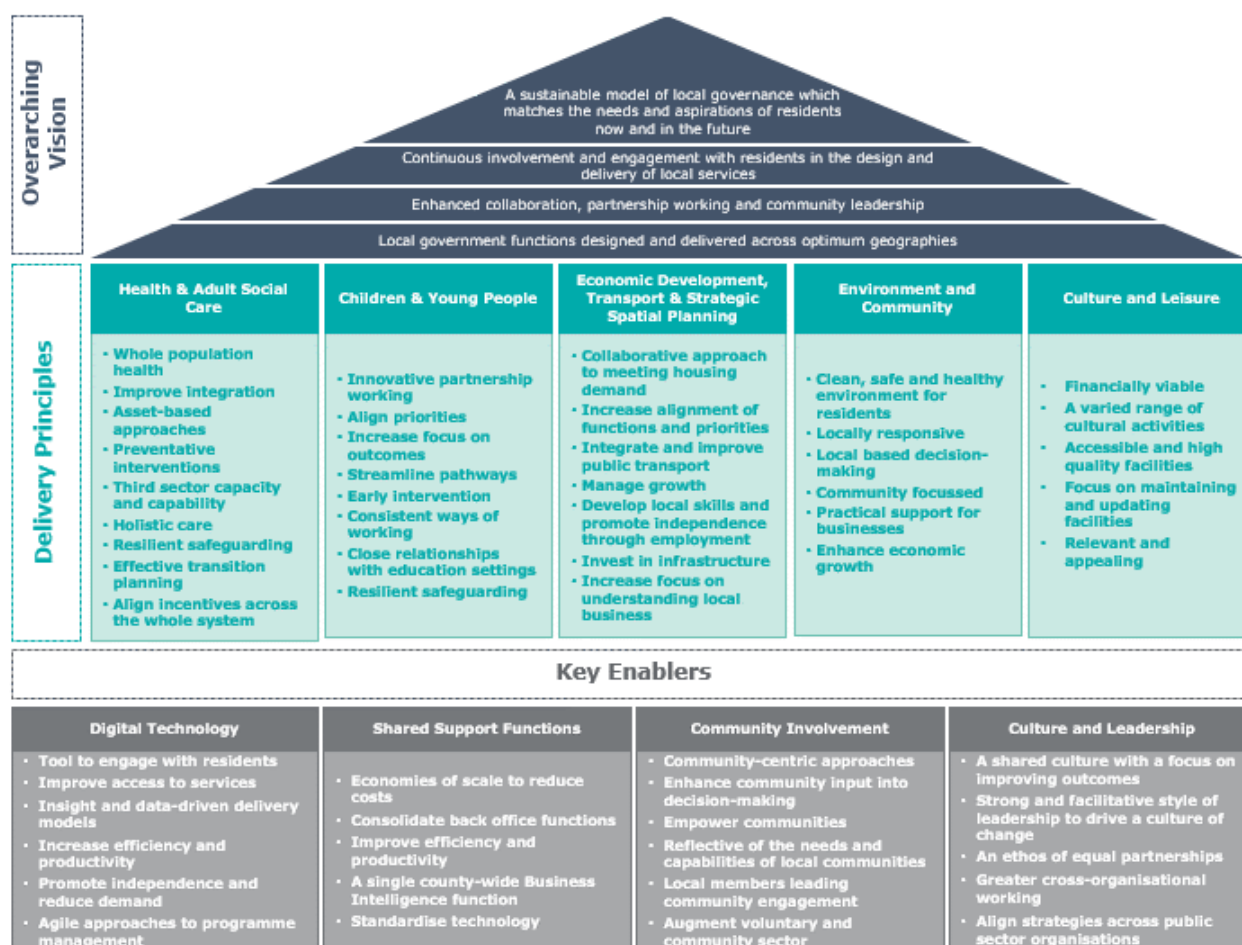
³ Office for National Statistics as at mid-2015

Vision for Buckinghamshire

Given the challenges Buckinghamshire faces, maintaining the status quo is not a viable long term option. Systemic and radical change is required in order to ensure local government in Buckinghamshire is sustainable and meets the changing needs and aspirations of residents in the long term. The districts' shared vision for local government in Buckinghamshire is built around the following principles:

- Local government will be rooted in communities and residents will be empowered to participate in the design and delivery of services for their local areas.
- Services and functions will be planned and delivered across the most appropriate, evidence-based, geographies to ensure the optimum level of scale is achieved.
- Community resilience will be enhanced by reframing the relationship between local government and residents so that it is focused on promoting independence and the capabilities of individuals, rather than a paternalistic model based on dependency.
- Asset-based approaches will be adopted and there will be an increased focus on securing the best outcomes for residents, whilst effectively managing demand.
- Collaboration and partnership working with local government and public sector partners will be enhanced.

The diagram below outlines the districts' shared vision for local government in Buckinghamshire:



Key challenges

The national and local context for public services has changed markedly in recent years. The twin challenges of constrained resources and rising demand driven by demographic change requires a fundamental rethink to the way services are designed and delivered. Buckinghamshire is generally an affluent area and the vast majority of people achieve good outcomes. However, local government in Buckinghamshire is not an anomaly to the national trends highlighted above and there are significant financial and demand pressures as summarised below:

- Reducing Revenue Support Grant (RSG) funding to zero for Buckinghamshire County Council and the four district councils by 2018/19, replacing the source of funding with localised business rate retention.
- The 65 and over population is projected to increase by 75 per cent between 2012 and 2037 which is likely to lead to increased pressure on constrained adult social care resources.⁴
- Increasing demand for children's services evidenced by a 12 per cent increase in the number of looked after children between 2011 and 2015.⁵
- Housing demand is projected to increase by 21 per cent over the 20-year period between 2013 and 2033. This includes the need for an additional 9,000 affordable homes.⁶

Summary of options appraisal

Options

Three council combination options have been developed. All three options have been designed around the principle of delivering services across optimum geographies. In carrying out this exercise we have attempted to achieve the benefits of scale without missing out on the opportunity for transformation at a local level.

Under all three models of local government, consideration should be given to delivering functions across the area covered by the four district councils where partnership working is optimal and economies of scale can be achieved without adversely impacting on outcomes for residents. Options should be explored as to whether further benefits can be achieved in terms of financial sustainability and improved outcomes by planning and delivering services at a greater scale beyond the boundaries of Buckinghamshire.

- **Adult Social Care (ASC) and children's services**
These functions would be planned at scale to maximise the opportunities for integrated working with other public services to build resilience into the system and enhance safeguarding. Consideration should be given as to whether ASC and children's services should be delivered across the geography covered by the four district councils. This is reflective of Chiltern Clinical Commissioning Group's (CCG) and Aylesbury Vale CCG's boundaries and their approach to jointly commissioning services across Buckinghamshire through a federated model. Delivering ASC and children's services across the same geography would support effective transition planning.

⁴ County and district population projections data to 2037

⁵ DfE Children looked after in England including adoption: 2014-15, local authority benchmarking

⁶ Central Buckinghamshire Housing and Economic Development Assessment, 2015

- **Economic development, transport and spatial planning**

Consideration should be given as to whether these functions should be delivered across the area covered by the four district councils as this is coterminous with FEMA and HMA boundaries and the Buckinghamshire Thames Valley Local Enterprise Partnership (BTVLEP). This would enable a co-ordinated approach to spatial planning and development through a single planning policy framework. There is also significant potential to operate on a wider area beyond the Buckinghamshire boundary and the process of local government reform should accommodate detailed consideration of the opportunities this may offer. It should be noted that Aylesbury Vale District Council is also a member of the South East Midlands Local Enterprise Partnership (SEMLEP).

- **Digital**

Consideration should be given to implementing a digital strategy across the geography covered by the four district councils with opportunities for local adaptation and innovation.

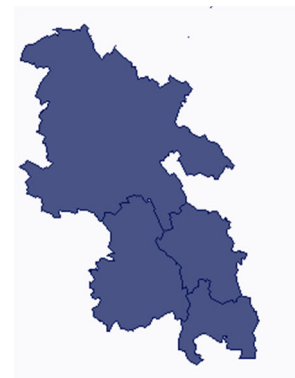
- **Business support**

Consideration should be given to consolidating these functions across the footprint of the four district councils to drive greater efficiency and productivity by maximising economies of scale.

Services would be jointly commissioned by the unitary authority/ies with one Director, supported by a lead Chief Executive Officer, who would be accountable to a joint committee or combined authority.

Option 1 – a single unitary council

A single unitary council based on the existing geography of the four district councils. Under a single unitary model ASC, children’s services, economic development, transport and spatial planning would be delivered across the area currently covered by the four district councils and options will be explored as to whether further benefits can be achieved through cross-county working. Environment & community, including local planning (development control), and culture & leisure services would be delivered across the area currently covered by the four district councils. Further work will be required to explore alternative delivery models across all functions.



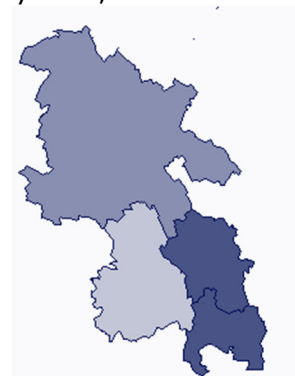
Option 2 – two unitary councils

A two-unitary council model based on the existing boundaries of Aylesbury Vale and one covering the combined existing boundaries of Chiltern, South Bucks and Wycombe District Councils. Under this option the two unitary councils would separately deliver environment & community, including local planning (development control), and culture & leisure services. ASC, children’s services, economic development, transport and spatial planning would be delivered across the area currently covered by the four district councils and options will be explored as to whether further benefits can be achieved through cross-county working. Further work will be required to explore alternative delivery models across all functions.



Option 3 – three unitary councils

A three-unitary council model based on the existing boundaries of Aylesbury Vale, Wycombe District and the combined existing boundaries of Chiltern and South Bucks Districts. Under this option the three unitary councils would separately deliver environment & community, including local planning (development control), and culture & leisure services. ASC, children's services, economic development, transport and spatial planning would be delivered across the area currently covered by the four district councils and options will be explored as to whether further benefits can be achieved through cross-county working. Further work will be required to explore alternative delivery models across all functions.



Alternative delivery models

The models of local government described above are inclusive of options to work with partners outside the Buckinghamshire geography. Under all three models options should be explored as to whether further benefits can be achieved in terms of financial sustainability and improved outcomes through cross-county working, for example:

- Jointly commissioning adult social care and/or children's services with a neighbouring local authority/ies;
- Greater cross-boundary working in terms of economic development, transport and spatial planning; and
- Jointly commissioning environmental services, such as waste disposal, with a neighbouring local authority/ies.

The district councils will need to engage with local neighbouring counties to determine the level of appetite for cross-county working before carrying out a comprehensive financial and service due diligence process to determine the level of risk.

Criteria analysis

The following table provides a rating for each option against the non-financial and financial criteria set out below from 1-3 (3 being the highest scoring rating for each criterion). If there is minimal difference in the score, such as for criterion 9 below, all options are given the same score.

The criteria have been allocated an equal weighting, excluding the seventh criterion which has been identified as a condition all options for future local government should meet to be considered viable.

Options criteria	Single-unitary model of local government (option 1)	Two-unitary model of local government (option 2)	Three-unitary model of local government (option 3)
1. Delivers stable and improved outcomes for residents and businesses	1	2	3
2. Protects council tax payers' interests on an equitable basis	3	2	1
3. Locally affordable, representing value for money and can be met from existing local government resources	3	2	1
4. Capable of providing accountable and locally responsive leadership	1	2	3
5. Provides the capacity for councillors to carry out their roles as community leaders and key influencers within their local areas	1	3	2
6. Provides future financial stability	1	2	3
7. Provides a solution for the whole of Buckinghamshire, not just one part	All three options meet this criteria		
8. Supported by a broad cross-section of partners and stakeholders	Not assessed as part of this review		
9. Facilitates the growth and devolution agenda	3	3	3
Total	13	16	16
Overarching rank	Third	First	First

1. Delivers stable and improved outcomes for residents and businesses

The three-unitary council option has been allocated the highest score (3) because it creates authorities covering smaller areas containing fewer residents that are more likely to be more responsive to local needs. By contrast the single-unitary option has been awarded the lowest score because it creates one authority to cover the entire Buckinghamshire geography and whilst in the short term the single unitary council option is likely to improve the financial position of local government in Buckinghamshire, larger local authorities which serve bigger populations run the risk of services becoming homogenous and less responsive to local needs.

The three unitary council option provides the greatest level of political leadership accountability which will enable greater engagement with residents and bring decision making closer to communities. Option 3, therefore, has the greatest potential to fundamentally change the relationship between local government and residents from a paternalistic model focused on service provision to one focused on co-production and promoting independence. This will improve the way outcomes are delivered to better manage demand and in the long term the three unitary council option will provide greater financial and operational sustainability.

2. Protects Council tax payers' interests on an equitable basis

The single unitary model has been allocated the highest score (3) against this criterion. Under this model there will be a single basis for the council tax calculation across all four districts. Residents from Aylesbury Vale, Chiltern and South Bucks will have their council tax reduced to the level paid by Wycombe's residents, which means more Buckinghamshire residents will benefit from reduced council tax rates than in any of the other options. For example, to achieve council tax harmonisation

by going to the lowest level of council tax (Wycombe) in 2019/20, council tax would be frozen for 175k residents in Wycombe and 347k residents from Chiltern, South Bucks and Aylesbury Vale areas would benefit from the reduction in council tax in that year.

3. Locally affordable, representing value for money and can be met from existing local government resources

All three options are locally affordable, represent value for money and perform similarly when considering the payback calculation. However, the single unitary model has been allocated the highest score (3) in relation to this criterion. This is because greater economies of scale could be achieved through the consolidation of the County Council and four district councils into one organisation. The potential savings achieved from all three options are greater than the transition costs and foregone council tax revenue in year one following the creation of the new unitary council(s) but the net saving is greater for the single unitary model than under the two or three-unitary model. The transition costs for each option can be met from estimated unallocated reserves at 1 April 2016.

4. Capable of providing accountable and locally responsive leadership

The three-unitary model has been allocated the highest score (3) in relation to this criterion. The number of political leaders and executives under this option will provide the greatest opportunity for locally responsive and accountable leadership which means decision-making will be closer to communities. This will be key to shaping new relationships with residents based on promoting independence and co-production rather than paternalism. Further, the three-unitary model boundaries more closely reflect natural communities than the other two options.

5. Provides the capacity for councillors to carry out their roles as community leaders and key influencers within their local areas

Under all three models there will be a reduction in the number of councillors predominantly due to the reduced number of local authorities. The role of local councillors will be central to achieving the modern and sustainable local government vision set out in this document as their role will be key to shaping new relationships with residents in order to reduce demand. The two-unitary model has been allocated the highest score (3) against this criterion. This is because under this option there will be more councillors to engage with and represent local residents than the single-unitary model. The three unitary model will provide the greatest level of democratic representation; however, given the financial challenges local authorities face it is important to balance democratic representation with value for money to ensure future resources are prioritised on frontline services.

6. Provides future financial stability

The financial challenges faced by local authorities nationally and locally are so great that income generation, increased efficiency and improved productivity alone will not achieve long term financial sustainability. The three-unitary model has been allocated the highest score (3) in relation to this criterion. Under this option there will be more accountable political leadership and community engagement than the other options. This will enable local government to create new relationships with residents based on co-production and independence rather than paternalism and service provision more so than the other options. This will be essential in effectively managing demand and enhancing financial and operational sustainability in the medium to long term.

7. Provides a solution for the whole of Buckinghamshire, not just one part

The non-financial analysis found that all options have the ability to meet this condition when implemented alongside service transformation.

8. Supported by a broad cross-section of partners and stakeholders

The eighth criterion will be evaluated at a later date. This document presents a strategic options case for local government reorganisation which will be used as a starting point to shape future discussions with stakeholders. Therefore, the district councils will embark on their local partner engagement programme following the release of this report.

9. Facilitates the growth and devolution agenda

Economic Development across all three options should be delivered across the area covered by the four district councils to enable the strategic benefits of planning economic development at scale to be realised. Each option has merit in relation to this criterion therefore all three options have been allocated the highest score (3). The merits of each option are described below:

- It will be easier to build relationships and collaborate with neighbours more so under a single-unitary council than options 2 or 3 as there will be less parochialism and fewer organisational interests to manage.
- Buckinghamshire is a poly-centric economy and a one-size-fits-all model could lead to diseconomies of scale. The distinct differences with regard to economic relationships between the north and south of the county support a two-unitary council.
- The number of political leaders and executives under option 3 will provide locally responsive and accountable leadership. Therefore, a three-unitary option would, more than any other option, allow senior leaders and executives to develop relationships with local SMEs and enable the authorities to tailor their business support programmes to local circumstances in order to support growth.

Summary

The total scores allocated in relation to the non-financial analysis indicate options 2 and 3 are more advantageous than option 1. The non-financial analysis recognises the benefits of scale in delivering short-term savings; however, in the long term there is a need to develop fundamentally different relationships with residents, moving to an outcomes-focused approach and shifting the role of local government towards supporting individuals, families and communities to secure their own wellbeing. This will require focused local leadership and more locally accountable decision-making. More criteria have been allocated the top score (3) under option 3 (4 out of 7 criteria) than option 2 (2 out of 7). This is because option 3 provides greater local accountability. Therefore, on balance it would appear as if the three-unitary model is the most advantageous as it provides the greatest opportunity to transform local government and achieve long-term financial and operational sustainability.

Conclusion

Our conclusion summarises the outcome of this report and indicates which option is most advantageous in terms of long-term financial and operational sustainability.

The analysis recognises the benefits of scale in delivering short-term savings. It is important to work at the appropriate scale to secure agglomerated growth opportunities for the economy and work should continue to consider the benefits of joint working and collaboration, perhaps as part of a devolution deal with Government, on the scale of the functioning economic geography. Additionally, functions such as ASC and children's services need to be planned at a scale which maximises the opportunities for integrated working with other public services and builds resilience into systems of safeguarding.

In the long term there is also a need to develop fundamentally different relationships with residents, moving to an outcomes-focused approach and shifting the role of local government towards supporting individuals, families and communities to secure their own wellbeing. This will require focused local leadership and locally accountable decision-making. Even where functions are planned at a county-wide or larger geography the need for local leadership to promote integrated working and community engagement will be key. For example, whilst planning the integration of health and social care services at the county-wide scale is appropriate, the most transformational impact will come from promoting joint working between GPs, social workers and other community-based services. Therefore, the two or three-unitary authority option provides the greatest opportunity to transform local government and achieve long-term financial and operational sustainability.

Introduction

Purpose of our report

In view of the ongoing discussions concerning the establishment of unitary authorities (UA), Wycombe, Aylesbury Vale, Chiltern and South Bucks district councils commissioned Deloitte to produce a strategic options case that provides independent analysis of options for alternative governance arrangements in Buckinghamshire in the form of unitary local government. A number of options are set out in this report to satisfy the need for a robust and comprehensive comparative analysis. This is intended to help the district councils form a view of which option best serves the interests of residents.

Deloitte agreed an approach with the district councils as follows:

- Facilitate a visioning workshop with the senior management teams to consider the key strategic themes that characterise a sustainable and appropriate role for local government in Buckinghamshire, performing an environmental analysis of social, economic, environmental, political and technological aspects.
- Facilitate a series of workshops with senior managers to examine how key strategic services can be delivered and the different options for delivering them, including adult social care, children's services, transport, spatial planning and economic development.
- Perform a non-financial analysis of the options for new unitary organisations in Buckinghamshire based on agreed non-financial criteria.
- Perform an analysis of the financial viability and sustainability of the options for new unitary organisations in Buckinghamshire based on agreed financial criteria.
- Recommend next steps for the district councils including stakeholder engagement activity with: the County Council, Local Enterprise Partnerships (LEP), Thames Valley Police, health partners, Members of Parliament (MPs), the Department for Communities and Local Government (DCLG), and town and parish councils.

This section of the report provides:

- Context for local government reorganisation in Buckinghamshire;
- An overview of Buckinghamshire;
- Further background information regarding Buckinghamshire's locality and current authorities within this geography; and
- An outline of the financial pressures facing local authorities.

Context for local government reorganisation

Any reorganisation of local government in Buckinghamshire should be designed to sit at the heart of wider public sector reform and transformation in the county. Without this, consolidation of local government into a single tier, whilst providing important savings, will not create the improved outcomes and long term sustainability which residents require. Indeed, unless this happens there is a real danger that an inward-focused reorganisation of local government will get in the way of much-needed integration and transformation in the health and care system and other key aspects of public sector reform, without which the savings achieved will be more than consumed by cost pressures elsewhere. Set in the wider context, local government reorganisation should enable and accelerate reform across the public sector, providing leadership of place and

democratic accountability. Most importantly of all local government will need to reshape its relationship with the residents of Buckinghamshire, focusing much more on building resilience and independence rather than defaulting automatically to service provision. Sustainable local government will work alongside people and communities to assist them in securing their own wellbeing, with much greater emphasis on early intervention and prevention to avoid demand for hard-stretched public services.

The starting point for this journey, therefore, needs to be about building a broad consensus, across public sector partners in Buckinghamshire, on an ambitious vision for the future of public services. This vision needs to be set in the context of rapidly rising demand for public services as a result of demographic change, continued resource constraint across the public sector and the changing way that people are living their lives as a result of digitisation and other influences.

Getting the organisational form of local government right within that context of wider public sector reform is extremely important but care needs to be taken to ensure that this takes account of the increasingly complex landscape that local government operates in. A one-size-fits-all approach is not appropriate as it would stifle innovation and become a blockage to the sort of collaboration and relationships needed to secure outcomes on a range of different geographies. Successful local government in the future will need to build influence across a variety of geographies from the very local to the pan regional. Of fundamental importance will be the ability to build a new set of relationships with individual communities at a local level, underpinned by visible and accountable leadership and real engagement in decision-making and resource allocation. Even on the issues which benefit from greater scale, such as economic planning and health and social care integration, it is the action on the ground in communities that will prove to be truly transformational in securing improved outcomes.

Overview of Buckinghamshire

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Buckinghamshire has a total population of 528,400 and 168 parish and town councils. Buckinghamshire's population increased by 1.1% in 2014, the fourth highest rise among the 27 county councils in England. This was largely driven by growth in Aylesbury Vale which is the largest district council within Buckinghamshire with a population of 188,707. Wycombe District Council is the second largest district council with a population of 176,028. Aylesbury Vale and Wycombe are two of the largest district councils in England. Chiltern and South Bucks District Councils have populations of 94,545 and 69,120 respectively.⁷ Residents are represented by five members of parliament, 49 county councillors and 187 district council members.

The County Council is responsible for managing services such as highways, libraries, household waste sites, public health, social care, schools and trading standards. The district councils are responsible for managing services such as planning applications, environmental health, housing benefits, refuse collection, leisure services and council tax collection. A list of services provided by county, district and parish councils is included in Appendix E.

Surrounding unitary authorities include Milton Keynes Council with a population of 261,762, Central Bedfordshire with a population of 274,022, Slough Borough Council with a population of 145,734 and the Royal Borough of Windsor and Maidenhead with a

⁷ Office for National Statistics as at mid-2015

population of 147,708.⁸ Other surrounding top tier authorities include Bedford Borough Council, Hertfordshire County Council and Northamptonshire County Council. Surrounding local authority districts' include South Oxfordshire District Council, Cherwell District Council, Dacorum Borough Council, Three Rivers District Council and South Northamptonshire Council.

The following table provides information about the authorities within Buckinghamshire. The table outlines staff full-time equivalents (FTEs) at each Council. The revenue outturn total service expenditure figures have been taken from the 2015/16 Revenue Outturn (RO) statistics for the authorities. The population figures are taken from the Office for National Statistics as at mid-2015.

Authority	Staff FTEs	Revenue outturn total service expenditure 15/16 (£k)	Population	Members
Buckinghamshire County Council	2,385	728,648	528,400	49
Aylesbury Vale District Council	442	47,428	188,707	59
Wycombe District Council	262	40,061	176,028	60
Chiltern District Council	198	24,580	94,545	40
South Bucks District Council	120	20,347	69,120	28

Key boundaries and public sector organisations

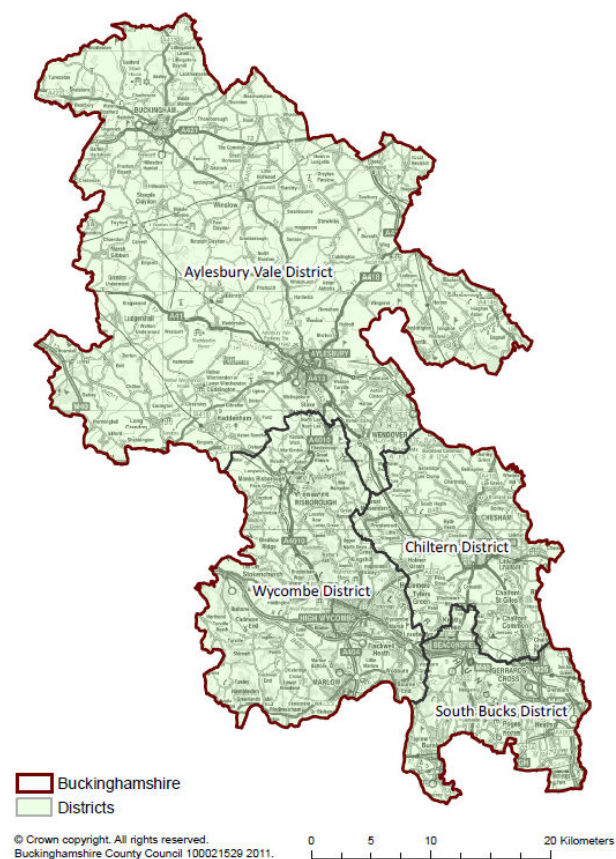
The following maps demonstrate the area covered by the County Council and the four district councils:

Buckinghamshire County Council



⁸ Office for National Statistics as at mid-2015

The four district councils



Thames Valley Police is the largest non-metropolitan police force in England and Wales and is responsible for policing the Thames Valley area including Buckinghamshire, Berkshire and Oxfordshire. The area covered by the police force is demonstrated in the map below:

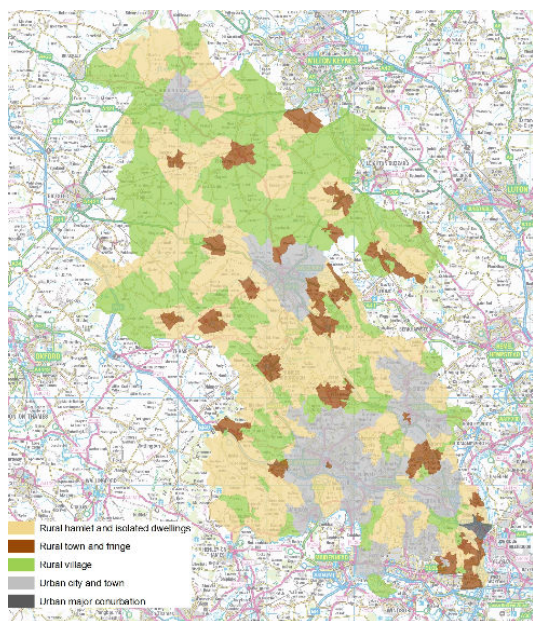
Thames Valley Police area



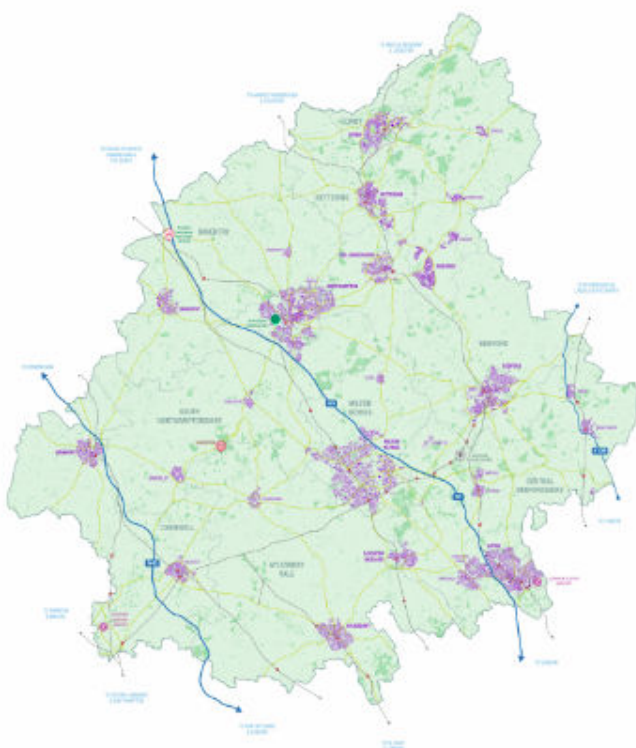
There are two Local Enterprise Partnerships in Buckinghamshire which provide direction and co-ordination for economic development programmes across the region. The BTVLEP

includes all four district councils and works closely with the South East Midlands Local Enterprise Partnership (SEMLEP) which Aylesbury Vale District Council joined in 2011. Bedford Borough, Central Bedfordshire, Cherwell District, Corby Borough, Daventry District, East Northamptonshire District, Kettering Borough, Luton Borough, Milton Keynes, Northampton Borough, South Northamptonshire District and Wellingborough Borough councils are all part of the SEMLEP following the merger of SEMLEP and Northamptonshire Enterprise Partnership (NEP) in August 2016. The following maps outline the areas covered by the LEPs.

Buckinghamshire Thames Valley Local Enterprise Partnership

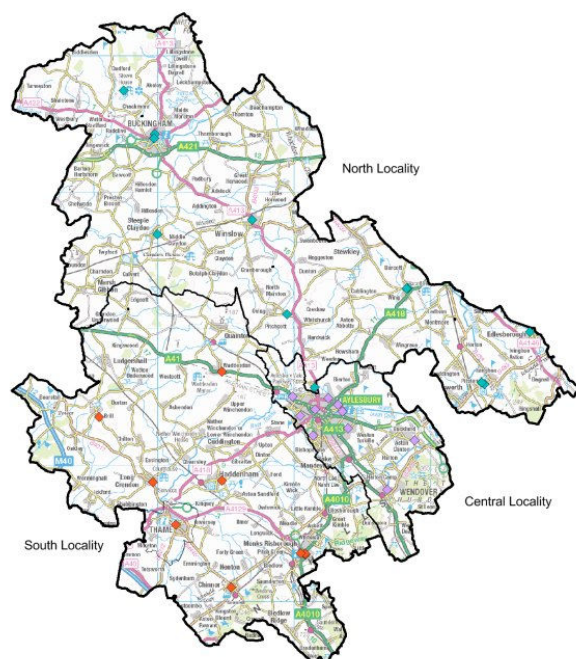


South East Midlands Local Enterprise Partnership



There are two clinical commissioning groups (CCGs) within Buckinghamshire: Chiltern CCG and Aylesbury Vale CCG. The CCGs divide their areas of responsibility into seven localities. There are three localities within AVCCG: North, South and Central; and four localities in CCGG: Amersham and Chesham, Wycombe, Wooburn Green and South Bucks. Chiltern CCG and Aylesbury Vale CCG jointly commission services across the area through a federated model. The area covered by AVCCG and CCGG and their localities are demonstrated in the diagrams below:

Aylesbury Vale Clinical Commissioning Group



Chiltern Clinical Commissioning Group



The Sustainability and Transformation Plan (STP) is a place-based, strategic plan demonstrating how key partners across the health and social care system will work

together to drive transformation to meet future demand and close the health and wellbeing gap. The footprint of the STP covers a population of 1.8 million, seven CCGs, 16 foundation trusts and 14 local authorities.

Buckinghamshire, Oxfordshire and Berkshire West STP



Housing Market Area

Central Buckinghamshire forms a 'best fit' single HMA. Central Buckinghamshire covers all of Chiltern and Wycombe together with the south of Aylesbury Vale and the north of South Bucks.

The north of Aylesbury Vale falls within the housing market area of Milton Keynes, whilst a western part of the district appears within the Oxford housing market and a small area in the north east is closely aligned to Watford and Luton's housing market. In addition, the links between South Bucks and West London, Reading and Slough are significant.⁹ However, the approach to defining housing market areas must be pragmatic and take administrative requirements into account; therefore, it is not unreasonable to define the geography covered by the four district councils as an HMA.

Functional Economic Market Area

There is a FEMA in Buckinghamshire which includes Aylesbury Town, the districts of Wycombe and Chiltern as well as northern parts of South Bucks. There are, however, distinct differences in the local economies:

- Aylesbury town has a distinct property market with values typically lower than southern parts of the county;
- Chiltern has a small economy which is broadly similar to South Bucks and focused on serving local demand; and
- Wycombe district plays a much larger sub-regional role, with a higher concentration of manufacturing businesses.

⁹ Identifying HMAs and FEMAs in Buckinghamshire and the surrounding areas, 2015

Given this context two sub-FEMAs have been identified within Buckinghamshire: Aylesbury Town in the north; and Wycombe, Chiltern and Beaconsfield (South Bucks) in the south. This division is at least partly due to the existing transport infrastructure and the weak transport links between the north and south of Buckinghamshire.

In relation to South Bucks the district is divided. Southern parts have significant links with the Berkshire FEMA, whilst Beaconsfield and northern parts fit within the Central Buckinghamshire FEMA. Any future model of local government in Buckinghamshire will need to take into account the relationships described above.

England's Economic Heartland Strategic Alliance

Buckinghamshire is part of the England's Economic Heartland Strategic Alliance. This is a partnership of nine Local Transport Authorities and four Local Enterprise Partnerships. The alliance covers an area of 120,000 sq km between London, the Midlands and beyond. The area covered by the Strategic Alliance is home to 3.45 million people and 175,000 businesses, providing over 1.6 million jobs. The alliance has been formed to implement a new delivery model which is focused on providing strategic leadership to determine a single set of priorities for economic growth.¹⁰

Financial pressure on authorities

The 2015/16 Deloitte 'State of the State' report outlines the financial pressures faced by central and local government. The government's net liabilities have increased by £624 billion, 51 per cent, since 2009/10. This includes £314 billion of borrowing to fund the deficit and £167 billion of rising public sector pension liability. These financial pressures have led to a 37 per cent real terms reduction in funding over the past five years for local government in England. At the same time, demand for services including social care and housing has risen and will continue to rise. Since 2005 the number of people aged 85 and over – and most likely to require social care support – has gone up by a third, and two out of every five councils in England will have more children ready to start primary school in 2016 than they have places. The report also highlights how local authorities may struggle to deliver their medium-term financial plans. The National Audit Office (NAO) reported concerns in 2014 as to whether 52 per cent of single and upper tier authorities would be able to deliver their medium-term financial plans. As councils are legally required to set balanced budgets there is no precedent for financial failure in local government. This means financial difficulties might only become evident when services fail, with potentially distressing consequences to the public.

The Local Government Association (LGA) published a future funding outlook report. The latest version of that report published in June 2015 predicts that there will be a £6bn gap in 2016/17 between the funding available and the spending required to deliver local council services at 2014/15 levels. The report projects the funding gap will increase to £10.3bn by 2018/19. Social care and waste management spend is predicted to absorb a rising proportion of the resources available to councils resulting in a 35 per cent reduction of other services by the end of this decade.

The national financial and demand pressures highlighted above are also felt by the local authorities in the area:

- Government RSG funding to Buckinghamshire County Council, which was £58.4m in 2013/14, will be reduced to zero by 2018/19.
- Aylesbury Vale District Council's RSG funding was £5.2m in 2013/14 and will be reduced to zero in 2018/19.

¹⁰ <http://www.englandseconomicheartland.com/Pages/strategic-leadership.aspx>

- Chiltern District Council's RSG funding was £2.0m in 2013/14 and will be reduced zero in 2018/19.
- South Bucks District Council's RSG funding was £1.5m in 2013/14 and will be reduced zero in 2018/19.
- Wycombe District Council's RSG funding was £4.4m in 2013/14 and will be reduced to £0.1m 2018/19 and zero in 2019/20.

All authorities in the area face financial challenges and the delivery options considered in this report represent an opportunity to ease some of these pressures.

Performance of the authorities

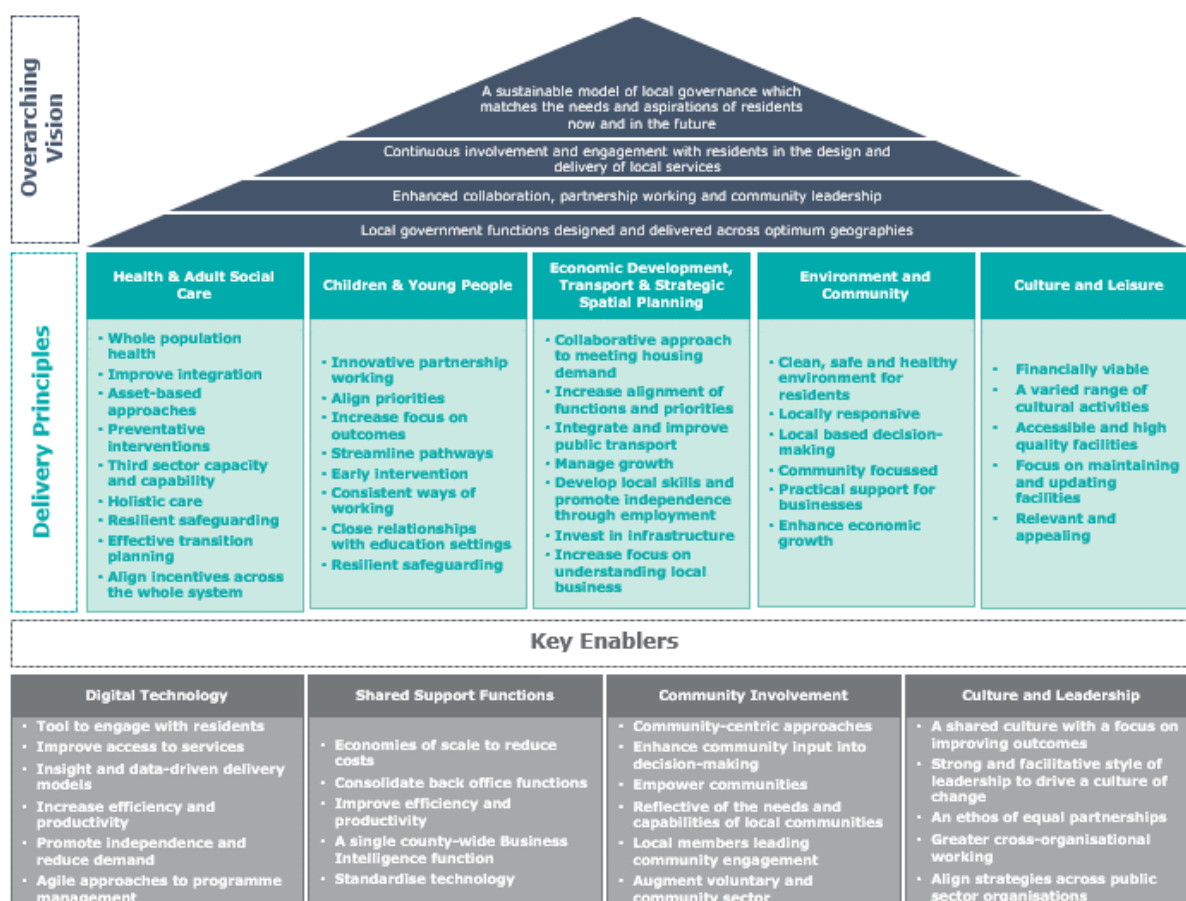
The relative performance of the authorities in Buckinghamshire and the surrounding area is illustrated in Appendix A. The data shows that there is significant variation across the authorities in relation to adult social care and children's services and there is room for improvement in a number of areas, such as adult social care related quality of life.

Vision for Buckinghamshire

Given the challenges Buckinghamshire faces, maintaining the status quo is not a viable long term option. Systemic and radical change is required in order to ensure local government in Buckinghamshire is sustainable and meets the changing needs and aspirations of residents in the long term. The districts' shared vision for local government in Buckinghamshire is built around the following principles:

- Local government will be rooted in communities and residents will be empowered to participate in the design and delivery of services for their local areas.
- Services and functions will be planned and delivered across the most appropriate, evidence-based, geographies to ensure the optimum level of scale is achieved.
- Community resilience will be enhanced by reframing the relationship between local government and residents so that it is focused on promoting independence and the capabilities of individuals, rather than a paternalistic model based on dependency.
- Asset-based approaches will be adopted and there will be an increased focus on securing the best outcomes for residents, whilst effectively managing demand.
- Collaboration and partnership working with local government and public sector partners will be enhanced.

The diagram on the next page outlines the districts' shared vision for local government in Buckinghamshire:



Overarching vision

Local government in Buckinghamshire will be rooted in communities and residents will be empowered to participate in the design and delivery of services for their local areas. Services and functions will be planned and delivered across the most appropriate evidence-based geographies, to ensure the optimum level of scale is achieved, in order to improve efficiency and productivity. Community resilience will be enhanced by reframing the relationship between local government and Buckinghamshire's residents so that it is focused on promoting independence and the capabilities of individuals, rather than a paternalistic model based on dependency. Asset-based approaches will be adopted and there will be an increased focus on wellbeing and securing the best outcomes for residents, whilst effectively managing demand to ensure the financial sustainability of local government in the future. The vision for Buckinghamshire is centred on building consensus and collaboration with local government and public sector partners.

Delivery principles

- Health and adult social care**

A proactive and asset-based approach to delivering adult social care, with a focus on promoting independence, preventative interventions and improved integration with health providers, is a fundamental component of this sustainable vision. Care will be designed around the customer which will require health, social care and local authority staff to work across organisational boundaries locally to deliver holistic care, alongside strategic working across the Sustainability and Transformation Plan (STP) footprint. Voluntary sector and community capacity will be maximised to enable more care to be delivered closer to home. Unwarranted variation within Buckinghamshire will be removed

to ensure there is equitable access to health and social care provision whilst ensuring there is a continued focus on safeguarding vulnerable adults. A whole population health approach will align incentives and ensure the system is not just focused on treating ill health but also focused on the broad range of factors and conditions that influence health, including lifestyle, housing, mental health and employment. This will ensure the health and social care system can support Buckinghamshire's priorities of promoting healthy lifestyles, long term condition management, and mental wellbeing and emotional resilience. It will also address the fundamental challenge of ensuring that the health and social care system is financially sustainable in the long term by delivering improved outcomes at a reduced cost. A transition team will work closely with children and young people, housing and health partners to track young people transferring to adult social care and ensure appropriately designed services are in place to meet their needs.¹¹

Good practice case study:

Salford City Council (SCC) has achieved a 15 per cent reduction in demand for adult social care services via a three-pronged approach:

- *Redesigning the front door to better manage demand;*
- *Introducing independence-led assessments; and*
- *Making best use of community assets to support older people to stay healthy.*

SCC has reorganised the customer pathway operating model and established the Contact Team to manage demand coming through the front door. The Contact Team triages patients to the most appropriate service. Customers with moderate needs are redirected to information and advice which has led to a reduced number of cases entering the system.

SCC implemented a 'just enough care' approach to promote independence. This has improved outcomes for service users and has positively impacted on reducing demand downstream. A Central Assessment team to assess service users with moderate needs was established. The team implemented a new threshold of substantial and critical need and now utilises an independence-led assessment rather than a needs-led assessment.

With the help of Salford Community and Voluntary Services, SCC has identified over 7,000 community assets across Salford, which provide a valuable neighbourhood resource. People are encouraged to take greater responsibility for their own health and wellbeing by making greater use of these community assets.

As part of the wider programme to reduce health and social care demand, Salford plans to place volunteer wellbeing champions in GP surgeries to support those who require non-medical interventions to more effectively manage their own wellbeing and tackle social isolation. Volunteers will have access to technology in order to effectively signpost individuals to appropriate community assets.

- **Children and young people**

Children's services in Buckinghamshire will work to develop trusting and innovative partnerships with a wide range of organisations, including housing services, debt management services, health partners, education providers and the voluntary and community sector, to ensure greater collaboration. Schools and other education settings maintained by local government, academies or by third party providers will be core to creating strong local communities and improving education, health and wellbeing outcomes for Buckinghamshire's children.

¹¹ Deloitte supported project

Aligning priorities and ensuring there is an increased focus on outcomes will be key to achieving joined-up and cross-agency working. Enhanced inter-disciplinary working will reduce duplication and improve the way resources are deployed by streamlining pathways. Early intervention programmes will prevent children developing problems as adolescents and young adults by ensuring support is provided in a timely way to children and families who are identified as being at risk of running into difficulties. Best practice will be shared to ensure professionals work in a consistent way with children and families to deliver improved outcomes. Commissioning will take place at an appropriate scale to ensure safeguarding provision is resilient and robust.¹²

Good practice case study:

The Life Programme is a new initiative that aims to support and empower families in chronic crisis to develop their capabilities. The scheme is being run across four locations across the UK.

Resources are focused on building capabilities within families in order to support them to build the life they want to lead and help them move from being stuck in a cycle of expensive, reactive and crisis-driven state interventions. A series of simple and practical bespoke tools has been developed that support and track the work that takes place with families. These tools help ensure that difficult conversations happen, plans are made and change happens at all stages. In addition to bespoke measures, each Life Programme also tracks outcomes and cost data at a local authority level.

Amongst the families who have been supported by the programme there has been a 28 per cent reduction in children with Child Protection Plans and a 49 per cent improvement in school attendance. Furthermore, there has been a 6 per cent reduction in the number of families with no adults in employment and a 24 per cent increase in families with a family member developing skills to be work-ready. On top of these gains there has been a 36 per cent reduction in families with family members reported to be involved in crime or antisocial behaviour. These social gains are coupled with significant financial savings, with the total cumulative cost reduction estimated to be £727,890 at the beginning of 2013.

- **Economic development, transport and strategic spatial planning**

Over the coming years there is a need to deliver a significant number of new homes, which will need to be balanced with protecting and enhancing the quality of life of existing and new communities, and this is a significant step change for Buckinghamshire. Collaborative and strategic approaches to spatial planning will be required to ensure the future housing needs of Buckinghamshire are met, including social, affordable and supported housing. The housing agenda will be aligned to social care policies in order to better manage the market, promote independence and reduce demand. Transport and education plans will be aligned to spatial planning to ensure Buckinghamshire's infrastructure can support the increased number of homes.

Local Government will be designed to maximise Buckinghamshire's influence on national infrastructure projects that will underpin strong economic growth. Transport plans will focus on improving accessibility for rural residents and the increasing elderly population, and integrating transport modes from planning to payment, whilst ensuring services remain affordable. This will encourage residents to utilise public transport and relieve congestion. The new model of local government will need to balance planned capital expenditure to prevent assets, such as property and highways, deteriorating due to poor

¹² <http://springconsortium.com/wp-content/uploads/2014/07/Case-Studies6.pdf>

maintenance which results in greater costs in the long term. There will be a collaborative approach to managing air pollution across services and this will involve promoting and investing in environmentally friendly methods of transport such as, walking and cycling, which will also improve the health and wellbeing of Buckinghamshire's residents.

Local government will play a full part in securing optimum growth for Buckinghamshire, balancing jobs and prosperity with other quality of life factors. We recognise that economic growth and public sector reform need to go hand in hand, therefore, programmes which increase employment rates and develop local skills in order to realise wider benefits of increased independence and reduced demand for public services will be prioritised wherever appropriate. This may involve developing the 'corporate parent' role of local government authorities and providing employment opportunities for those who may struggle to find and remain in employment to promote long term independence, for example care leavers. In some parts of Buckinghamshire there will be an increased focus on income generation, entrepreneurial approaches to unlock latent demand and the provision of discretionary services residents want to buy into which will enable local government to become self-sustaining.¹³

Good practice case study:

Catch22 is a not-for-profit business with a social mission operating across England and Wales. The business supports the transition from care to independence to ensure care leavers have the same opportunities as other young people. Catch 22's Care2Work employment programme provides support for those seeking employment or apprenticeships. 189 care leavers were supported by the programme between April 2015 and January 2016. Of these 77 per cent were given interviews; 50 per cent of those started work or an apprenticeship; of these, 80 per cent were offered full-time jobs or apprenticeships.

- **Environment and community**

Functions will be designed to provide Buckinghamshire's residents with a clean, healthier and safer environment in their communities. Local businesses of different size and type will be provided with practical support to grow the economy. The service will be locally responsive, founded on local decision-making in Buckinghamshire's communities, and delivered and supported by highly functioning delivery and support teams.

- **Culture and leisure**

Culture and leisure activities in Buckinghamshire will be financially viable and enable a range of varied and exciting cultural activities. Sports and active recreation facilities will be accessible and high quality. Services will be supported by a financial model which enables programmes and facilities to be maintained and updated so that they remain relevant and appealing to local residents and visitors.¹⁴

¹³ <https://cdn.catch-22.org.uk/wp-content/uploads/2016/03/Catch22-Looked-After-Children-and-Care-Leavers-Services.pdf>

¹⁴ http://www.artscouncil.org.uk/sites/default/files/download-file/Sir-Peter-Bazalgette_NLGN-Speech_13-04-2016.pdf

Good practice case study:

Shared service delivery approaches have the potential to support culture and leisure facilities to remain relevant and sustainable. The Libraries West Consortium is a partnership of library services in the South West. It uses a shared management system pool resource to achieve significant economies of scale and better deliver services for customers. In addition, Manchester's library service is being co-located with other services to create cultural centres, with a common library card for the combined authority.

Key enablers

- **Digital technology**

Digital approaches are key to re-imagining the relationship between residents and local government. Buckinghamshire's future local government model will prioritise investing in digital solutions to ensure delivery models are aligned to the way communities live their lives now and in the future. Digital solutions will be used to improve the way residents access services through improved signposting to reduce avoidable demand, enable the management and design of services to be more insight and data-driven, and empower local communities by facilitating the co-design of services. Technology, alongside effective data sharing beyond the boundaries of local government with other public sector organisations, will enable processes to become more streamlined and efficient leading to increased productivity.

Given the rapid rate at which technology changes, agile approaches to programme management and governance will be applied. Local government in Buckinghamshire will embrace the pace at which technology evolves, accept that we are unable to predict future developments with accuracy but will be agile enough to adapt service models to new technology quickly.

Good practice case study:

Aylesbury Vale District Council's transformation programme has seen the relaunch of its website and the introduction of an IT platform to automate processes and deliver digital services more efficiently, save money and improve customer experience. As a result of the programme, the council has reduced calls from the public by 22 per cent. The organisation is building a platform with a customer portal to link to back-office systems in order to automate as many transactions as possible. The council also aims to save £455,000 by implementing more up-to-date digital forms to open and update claims. The move follows research that found of the 50 forms available on the council's website, 73 per cent related to just two services, revenues and benefits and waste management. The new forms have since seen an increase in take-up of around 300 per cent. The council's digital efforts have led it to be honoured by the Improvement and Efficiency Social Enterprise (iESE) with the Council of the Year award 2015.

- **Shared support functions**

Consolidating and connecting core business functions across local government in Buckinghamshire provides an opportunity to drive greater efficiency and productivity by maximising economies of scale. A range of core business functions can be provided at scale and a business intelligence function will drive greater insight and improve evaluation. Options will be explored to determine whether further economies of scale could be achieved by consolidating back-office functions across other public services, and by sharing functions with local government organisations in neighbouring counties.

Good practice case study:

Barnet has established a Customer and Support Group in partnership with Capita. A number of key back-office services have been relocated to Capita's centre of excellence including: corporate procurement, customer services, estates, finance, human resources, information systems, revenues and benefits and transformation capability.

- **Community involvement**

Buckinghamshire's residents will be empowered to participate in designing bespoke services which reflect the needs, capabilities and priorities of their communities. Residents will have a greater role in deciding which services should be prioritised and local members will have increased responsibility in terms of ensuring communities are fully engaged in this shared design process through town and parish councils. Maintaining decision-making at a local level wherever appropriate is designed to enhance community engagement, build resilience and independence in communities and individuals, allow better alignment of services to improve outcomes and reduce demand for public services. This new relationship with residents and communities is at the heart of our vision for modern local government in Buckinghamshire.¹⁵

Good practice case study:

Salford City Council with a population of 245,614 has augmented its local decision-making by establishing community committees, made up of representatives from the local community and voluntary organisations. Community committees establish action plans and decide on the use of local budgets to achieve priorities. £1 million is devolved down to neighbourhoods each year. Some of these committees use participatory budgeting, others allocate the money via task groups.

Neighbourhood partnership boards, made up of councillors, senior officers from the council, community committee representatives, health trust partners, police and other key service providers, have been established. The boards bring together performance information from their agencies to promote a shared understanding of progress in the neighbourhood.

- **Culture and leadership**

The future model of local government in Buckinghamshire will work across organisational boundaries to establish a shared culture focused on securing better outcomes for residents and businesses through greater partnership working. Under the new model public sector organisations across Buckinghamshire will need to better align their incentives to ensure organisations are working towards securing better outcomes for residents. A strong and facilitative style of leadership will be required to drive cultural change and build consensus for the agreed model of local government. At the heart of

¹⁵ http://www.local.gov.uk/c/document_library/get_file?uuid=6dba73c3-09e2-4e96-869e-e9a760fc46ad&groupId=10180

this vision is a model of local government which is genuinely rooted in local communities. Decision-making will take place at a local level wherever appropriate thus respecting the unique characteristics of each individual community. This will lead to improved outcomes, enhanced resident satisfaction and reduced demand for services.

The vision outlined above is based on the workshops held with executives and senior managers and upon the international and national best practice examples of service transformation, more of which are outlined in Appendix B.

Case for change

This section of the report highlights the key challenges that threaten the long term financial and operational sustainability of local government organisations in Buckinghamshire.

Adult social care

Buckinghamshire is one of the most prosperous counties in England and ranks eighth out of 149 in the index of multiple deprivation. It has much better educational attainment than the national average with 35 per cent of people aged 16 and over holding a higher education qualification in 2011, compared to 27 per cent nationally. This means that Buckinghamshire has a highly skilled workforce, and lower levels of poverty and unemployment compared to other parts of the country. These socioeconomic circumstances, alongside other factors, contribute to the better health and wellbeing of the Buckinghamshire population when compared to the national average.

However, there are pockets of deprivation and in 2010 18,800 people lived in areas that are within the 30 per cent most deprived in England. This has a significant impact on health and wellbeing demonstrated by the 7.9 year male and 5.4 year female life expectancy gap between the most and least deprived residents. Therefore, the people living in the most deprived areas have less favourable socioeconomic circumstances and are less likely to have good health and wellbeing.¹⁶

The increase in spend on adult social care services in recent years indicates there has been an increase in demand. In 2015/16 Buckinghamshire's spend on adult social care services totalled £107.7m, compared to £84.1m in 2013/14. This increase is largely driven by the rising cost of services for older people which increased by 53 per cent between 2014/15 and 2015/16.¹⁷

This trend is set to continue as summarised below:

- The 65 and over population is projected to increase by 75 per cent between 2012 and 2037, whilst the 90-plus population is projected to increase by 277 per cent over the same period.¹⁸
- Currently, only two per cent of the population are aged 85 and over; however, they account for 33 per cent of all adult social care clients. Therefore, the demographic changes highlighted above will lead to increased demand for health and social care resources in future years.¹⁹
- The number of people aged 65 and over unable to carry out at least one self-care activity on their own will increase by 18 per cent between 2014 and 2020 to 37,042.
- The number of people aged 65 and over unable to carry out at least one domestic activity on their own will increase by 18 per cent between 2014 and 2020 to 45,249.

¹⁶ Buckinghamshire's Joint Strategic Needs Assessment, 2012/13

¹⁷ Buckinghamshire County Council, Market Position Statement Spring Refresh 2016, Adults and Family Wellbeing

¹⁸ County and district population projections data to 2037

¹⁹ Buckinghamshire's Joint Strategic Needs Assessment, 2012/13

- The number of people aged 65 and over who require residential and nursing care placements is also expected to increase by 72 per cent between 2012 and 2032 to 4,930.²⁰

In addition to the rise in the numbers of older people in Buckinghamshire, there are other population changes that are likely to cause increased demand for health and social care services in future years which have been summarised below:

- **Dementia**
It is estimated that in 2012 there were 6,549 people with dementia in Buckinghamshire. 6,282 of whom were over the age of 65. This number is predicted to rise to 8,454 by 2020.²¹
- **Learning Disabilities**
There are an estimated 150 people aged 18 to 64 with profound and multiple learning disabilities, 1,130 with severe learning disabilities and around 4,610 with moderate learning disabilities. The numbers of people with profound and multiple learning disabilities in Buckinghamshire is projected to increase by 40 per cent by 2031.²²
- **Physical Disabilities**
It is estimated that in 2012 there were 31,644 adults with a moderate or serious physical disability in Buckinghamshire. This figure is projected to rise by 3 per cent in 2030 to a total of 32,537 people.²³
- **Mental Health**
Depression is widely acknowledged to be the most common mental health problem among older people. 40 per cent of people aged 85 and over live with debilitating depression which affects their ability to engage in daily activities. As population projections indicate this group is expected to significantly grow in future years, there will need to be an increased focus on preventing depression in Buckinghamshire.²⁴
- **Autism**
Applying national prevalence rates to Buckinghamshire will mean there will be a 3 per cent increase in male residents with autism across the county by 2030 and a 4 per cent increase in female residents.²⁵ There are increasing numbers of young adults with autism transitioning from children's services to adult social care. In 2016, an estimated 70 young people aged 17 to 18 years are likely to be eligible for adult services.²⁶
- **Special Education Needs**
1,365 of the children with statements of Special Education Needs (SEN) are due to turn 18 in the next five years. Of these, 20 young people aged 14 to 17 have profound and multiple learning disabilities, 100 have severe learning disabilities, and 400 have moderate learning disabilities. These young people will require transition support as they move into adult social care services.²⁷

²⁰ Buckinghamshire County Council, Market Position Statement Spring Refresh 2016, Adult and Family Wellbeing

²¹ Buckinghamshire's Joint Strategic Needs Assessment, 2012/13

²² Buckinghamshire's Joint Strategic Needs Assessment, 2012/13

²³ Buckinghamshire's Joint Strategic Needs Assessment, 2012/13

²⁴ Older Leaders for Change in Mental Health, NDTi

²⁵ Buckinghamshire's Joint Strategic Needs Assessment, 2012/13

²⁶ Buckinghamshire County Council, Market Position Statement Spring Refresh 2016, Adult and Family Wellbeing

²⁷ Buckinghamshire's Joint Strategic Needs Assessment, 2012/13

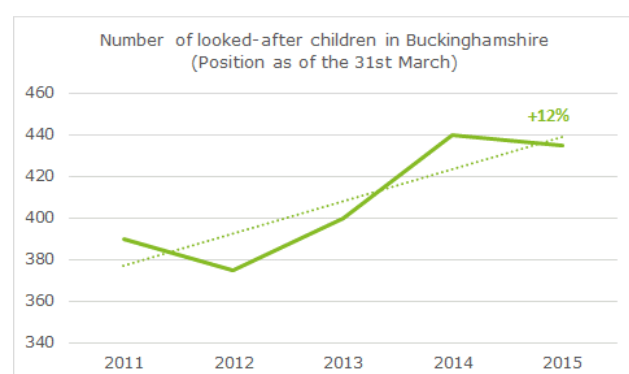
Therefore, demand for adult social care services is expected to rise in future years and transformational change is required in order to manage this demand within the existing financial envelope of local government. Further, the relative performance of local authorities in Buckinghamshire and the surrounding areas in relation to adult social care is illustrated in Appendix A. The data shows that there is significant variation across the authorities and in some areas, such as adult social care related quality of life, there appears to be room for improvement.

Children and young people

The county is a generally affluent area and the vast majority of children and young people achieve good outcomes. However, there are pockets of deprivation which can have a significant impact on the health and education of children and young people. For example, by the time children from the most deprived areas have reached the age of five, only 49 per cent have reached a 'good level of development', compared with the county average of 65 per cent. Further, local analysis indicates that children in deprived areas are 2.5 times more likely to be on a child protection plan than the Buckinghamshire average.²⁸

There are 128,300 zero to 19 years olds in Buckinghamshire, of whom 1,617 have been identified as children in need, 444 have child protection plans and 447 are classified as looked after children.²⁹

Demand for children's services is rising. There are increasing numbers of referrals to social care and in the number of children and young people being taken into the care of the local authority. The graph below indicates there was a 12 per cent increase in the number of looked after children between 2011 and 2015.

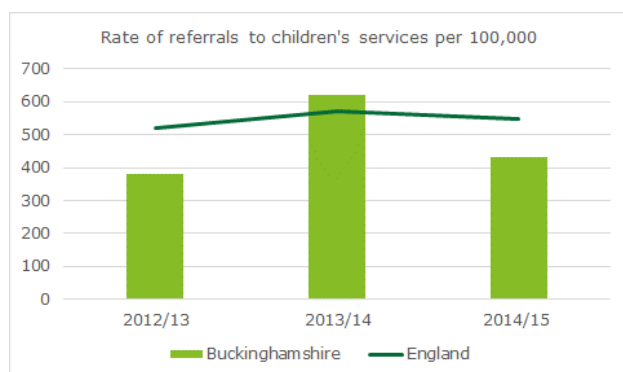


Further, the graph below indicates there was a 14 per cent increase in the rate of referrals to children's services between 2012/13 and 2014/15, compared to a five per cent increase nationally.³⁰

²⁸ Buckinghamshire Safeguarding Children Board, Annual Report, 2014/15

²⁹ Buckinghamshire Safeguarding Children Improvement Plan, 2016, county and district population projections data to 2037

³⁰ Please note, the spike in referrals in 2013/14 can be attributed to a temporary change in process where all contacts to children's social care were progressed to referrals. Source: DfE Children looked after in England including adoption, 2014-2015, local authority benchmarking



The increase in demand is difficult to meet locally and has led to children being placed with foster carers in the independent sector and outside the Buckinghamshire area. In 2014/15 43 per cent of looked after children in Buckinghamshire were placed internally within the boundaries of the local authority, compared to the national average of 60 per cent. Further, in 2014/15 55 per cent of Buckinghamshire's looked after children were placed with private providers, compared to 34 per cent nationally.³¹ Private placements are generally more expensive and can lead to increased costs for local authorities. Out-of-area placements can lead to worse outcomes for children and young people if they are removed from their existing support networks.

In 2015/16 revenue expenditure on children's services per head of population (0 to 17) was 4 per cent greater than that for England.³² There are a number of reasons driving spend in children's services, including increasing demand, agency social workers and the use of private providers.

The relative performance of local authorities in Buckinghamshire and the surrounding areas relating to children's services is illustrated in Appendix A. The data shows that Buckinghamshire is performing well against a number of performance indicators and achieving good outcomes for children and young people. However, there is room for improvement in some areas such as outcomes for looked-after children. More needs to be done to better manage demand and improve outcomes for children and young people through transformational programmes of work such as early intervention.

Transport, economic development and spatial planning

Transport

Buckinghamshire's population is projected to increase by 12 per cent between 2011 and 2016 and this will result in increased pressure on Buckinghamshire's transport services and networks.³³ There are a number of transport challenges in Buckinghamshire which have been outlined below:

- **Physical inactivity**

Increased reliance on cars has contributed towards more sedentary lifestyles. Encouraging more active modes of transport can have a dramatic impact on the health and wellbeing of residents. The scale at which Buckinghamshire relies on cars as a mode of transportation and the impact on the health and wellbeing of residents is summarised below:

³¹ DfE Children looked after in England including adoption: 2014-2015, local authority benchmarking

³² LGInform

³³ Buckinghamshire's Local Transport Plan 4, March 2016 - 2036

- 87 per cent of households in Buckinghamshire have access to one or more cars. This is higher than the average for the South East (82 per cent) and significantly higher than the national average of 74 per cent.
 - The majority of journeys to work in Buckinghamshire are made by car; approximately 70 per cent of people travel to work by car, which is greater than the national average of 63 per cent.
 - The South East region has a higher percentage of people travelling to work by sustainable transport than Buckinghamshire at 18 per cent and 14 per cent respectively.
 - Buckinghamshire has the third lowest rate of cycling in the South East, with only 12.5 per cent of people cycling at least once a week.³⁴
- **Pollution**
Poor air quality is a risk to public health, with vehicular traffic the main source of most air pollutants. In 2007, average carbon dioxide emissions released per person in Buckinghamshire from cars and vans were 50 per cent higher than the national average.³⁵
 - **Rural isolation**
90 per cent of Buckinghamshire's residents have access to an hourly or better bus service. However, the very low density of populations in rural parts of Buckinghamshire make these areas difficult to serve with bus routes. Geographic location can lead to social isolation for Buckinghamshire's elderly residents and, given the changing age profile, this is likely to become a much greater issue in future years.³⁶

Therefore, more needs to be done to encourage residents to take up more active means of transport, tackle pollution and overcome rural isolation.

There are a number of major developments which have been designed to alleviate the projected increased pressure on Buckinghamshire's transport networks which have been summarised below:

- The proposed construction of Western Railway access to Heathrow;
- The East West Rail project will provide train services between Milton Keynes, Oxford, London Marylebone and Aylesbury; and
- Highways England is planning a range of improvements including, the M4 'Smart Motorway' project and is exploring the possibility of an Oxford-Cambridge expressway.

There are also a number of major national infrastructure projects which are likely to have a huge effect on Buckinghamshire, including the proposed Phase One of HS2 which will run through the county for approximately 60 kilometres and the expansion of Heathrow with the introduction of a third runway.

Given the importance of these developments to residents any future model of local government in Buckinghamshire will need to maximise its influence over these programmes in future years.

³⁴ Buckinghamshire's Local Transport Plan 4, March 2016 - 2036

³⁵ Buckinghamshire's Joint Strategic Needs Assessment, 2012/13

³⁶ Buckinghamshire's Joint Strategic Needs Assessment, 2012/13

Economic development

Buckinghamshire is one of the most prosperous local economies in the UK, with productivity, employment, human capital and entrepreneurship all well above national levels. The county has the highest proportion of smaller companies employing fewer than five people in England. It also boasts several specialist business clusters including motorsport around Silverstone and media at Pinewood Studios. Buckinghamshire's prosperity is summarised below:

- Buckinghamshire's total employment rose to 268,600 in 2015.³⁷
- Buckinghamshire's employment rate of 79.7 per cent is higher than the UK average (76.6 per cent).³⁸
- The number of out-of-work Buckinghamshire residents claiming either Job Seekers' Allowance or Universal Credit fell by 60 in June 2016 to 2,495. At 0.8 per cent of working age residents, Buckinghamshire has the third lowest claimant count rate of the 39 Local Enterprise Partnerships (LEPs), ranking sixth among the 27 county council areas.³⁹
- At £28,991, Buckinghamshire had the fifth highest workplace-based gross median full-time earnings of all 27 county council areas in 2015.⁴⁰

However, not all residents benefit from the strength of the economy and residents living in the most deprived areas have less favourable economic circumstances. For example, earnings in 2012 fell fastest among the lowest paid and unemployment is highest in the most deprived areas of the county.⁴¹

Economic growth will be a significant factor in the future success of the county and a new model of local government must enable businesses to succeed by prioritising investment in broadband, transport networks, skills and accommodation. Strategic planning across Buckinghamshire will be key to promoting business growth in future years. There will also be a need to consider operating on a wider footprint beyond the boundaries of the four districts for transport, economic development and spatial planning.

Spatial planning

To accommodate population growth more homes will need to be built in Buckinghamshire.⁴² The Housing and Economic Development Needs Assessment (HEDNA) predicts that the need for additional housing will increase by 21 per cent to 43,000 dwellings over the 20-year period between 2013 and 2033. This includes the need for 9,000 more affordable homes.⁴³

The provision of affordable housing is a particular issue in Buckinghamshire as it is an expensive area to live, as summarised below:

- **House prices**

Property prices in Buckinghamshire are among the highest in the country. In 2016 the average price of buying a home was £397,613. The highest average price was in

³⁷ <https://www.nomisweb.co.uk/reports/lmp/la/1941962882/printable.aspx>

³⁸ http://lginform.local.gov.uk/reports/lgastandard?mod-area=E10000002&mod-group=AllSingleTierAndCountyLaInRegion_SouthEast&mod-metric=49&mod-period=3

³⁹ <https://bbf.uk.com/news/ruperts-research-column-stats-galore>

⁴⁰ <https://bbf.uk.com/news/earnings-in-buckinghamshire-2015>

⁴¹ Buckinghamshire's Joint Strategic Needs Assessment, 2012/13

⁴² Buckinghamshire's Local Transport Plan 4, March 2016 - 2036

⁴³ Central Buckinghamshire Housing and Economic Development Assessment, 2015

South Bucks district at £636,215 and the lowest was in Aylesbury Vale district at £328,048.⁴⁴

- **Rents**

At £1,113 per month, mean private sector rents in Buckinghamshire are 35.7 per cent higher than across England as a whole, the second highest among the 27 county council areas, ranking third among the 39 Local Enterprise Partnerships behind London and Oxfordshire.⁴⁵

The relative performance of local authorities in Buckinghamshire against a number of indicators relating to housing is illustrated in Appendix A. The data shows that there is variation across the authorities and there appears to be room for improvement in some areas.

Opportunities for service improvement

Buckinghamshire's performance against a range of indicators has been benchmarked against neighbouring local authorities in Appendix A. The data highlights specific areas for improvement, such as improving outcomes for care leavers, which any future model of local government will need to address through service improvement.

Appendix B provides a range of good practice examples of service improvement that public sector organisations in Buckinghamshire may wish to consider when designing future service transformation programmes.

Financial challenges

Current and future funding situation for local government in Buckinghamshire on a council-by-council basis

The main sources of funding for local government are:

- Central government grants
- Business rates
- Council tax
- Fees and charges
- Investment income

Central government, business rates and council tax

Changes to the way in which local government is funded in England will mean councils are facing sharp reductions in the amount of Revenue Support Grant (RSG) they have historically received with the RSG expected to end for all councils by 2020/21 as part of finance reforms to localise business rate retention. Under the current business rate retention scheme there is a system of top-ups and tariffs to redistribute funding from local authorities that collect more in business rates than their identified need, to those who do not collect enough for their needs, i.e. councils may receive additional income or will make a contribution from the rates they collect. As part of the new funding arrangements councils in England have been offered four-year settlements and must decide by 14 October 2016 if they are to accept the four-year offer.⁴⁶

⁴⁴ <https://bbf.uk.com/news/house-prices-sales-in-buckinghamshire-july-2016>

⁴⁵ <https://bbf.uk.com/news/private-sector-rents-in-buckinghamshire-q1-2016>

⁴⁶ <https://www.gov.uk/government/publications/key-information-for-local-authorities-final-local-government-finance-settlement-2016-to-2017>

Another significant element of funding from central government is the New Homes Bonus grant paid by central government to councils to reflect and incentivise housing growth in their areas by rewarding councils with a payment equivalent to six years' council tax for each additional new home they add to their housing stock. However, a government consultation published in December 2015 proposed to reduce the amount to four years' council tax for each new home and the outcome of this consultation is not yet known.

The following tables summarise the funding (RSG, estimated business rates, the New Homes Bonus scheme and council tax) for each council based on their respective Medium Term Financial Plans, Statement of Accounts, four-year DCLG settlements and 2016/17 New Home Bonus grant allocations:

Buckinghamshire County Council

	16/17	17/18	18/19	19/20
RSG	£23.7m	£8.08m	£0	£0
Estimated business rate income	£40.7m	£41.5m	£42.8m	£44.1m
New homes bonus	£3.6m	Unknown	Unknown	Unknown
Council tax*	£245.1m	£259.3m	£274.2m	£290.0m
Estimated business rate tariff adjustment	£0	£0	£1.6m	£11.0m

*Council tax increase by 3.99% each year including the 2% Social Care precept.

Aylesbury Vale District Council

	16/17	17/18	18/19	19/20
RSG	£1.6m	£0.6m	£0	£0
Estimated business rate income	£3.7m	£3.7m	£3.8m	£3.9m
New homes bonus	£8.3m	Unknown	Unknown	Unknown
Council tax*	£9.7m	£9.9m	£10.2m	£10.6m
Estimated business rate tariff adjustment	£0	£0	£20k	£700k

*Council tax increase by 1.99% each year

Chiltern District Council

	16/17	17/18	18/19	19/20
RSG	£0.4m	£0	£0	£0
Estimated business rate income	£1.4m	£1.4m	£1.4m	£1.5m
New homes bonus	£1.0m	Unknown	Unknown	Unknown
Council tax*	£7.3m	£7.5m	£7.7m	£7.9m
Estimated business rate tariff adjustment	£0	£0	£0	£848k

*Council tax increase by 1.99% each year.

South Bucks District Council

	16/17	17/18	18/19	19/20
RSG	£0.4m	£0.1m	£0	£0
Estimated business rate income	£1.0m	£1.0m	£1.1m	£1.1m
New homes bonus	£1.5m	Unknown	Unknown	Unknown
Council tax*	£4.7m	£4.9m	£5.1m	£5.2m
Estimated business rate tariff adjustment	£0	£0	£0	£414k

*Council tax increase by 1.99% each year.

Wycombe District Council

	16/17	17/18	18/19	19/20
RSG	£1.5m	£0.6	£0.1	£0
Estimated business rate income	£3.1m	£3.1m	£3.2m	£3.3m
New homes bonus	£3.7m	Unknown	Unknown	Unknown
Council tax*	£8.8m	£9.0m	£9.0m	£9.0m
Estimated business rate tariff adjustment	£0	£0	£0	£460k

*Council tax freeze from 2017/18 onwards

Core spending power

Core spending power measures the core revenue funding available for local authority services. The government's 2015 spending review set out the expected available revenue for local government for the period up to 2019/20 to assist councils with the planning of service delivery in this period. The components that make up the spending power calculations for each are:

- Council tax requirements (excluding parish precepts)
- Additional council tax available from the adult social care 2% precept
- Additional council tax available to district councils – the greater of £5 or 2%
- Better Care Fund payments
- New Homes Bonus payments⁴⁷
- Rural Services Delivery Grant
- Transitional grant to ease the pace of RSG reductions in 2016/17 and 2017/18.

The following table shows the estimated spending power of the five councils for the period 2016/17 to 2019/20:⁴⁸

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Buckinghamshire County Council*	351.4	352.2	355.5	366.6
Aylesbury Vale District Council	24.4	24.4	21.6	21.7
Chiltern District Council	10.4	10.4	10.3	9.9
South Bucks District Council	7.8	7.6	7.2	7.0
Wycombe District Council	17.5	17.2	15.8	15.7
Total	411.5	411.8	410.4	420.9

*Includes between £32.7m (2016/17) and £34.8m (2019/20) in each year above the spending power calculations for learning disability and health reform, Care Act funding, local welfare provision, early intervention, lead local flood authorities and sustainable drainage systems.

Sales, fees and charges

The five councils each have separate policies to charge for some of the services they provide in order to recover the cost of providing them. With the funding landscape shifting considerably there is more pressure on the councils to consider charging for services that are currently not being charged for or increasing charges subject to the constraints of legislation where they exist to improve outcomes and support budgets to deliver the outcomes. Leading up to and following any reorganisation the councils would need to perform a review of the different fees and charges structure and align these under the different reorganisation options being considered. The income earned from

47 Amounts included for New Homes Bonus for 2017/18 to 2019/20 are notional based on the Spending Review and so actual amounts to be received are not known beyond 2016/17.

48 <https://www.gov.uk/government/publications/core-spending-power-provisional-local-government-finance-settlement-2016-to-2017>

sales fees and charges over the past two years by the five councils as reported in the Revenue Outturn (RO) Statistics for 2014/15⁴⁹ and 2015/16⁵⁰ is as follows:

	2014/15 £m	2015/16 £m
Buckinghamshire County Council	57.1	49.0
Aylesbury Vale District Council	17.2	23.6
Chiltern District Council	7.7	8.0
South Bucks District Council	5.5	6.6
Wycombe District Council	14.9 ⁵¹	9.6

Investment income

As funding from central government is being sharply reduced it has become critical for councils to develop financial strategies that include investment plans to earn commercial income or investing in schemes that in the longer term will allow outcomes to be achieved more efficiently.

49 <https://www.gov.uk/government/statistical-data-sets/local-authority-revenue-expenditure-and-financing-england-2014-to-2015-individual-local-authority-data-outturn>

50 <https://www.gov.uk/government/statistics/local-authority-revenue-expenditure-and-financing-england-2015-to-2016-individual-local-authority-data-outturn>

51 Wycombe District Council have identified an error in their RO submission for 2014/15 where the sales fees and charges amount should be £9.3m

Options analysis

This section of the report describes the three options for local government that have been developed. It also outlines the information and approach used to undertake the financial and non-financial analysis of the options.

Options under assessment

Options

Three council combination options have been developed. All three options have been designed around the principle of delivering services across optimum geographies. In carrying out this exercise we have attempted to achieve the benefits of scale without missing out on the opportunity for transformation at a local level.

Under all three models of local government, consideration should be given to delivering functions across the area covered by the four district councils where partnership working is optimal and economies of scale can be achieved without adversely impacting on outcomes for residents. Options should be explored as to whether further benefits can be achieved in terms of financial sustainability and improved outcomes by planning and delivering services at a greater scale beyond the boundaries of Buckinghamshire.

- **Adult Social Care (ASC) and children's services**
 These functions would be planned at scale to maximise the opportunities for integrated working with other public services to build resilience into the system and enhance safeguarding. Consideration should be given as to whether ASC and children's services should be delivered across the geography covered by the four district councils. This is reflective of Chiltern Clinical Commissioning Group's (CCG) and Aylesbury Vale CCG's boundaries and their approach to jointly commissioning services across Buckinghamshire through a federated model. Delivering ASC and children's services across the same geography would support effective transition planning.
- **Economic development, transport and spatial planning**
 Consideration should be given as to whether these functions should be delivered across the area covered by the four district councils as this is coterminous with FEMA and HMA boundaries and the Buckinghamshire Thames Valley Local Enterprise Partnership (BTVLEP). This would enable a co-ordinated approach to planning and development through a single planning policy framework. There is also significant potential to operate on a wider area beyond the Buckinghamshire boundary and the process of local government reform should accommodate detailed consideration of the opportunities this may offer. It should be noted that Aylesbury Vale District Council is also a member of the South East Midlands Local Enterprise Partnership (SEMLEP).
- **Digital**
 Consideration should be given to implementing a digital strategy across the geography covered by the four district councils with opportunities for local adaptation and innovation.
- **Business support**
 Consideration should be given to consolidating these functions across the footprint of the four district councils to drive greater efficiency and productivity by maximising economies of scale.

Services would be jointly commissioned by the unitary authority/ies with one Director, supported by a lead Chief Executive Officer, who would be accountable to a joint committee or combined authority.

By delivering these services at scale, resources would be pooled across Buckinghamshire to provide a more sustainable funding model for local services across the whole geography, reflecting the variations in the levels of financial challenge locally and ensuring financial resilience is built into all three options in terms of ability to cope with increased financial pressures, demographic pressure and any new risks that may arise.

Resource allocated to the remaining services would be redistributed per capita on an equitable basis and delivered across the geography of the preferred unitary council option.

Option 1 – a single unitary council

A single unitary council based on the existing geography of the four district councils. Under a single unitary model ASC, children’s services, economic development, transport and spatial planning would be delivered across the area currently covered by the four district councils and options will be explored as to whether further benefits can be achieved through cross-county working. Environment & community, including local planning (development control), and culture & leisure services would be delivered across the area currently covered by the four district councils. Further work will be required to explore alternative delivery models across all functions.⁵²



Option 2 – two unitary councils

A two-unitary council model based on the existing boundaries of Aylesbury Vale and one covering the combined existing boundaries of Chiltern, South Bucks and Wycombe District Councils. Under this option the two unitary councils would separately deliver environment & community, including local planning (development control), and culture & leisure services. ASC, children’s services, economic development, transport and spatial planning would be delivered across the area currently covered by the four district councils and options will be explored as to whether further benefits can be achieved through cross-county working. Further work will be required to explore alternative delivery models across all functions.⁵³

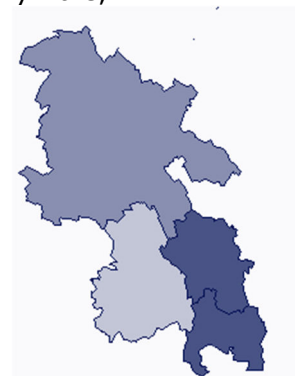


⁵² The new model of local government may wish to consider delivering the developing control function in line with UA boundaries to protect local interest

⁵³ The new model of local government may wish to consider delivering the developing control function in line with UA boundaries to protect local interest

Option 3 – three unitary councils

A three-unitary council model based on the existing boundaries of Aylesbury Vale, Wycombe District and the combined existing boundaries of Chiltern and South Bucks Districts. Under this option the three unitary councils would separately deliver environment & community, including local planning (development control), and culture & leisure services. ASC, children's services, economic development, transport and spatial planning would be delivered across the area currently covered by the four district councils and options will be explored as to whether further benefits can be achieved through cross-county working. Further work will be required to explore alternative delivery models across all functions.



Alternative delivery models

Options beyond Buckinghamshire's boundaries

The models of local government described above are inclusive of options to work with partners outside Buckinghamshire's geography. Under all three models options should be explored as to whether further benefits can be achieved in terms of financial sustainability and improved outcomes through cross-county working, for example:

- Jointly commissioning adult social care and/or children's services with a neighbouring local authority;
- Greater cross-boundary working in terms of economic development, transport and planning;
- Jointly commissioning environmental services, such as waste disposal, with neighbouring local authorities; and
- Jointly commissioning back-office functions with neighbouring local authorities.

The district councils will need to engage with local neighbouring counties to determine the level of appetite for cross-county working before carrying out a comprehensive financial and service due diligence process to determine the level of risk. Appendix A benchmarks the performance of local authorities in the neighbouring counties of Buckinghamshire against a range of indicators. The data shows that there is significant

Good practice case study:

Small local authorities can face challenges when commissioning services because of the limited economies of scale. However, by joining up with other local authorities they can increase their power to negotiate high quality contracts, whilst reducing management overheads and administrative burdens. The boroughs of Richmond and Kingston have recently amalgamated their children's services into a single shared organisation, called 'Achieving for Children', which will offer greater capacity for safeguarding and looking after the most vulnerable children in both boroughs. The model aims to offer an environment in which services can be developed more effectively and creatively outside the rigid local government bureaucracy.

The councils state that the transitional cost of delivering Achieving for Children totals £1.5 million, with projected savings of £6 million over three years from the initial merging of services. They also envisage wider efficiency benefits for the services once different opportunities and ways of working are fully developed and utilised by the new organisation.

variation across authorities. Given the level of variation there is an opportunity to improve if good practice can be replicated across a wider geography.

Adult social care

There are a number of alternative delivery models to be considered in relation to ASC, including:

- **Jointly commissioning ASC under a joint contract with NHS partners**
Where joint commissioning arrangements have been established elsewhere significant savings have been established in both sectors.⁵⁴

Good practice case study:

Staffordshire and Stoke-on-Trent Partnership NHS Trust took on responsibility for the delivery of adult social care in 2012 from Staffordshire County Council under a section 75 agreement. It is the largest provider of integrated health and social care in the UK and employs around 6,050 staff. The agreement has led to significant savings of around £20m, together with improved integration and more streamlined services.

Good practice case study:

The Richmond Response and Rehabilitation team is jointly commissioned by the council and CCG. The service builds on the best aspects of the borough's reablement service and community health intermediate care services. The aim of the service is to offer people a flexible care pathway for hospital discharge. The integrated service is managed through the Hounslow and Richmond Community Healthcare Trust with council staff seconded to the trust. The service has reduced demand for council services, reduced lengths of stay in hospital, supported admission avoidance and directly contributed to £2.1 million in savings over a three-year period.

- **Mutual organisations**
Mutuals are organisations which have left the public sector 'parent body' but continue to deliver public services with a greater emphasis on employee control. An intrinsic benefit of this delivery model is that there is a greater focus on employee engagement which is instrumental to improving service delivery. Mutuals are unlikely to be able to inherit contracts from local authorities and face a standard procurement procedure. A mutual that is staffed by former council employees could therefore fail to win the contract for work previously undertaken by the department.⁵⁵

⁵⁴ <http://www.grant-thornton.co.uk/Documents/Alternative-Delivery-Models-LG.pdf>

⁵⁵ <http://researchbriefings.files.parliament.uk/documents/SN05950/SN05950.pdf>

Good practice case study:

People2People is a social enterprise that operates as a mutual and delivers the front-end adult social care service for Shropshire County Council. Staff and users are involved in running the organisation at all levels. People2People has an independent board of directors that includes service users, staff, council representatives and other specialist non-executive directors.

There is a need to comply with council reporting and monitoring requirements; however, People2People has greater freedom and scope to be innovative. Bureaucracy is reduced and the teams have autonomy regarding funding of all but the most complex support plans. Team members have been encouraged to develop their own new ways of working and trial new ideas. The social enterprise has led team members to report increased levels of empowerment, motivation and job satisfaction.

- **Outcomes-based procurement**

This involves providers being paid for achieving outcomes, for example promoting independence. Performance management is key to ensuring services are managed against the outcomes outlined in service contracts.⁵⁶

Good practice case study:

Wiltshire Council has replaced traditional community care services for older people with an integrated system of care and support through an outcomes-based commissioning model. Under the Help to Live at Home (H2LAH) service assessments are person-centred and focus on outcomes, in particular outcomes that leave customers better able to live well with less care. H2LAH pays providers for achieving results that improve independence rather than hours worked. The council applies financial penalties when customers' outcomes are not achieved and rewards care providers when customers recover faster than planned. Efficiency savings total £11.6 million.

Children and young people

There are a number of examples of alternative delivery models for children's services, including:

- **Mutual organisation**

Services for children and young people, like ASC, can be delivered through mutual organisations.

⁵⁶ <http://www.local.gov.uk/documents/10180/11779/LGA+Adult+Social+Care+Efficiency+Programme+-+the+final+report/8e042c7f-7de4-4e42-8824-f7dc88ade15d>

Good practice case study:

Epic in Kensington and Chelsea became the first public service youth mutual to spin out of local government. Epic delivers a comprehensive range of youth support services to children and young people. Its mission is to inspire young people to achieve their potential and to make a positive difference to the communities in which they work. The mutual model has empowered Epic's staff to identify and implement innovative and enterprising ideas for working with young people, which will be sustainable over the long term. For example, a local independent school funds one of Epic's youth centres to develop an environmental project for young people at risk of involvement in the criminal justice system. Epic is predicted to pass on significant savings to the council – more than £800,000 over five years.

- **Strategic partnerships**

Strategic partnerships with third sector organisations can drive improvements by building on a wider resource pool and expertise.⁵⁷

Good practice case study:

Norfolk County Council and children's charity Barnardo's are to pursue an imaginative strategic partnership to improve outcomes for looked-after children and care leavers. The partnership is intended to support new joint service models, new ways of working and will involve combining resources to achieve common aims. The partnership does not involve any transfer of staff or funding and each organisation will remain independent in terms of policy and governance.

- **Trust organisations**

A handful of local authorities have introduced independent, not-for-profit children's trusts which take over the authority's services for vulnerable children.⁵⁸

Good practice case study:

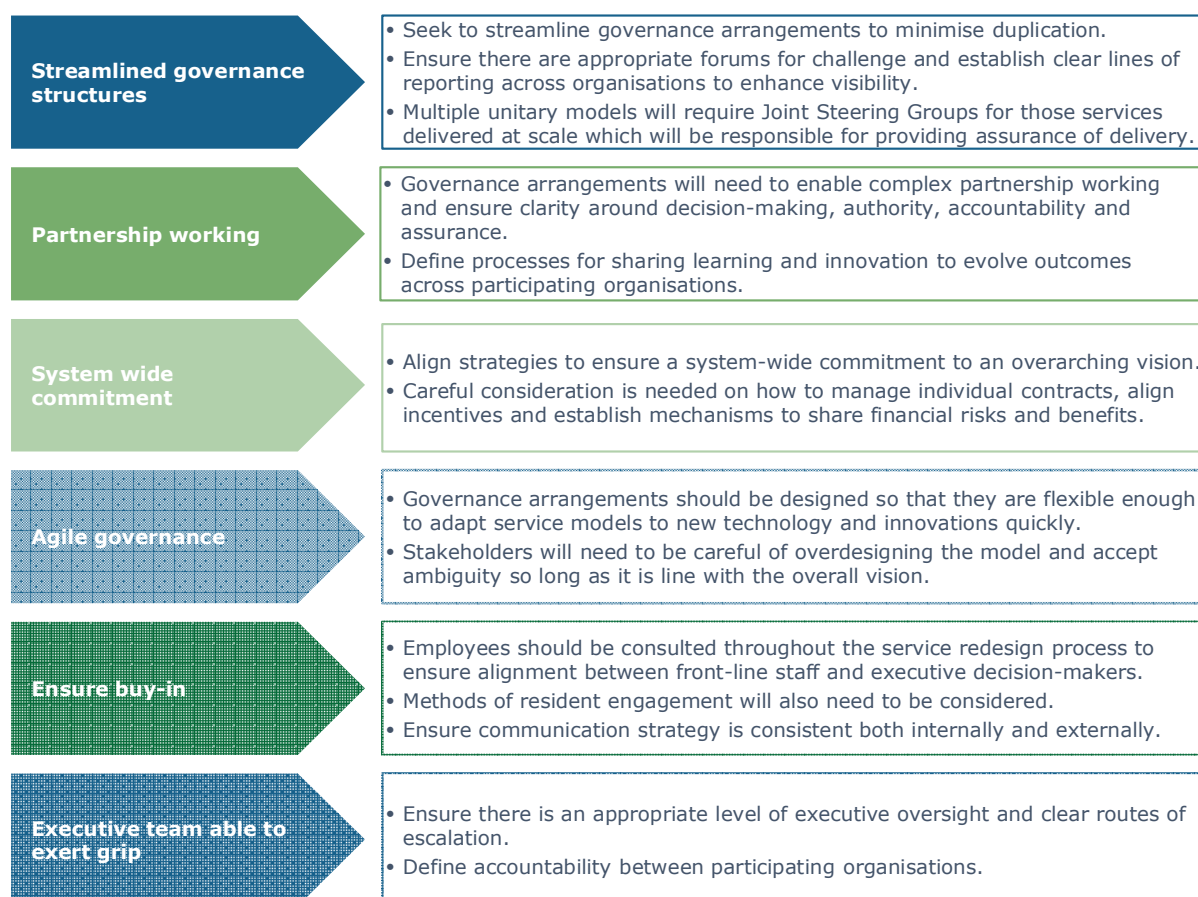
The government enforced a trust model on Slough in 2015 following an Ofsted report which found 'widespread and serious weaknesses'. The trust will focus solely on improving children's services and it is thought this model will lead to significant delivery improvements.

Governance and delivery

Any new model of local government will require robust governance arrangements and strong leadership to drive a culture of change. The diagram below outlines key governance design principles that will need to be considered when implementing a new vision for a model of local government as outlined in the options described above.

⁵⁷ <https://www.norfolk.gov.uk/news/2016/07/norfolk-county-council-and-barnardos-to-develop-unique-strategic-partnership>

⁵⁸ <http://www.communitycare.co.uk/2015/10/01/sloughs-independent-childrens-services-trust-launches/>



Criteria analysis

Approach

The following table provides a definition of the non-financial and financial criteria used in order to carry out the analysis of the options.

Options criteria	Definition
1. Delivers stable and improved outcomes for residents and businesses	<ul style="list-style-type: none"> • Improving outcomes in the short, medium and long term, taking into account the impact of future changes in demand and growth. • Maintaining service continuity and improving outcomes. • Designing and delivering services based on local need and, where appropriate, at scale to facilitate integration and alignment with partners through coterminosity wherever possible.
2. Protects council tax payers' interests on an equitable basis	<ul style="list-style-type: none"> • All residents receiving the benefit of local government reorganisation in terms of council tax rates. • Equitable tax and service harmonisation.

3. Locally affordable, representing value for money and can be met from existing local government resources	<ul style="list-style-type: none"> • This criterion considers: <ul style="list-style-type: none"> ○ Revenue position(s); ○ Transition costs; ○ Ability to meet the requirement of setting balanced budgets in the future; and ○ The use of available reserves on an equitable basis.
4. Capable of providing accountable and locally responsive leadership	<ul style="list-style-type: none"> • Capability of political and executive leader(s) to provide accountable and locally responsive leadership given the scale of the geography they operate across.
5. Provides the capacity for councillors to carry out their roles as community leaders and key influencers within their local areas	<ul style="list-style-type: none"> • Appropriate rural and urban democratic representation: in both rural and urban areas residents have access to councillors and those residents in rural areas are not disadvantaged by their geographic location. • Residents have clarity about who is representing them and where to go for support and advice. • Local decision-making is a key part of the vision, therefore all options have been designed to meet this criteria. • Democratic representation will need to be balanced with value-for-money for residents.
6. Provides future financial stability	<ul style="list-style-type: none"> • Councils are capable of operating under a reduced government grant-funding environment. • Future government funding reductions will be managed by transforming the way in which outcomes are delivered to better manage demand. This will be achieved by moving away from the paternalistic model of local government and changing the relationships between local government and residents. • Productivity and income generation will also be considered.
7. Provides a solution for the whole of Buckinghamshire, not just one part	<ul style="list-style-type: none"> • All local government options outlined in this document can provide a solution for the whole of Buckinghamshire when implemented alongside service transformation.
8. Supported by a broad cross-section of partners and stakeholders	<ul style="list-style-type: none"> • This criterion has not been assessed as part of this document and will be evaluated at a later date.
9. Facilitates the growth and devolution agenda	<ul style="list-style-type: none"> • Ability to facilitate economic growth. • Facilitates an increased focus on local government decision-making and regional partnership working to align priorities and funding streams.

Non-financial analysis

The following table provides a rating for each option against the non-financial and financial criteria set out below from 1-3 (3 being the highest scoring rating for each criterion). If there is minimal difference in the score, such as for criterion 9 below, all options are given the same score.

The criteria has been allocated an equal weighting, excluding the seventh criterion which has been identified as a condition all options for future local government should meet to be considered viable.

The eighth criterion will be evaluated at a later date. This document presents a strategic options case for local government reorganisation which will be used as a starting point to shape future discussions with stakeholders. Therefore, the district councils will embark on their local partner engagement programme following the release of this report.

Options criteria	Single-unitary model of local government (option 1)	Two-unitary model of local government (option 2)	Three-unitary model of local government (option 3)
1. Delivers stable and improved outcomes for residents and businesses	1	2	3
2. Protects council tax payers' interests on an equitable basis	3	2	1
3. Locally affordable, representing value for money and can be met from existing local government resources	3	2	1
4. Capable of providing accountable and locally responsive leadership	1	2	3
5. Provides the capacity for councillors to carry out their roles as community leaders and key influencers within their local areas	1	3	2
6. Provides future financial stability	1	2	3
7. Provides a solution for the whole of Buckinghamshire, not just one part	All three options meet this criteria		
8. Supported by a broad cross-section of partners and stakeholders	Not assessed as part of this review		
9. Facilitates the growth and devolution agenda	3	3	3
Total	13	16	16
Overarching rank	Third	First	First

1. Delivers stable and improved outcomes for residents and businesses

Under all three models of local government, functions will be delivered across a bigger scale where partnership working can be optimised, for example ASC and children's services will be delivered across the footprint of the four district councils as this reflects the boundaries of the two CCGs and takes into account their approach to jointly commissioning services across Buckinghamshire through a federated model. This will enhance the likelihood of service continuity and improvement for vulnerable residents given that existing services will be largely unaffected by reorganisation as they will be delivered across the same footprint. This is advantageous given the complexity that has resulted elsewhere where unitary governments have been formed and disaggregation was required. With any large-scale transformation

programme there is an element of risk and creating a single unitary organisation would be a much greater challenge, and carries a greater risk in terms of service disruption, than establishing a two or three-unitary model.

The single unitary council option is most likely to improve the financial position of local government in Buckinghamshire in the short term. However, larger local authorities which serve bigger populations run the risk of services becoming homogenous and less responsive to local needs. This is of particular importance given the pockets of deprivation outlined in the previous section. The three-unitary council option has been allocated the highest score (3) because it creates authorities covering smaller areas and containing fewer residents. By contrast the single-unitary option has been awarded the lowest score because it creates one authority to cover the entire Buckinghamshire geography.

The three-unitary council option provides the greatest level of political leadership accountability which will enable greater engagement with residents and bring decision-making closer to communities. Option 3, therefore, has the greatest potential to fundamentally change the relationship between local government and residents from a paternalistic model focused on service provision to one focused on co-production and promoting independence. This will improve the way outcomes are delivered to better manage demand and in the long term the three-unitary council option will provide greater financial and operational sustainability.

2. Protects Council tax payers' interests on an equitable basis

The single-unitary model has been allocated the highest score (3) against this criterion. Under this model there will be a single basis for the council tax calculation across all four districts. Aylesbury Vale, Chiltern and South Bucks residents will be reduced to the level of council tax paid by Wycombe's residents which means more Buckinghamshire residents will benefit from reduced council tax rates than in any of the other options. For example, to achieve council tax harmonisation by going to the lowest level of council tax (Wycombe) in 2019/20, council tax would be frozen for 175k residents in Wycombe and 347k residents from the Chiltern, South Bucks and Aylesbury Vale areas would benefit from a reduction in council tax.

Under the two-unitary model there will be no change in council tax rates in Aylesbury Vale. Wycombe, Chiltern and South Bucks will become one unitary council and council tax harmonisation would be achieved by reducing council tax to the lowest level (Wycombe). 163k residents from Chiltern and South Bucks would receive a reduction in council tax.

Under a three-unitary model there will be no change in council tax rates for residents in Aylesbury Vale, Wycombe or South Bucks. Chiltern and South Bucks will become a unitary council and council tax harmonisation would be achieved by a reduction to the lowest level of council tax in South Bucks. 94k residents from Chiltern would receive a reduction in council tax rates.

3. Locally affordable, representing value for money and can be met from existing local government resources

All three options are locally affordable, represent value for money and perform similarly when considering the payback calculation. However, the single unitary model has been allocated the highest score (3) in relation to this criterion. This is because greater economies of scale will be achieved through the consolidation of the County Council and four district councils into one organisation. The potential savings

achieved from all three options are greater than the transition costs and foregone council tax revenue in year one following the creation of the new unitary council(s) but the net saving is greater for the single-unitary model than under the two or three-unitary model. The transition costs for each option can be met from estimated unallocated reserves at 1 April 2016.

4. Capable of providing accountable and locally responsive leadership

The three-unitary model has been allocated the highest score (3) in relation to this criterion. The number of political leaders and executives under this option will provide the greatest opportunity for locally responsive and accountable leadership which means decision-making will be closer to communities. This will be key to shaping new relationships with residents based on promoting independence and co-production rather than paternalism, and will lead to reduced demand and improved outcomes. Further, the three-unitary model boundaries more closely reflect natural communities than the other two options.

5. Provides the capacity for councillors to carry out their roles as community leaders and key influencers within their local areas

Under all three models there will be a reduction in the number of councillors predominantly due to the reduced number of local authorities. The role of local councillors will be central to achieving the modern and sustainable local government vision set out in this document as their role will be key to shaping new relationships with residents in order to reduce demand. The two-unitary model has been allocated the highest score (3) against this criterion. This is because under this option there will be more councillors to engage with and represent local residents than the single-unitary model. The three-unitary model will provide the greatest level of democratic representation; however, given the financial challenges local authorities face, it is important to balance democratic representation with value-for-money to ensure future resources are prioritised on frontline services.

6. Provides future financial stability

The financial challenges faced by local authorities nationally and locally are so great that income generation, increased efficiency and improved productivity alone will not achieve long term financial sustainability. The three-unitary model has been allocated the highest score (3) in relation to this criterion. Under this option there will be more accountable political leadership and community engagement than the other options. This will enable local government, more so than the other options, to create new relationships with residents based on co-production and independence rather than paternalism and service provision. This will be essential in effectively managing demand and enhancing financial and operational sustainability in the medium to long term.

7. Provides a solution for the whole of Buckinghamshire, not just one part

The non-financial analysis found that all options have the ability to meet this condition when implemented alongside service transformation.

8. Supported by a broad cross-section of partners and stakeholders

As discussed above the eighth criterion will be evaluated at a later date.

9. Facilitates the growth and devolution agenda

Economic Development across all three options should be delivered across the area covered by the four district councils to enable the strategic benefits of planning economic development at scale to be realised. Each option has merit in relation to this criterion therefore all three options have been allocated the highest score (3). The merits of each option are described below:

- It will be easier to build relationships and collaborate with neighbours more so under a single-unitary council than options 2 or 3 as there will be less parochialism and fewer organisational interests to manage.
- Buckinghamshire is a poly-centric economy and a one-size-fits-all model could lead to diseconomies of scale. The distinct differences with regard to economic relationships between the north and south of the county support a two-unitary council.
- The number of political leaders and executives under option 3 will provide locally responsive and accountable leadership. Therefore, a three-unitary option would, more than any other option, allow senior leaders and executives to develop relationships with local SMEs and enable the authorities to tailor their business support programmes to local circumstances in order to support growth.

Summary

The total scores allocated in relation to the non-financial analysis indicate options 2 and 3 are more advantageous than option 1. The non-financial analysis recognises the benefits of scale in delivering short-term savings; however, in the long term there is a need to develop fundamentally different relationships with residents, moving to an outcomes-focused approach and shifting the role of local government towards supporting individuals, families and communities to secure their own wellbeing. This will require focused local leadership and more locally accountable decision-making. More criteria have been allocated the top ranking score (3) under option 3 (4 out of 7 criteria) than option 2 (2 out of 7). This is because option 3 provides greater local accountability. Therefore, on balance it would appear as if the three-unitary model is the most advantageous and provides the greatest opportunity to transform local government and achieve long-term financial and operational sustainability.

Financial analysis

Analysis of costs

The analysis includes reorganisation costs which cover:

- Income foregone from harmonising council tax;
- Reductions in senior staff headcount; and
- Change management for reorganising the councils.

The approach to the analysis of each is as follows:

- **Income foregone from harmonising council tax**
Where UAs are formed by combining existing authorities there will need to be a process to harmonise council tax levels. By 2019/20 when the unitary councils are assumed to be formed it is estimated that there will be a difference of £41 per annum between the lowest average band D council tax (including the County Council tax of £1,305) in Wycombe District Council (£1,448⁵⁹) and highest in Chiltern District Council (£1,489). The three options create different council tax differentials to harmonise.⁶⁰

Three options have been considered to harmonise council tax. Firstly, it is possible to freeze council tax for some payers at the high end and increase the council tax of others until everyone is on the same level then a universal council

⁵⁹ Wycombe District Council includes a special expenses precept

⁶⁰ Council Tax rates for 2016/17 are based on CTR and CTB forms

tax increase can be applied. Secondly, council tax can be harmonised to the lowest current level on day one of the new council and then all council tax payers have the same percentage increase thereafter. Thirdly, council tax can be harmonised to the weighted average level. Whichever way this is modelled there is less council tax collected than if there was no change to the current structures. We have described the difference between status quo and the new structures as "income foregone".

Income foregone has been calculated by multiplying the tax base by the estimated band D council tax rate under the status quo to arrive at an estimated total council tax revenue collected figure. The figure has then been compared to the same calculation for each council tax harmonisation option. In all of the options modelled the income foregone is least over five years when harmonisation occurs to the lowest level of council tax. Under the three unitary model there is an increase in council tax revenue over the five years as a result of harmonisation on the assumption that two of the unitary councils (Aylesbury and Wycombe) will increase council tax by 3.99% from 2019/20 onwards and whilst there will be council tax income foregone as a result of Chiltern and South Bucks becoming one unitary council, there is a net increase in council tax revenue because of the Aylesbury and Wycombe effect being greater than the income foregone.

- **Reductions in senior staff headcount**
Senior staff restructuring costs relate to redundancy payments and pension costs for those posts in tiers one (Chief Executive), two (Deputy Chief Executive and Strategic Directors) and three (Senior Management/Heads of Service) no longer needed to run a reduced number of authorities or because local government functions will be delivered at a Buckinghamshire-wide level.
- **Change management for reorganising the Councils**
The change costs are one-off costs to support the reorganisation change process, including setting up the new unitary councils, Buckinghamshire-wide functions (e.g. adult social care, children's services, economic development, transport and strategic planning), a single shared service back-office function and the integration of IT systems across multiple organisations.

Analysis of savings

The savings from reorganisation cover:

- Reduction in senior officer posts;
- Reduction in the number of members;
- Savings in corporate services;
- Service optimisation savings; and
- Property rationalisation savings.

The approach to the analysis of each of the above is as follows:

- **Reduction in senior officer posts**
The savings in respect of the senior staff structure are the salaries and on-costs saved for the reduced numbers of senior staff posts required to run the new authority.
- **Reduction in the number of members**
Member savings come from having fewer authorities and hence a requirement for fewer members.
- **Savings in corporate services**

Corporate services savings are achieved through the consolidation of these functions and the economies of scale typically achieved.

- **Service optimisation savings**
The service optimisation savings are achieved through service consolidation and procurement savings, e.g. a single waste collection contract.
- **Property rationalisation savings**
The savings from property rationalisation, consolidated purchasing of utilities and FM contracts.

The following table provides a summary of the high level revenue costs and savings on a (real) estimated for each option over a five-year period from 2019/20 to 2023/24:

Income foregone, costs and savings	Single-unitary model of local government £m	Two-unitary model of local government £m	Three-unitary model of local government £m
Income foregone			
Council tax harmonisation (lowest level)	8.7	1.1	-5.8
Total income foregone	8.7	1.1	-5.8
Costs			
Senior staff restructuring	5.0	3.9	2.8
Change management	9.3	10.4	11.4
Total costs	14.3	14.3	14.2
Savings			
Senior staff restructuring	26.8	20.5	14.8
Member costs	6.8	5.4	4.0
Corporate services	39.0	31.2	29.5
Service optimisation	24.5	19.6	18.5
Property rationalisation	6.6	5.3	5.0
Total savings	103.7	82.0	71.8
Net savings	80.7	66.6	63.4
Rank	First	Second	Third

Appendix C provides detailed assumptions underpinning the above income foregone, costs and savings figures.

Funding the transition

In the early years following the creation of any new council structure there would be a requirement for the authorities to fund income foregone as a result of council tax harmonisation and the cost of implementing the new structures, e.g. one-off change costs and staff exit costs (prior to year one of the new council structures being in place). The source of funding the foregone revenue/costs in the early years could be borrowing or council reserves. The table below shows the combined earmarked and unallocated reserves for each option according to each authority's Revenue Account Budget as at 31 March 2016⁶¹.

⁶¹ <https://www.gov.uk/government/collections/local-authority-revenue-expenditure-and-financing>

Revenue Account Budget 31 March 2016	Earmarked reserves £m	Unallocated reserves £m	Total reserves £m
Buckinghamshire County Council	128.7	19.6	148.3
Aylesbury Vale	24.1	3.3	27.4
Chiltern	5.0	4.2	9.2
South Bucks	2.2	3.5	5.7
Wycombe	38.9	8.6	47.5
Total	198.9	39.2	238.1

Payback period

Under all options payback is achieved in the second year with the first year (2018/19) being the year in which the shadow councils are formed and only change costs are incurred. Estimated savings do not transpire until 2019/20, at which point the savings are estimated to be in excess of foregone council tax revenue and reorganisation costs and are estimated to continue to do so for the five years analysed.

The unallocated reserves as at 31 March 2016 are significantly in excess of the change management costs that require funding in all options so there would be no requirement to borrow to fund these costs in this year if reserves remain at or around a similar level in 2018/19. If some of the savings assumptions discussed in this report were not achieved, e.g. corporate services, service optimisation and property rationalisation, or were achieved later, there is between £22m and £25m available from unallocated reserves over and above the estimated reorganisation costs in 2018/19 and 2019/20 depending on the option.

Initial disaggregation of funding from Buckinghamshire County Council on an equitable basis for each of the options explored

On the assumption that the Buckinghamshire County Council funding to be disaggregated is equivalent to the net budget requirement estimated by the County Council for 2019/20, to deliver the vision approximately 90 per cent of the County Council funding will need to be used for functions that will deliver outcomes for the whole of Buckinghamshire, for example, Adults Social Care, Children's Services, Economic Development, Transport and Strategic Planning. The remaining 10 per cent of the funding will need to be disaggregated on an equitable basis and shared if a two or three-unitary model is the preferred option for local government. At this stage a straightforward method for achieving equitable disaggregation would be on a per capita basis for each option but at outline business case stage a more detailed method would need to be considered that factored in the different needs and age profile of the population. By way of example, the following table shows the outcome of this straightforward per capita method using the estimated 2019/20 Buckinghamshire County Council net budget requirement figures and 2014 population statistics:

	Disaggregation of County Council budget
Net budget available for disaggregation	34.4
Single-unitary model:	
Aylesbury Vale, Chiltern, South Bucks and Wycombe District Councils	34.4
Two-unitary model:	
Aylesbury Vale	12.2
Chiltern, South Bucks and Wycombe District Councils	22.2
Three-unitary model:	
Aylesbury Vale	12.2
Chiltern & South Bucks	10.7
Wycombe	11.5

The detailed calculation for the above analysis is enclosed as Appendix D.

Conclusion and next steps

Conclusion

Our conclusion summarises the outcome of this report and indicates which option is most advantageous in terms of long-term financial and operational sustainability.

The analysis recognises the benefits of scale in delivering short-term savings. It is important to work at the appropriate scale to secure agglomerated growth opportunities for the economy and work should continue to consider the benefits of joint working and collaboration, perhaps as part of a devolution deal with Government, on the scale of the functioning economic geography. Additionally, functions such as ASC and children's services need to be planned at a scale which maximises the opportunities for integrated working with other public services and build resilience into systems of safeguarding.

In the long term there is also a need to develop fundamentally different relationships with residents, moving to an outcomes-focused approach and shifting the role of local government towards supporting individuals, families and communities to secure their own wellbeing. This will require focused local leadership and locally accountable decision-making. Where functions are planned at a county-wide or larger geography the need for local leadership to promote integrated working and community engagement will still be key. For example, whilst planning the integration of health and social care services at the county-wide scale is appropriate, the most transformational impact will come from promoting joint working between GPs, social workers and other community-based services. Therefore, the two or three-unitary authority option provides the greatest opportunity to transform local government and achieve long term financial and operational sustainability.

Next steps

Stakeholder engagement

In order to reach consensus on the most appropriate model for local government in Buckinghamshire the district councils will need to produce a stakeholder engagement plan and identify key stakeholders; these will include but are not limited to the County Council, LEAs, Thames Valley Police, the DCLG, MPs, health partners, and town and parish councils.

A key part of this will be engaging with the surrounding local authorities to identify whether opportunities exist and if there is a willingness to work across boundaries to deliver services at scale. If suitable opportunities are identified an extensive process of financial and service due diligence will need to be completed to mitigate any potential risk associated with integrating organisations.

Consider community engagement methods

This document has outlined a vision which is centred upon delivering universal functions locally through increased engagement with communities. This will enable more decisions to be made at a local level with regard to prioritising outcomes and the deployment of resources.

Parish and town councils may provide a forum for this enhanced community engagement in certain circumstances. However, it is likely that the population of town councils is too great to achieve the level of community engagement outlined in the vision. Therefore,

options will need to be explored to ensure there is an appropriate level of political accountability and representation across Buckinghamshire.

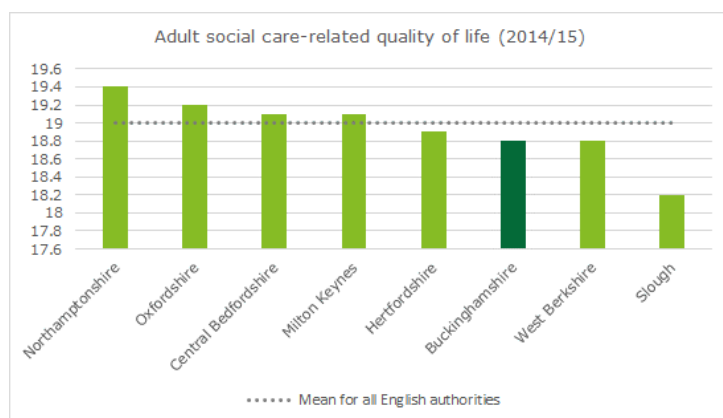
If a decision is made to implement a unitary model of local government, there will be a process of councillor rationalisation and alternative ward options will be explored as part of a boundary review. This will require extensive stakeholder engagement with existing parish and town councils. As part of this process consideration should be given as to whether High Wycombe Town has adequate political representation and accountability given that the area is currently unparished.

Appendix A: Performance

The following section of the report outlines the performance of neighbouring local authorities for key services where Buckinghamshire is facing significant demand challenges; adult social care, children's services and housing. It is important to consider the performance against these indicators when considering opportunities for cross-boundary working.

Adult Social Care

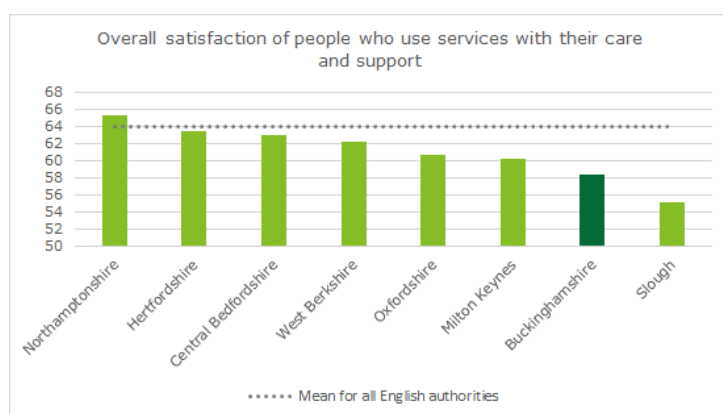
Social care related quality of life, 2014/15



The graph on the left shows the social care related quality of life score. The maximum score is 24. The data is taken from the Local Government Inform Tool.

Buckinghamshire's performance against this indicator is below the average for England and the neighbouring counties, excluding West Berkshire and Slough.

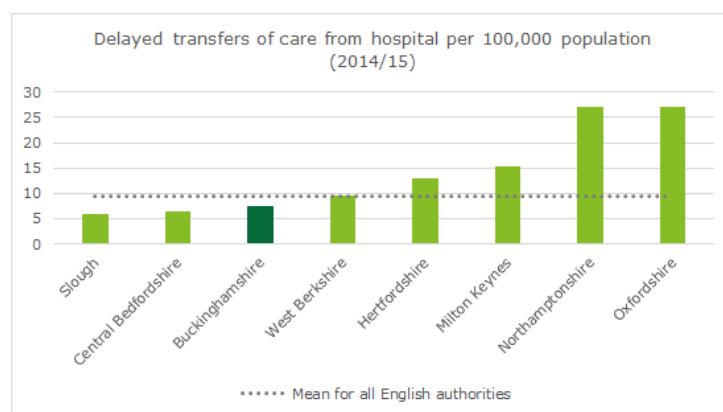
Overall satisfaction of people who use services with their care and support, 2014/15



This is the overall satisfaction of people who use adult social services with the care and support expressed as a percentage. The data is taken from the Local Government Inform Tool.

The graph above suggests that adult social care users in Buckinghamshire are less satisfied with their care and support than they are elsewhere in the country. Buckinghamshire's performance against this indicator is below the average for England and all of the neighbouring counties, excluding Slough.

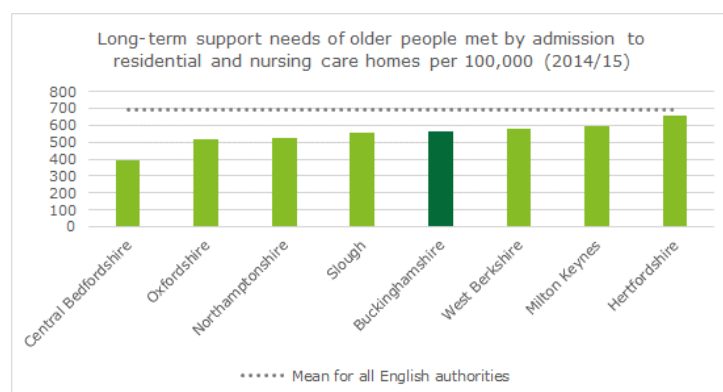
Delayed transfers of care from hospital, 2014/15



This is the number of delayed transfers of care from hospital per 100,000 population attributable to adult social care. The data is taken from the Local Government Inform Tool.

There are fewer delayed transfers of care in Buckinghamshire than the average for England and neighbouring local authorities, excluding Slough and Central Bedfordshire.

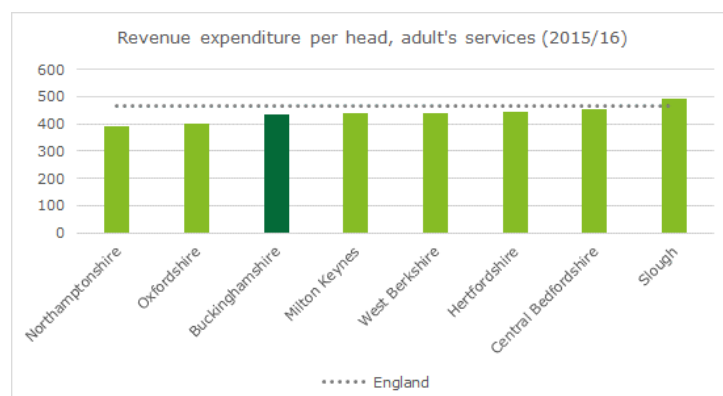
Long term support needs of older people met by admission to residential and nursing care homes, 2014/15



The graph on the left shows the number of older people whose long term support needs were met by admission to residential and nursing care homes per 100,000. The data is taken from the Local Government Inform Tool.

The chart above demonstrates that fewer older people in Buckinghamshire have their long term support needs met by admission to residential and nursing care homes than the English average, suggesting more people are enabled to be supported at home which is in line with good practice nationally.

Revenue expenditure per head adult's services, 2015/16



The graph on the left demonstrates the total revenue expenditure, per head of population (18 and over) in 2015/16, for adult's services and includes employee costs and running expenses for neighbouring local authorities. It is taken from the Local Government Inform Tool.

The chart indicates that revenue per head in Buckinghamshire is less than the average for England and less than its neighbouring local authorities, excluding Northamptonshire and Oxfordshire.

Children's services

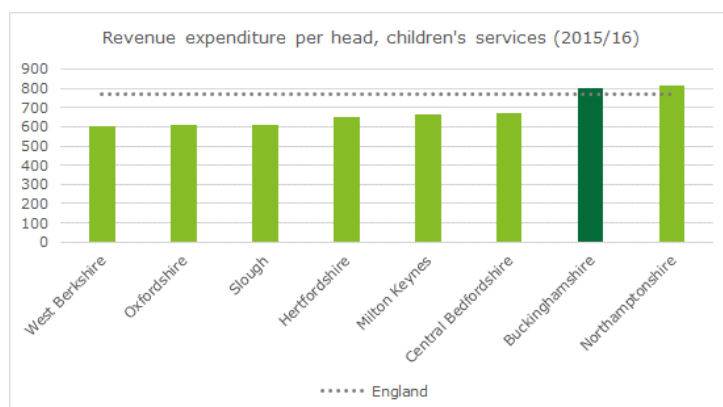
Ofsted inspections of children's social care, 2014 & 2015

The tables below summarises the results of the latest Ofsted inspections in Buckinghamshire and surrounding local authorities.

Inspection rating	Buckinghamshire*	Hertfordshire	Oxfordshire	Northamptonshire
Overall grading	Inadequate	Good	Good	Requires improvement
Children who need help and protection	Inadequate	Requires improvement	Good	Requires improvement
Children looked after and achieving permanence	Inadequate	Good	Good	Requires improvement
Adoption performance	Requires improvement	Good	Good	Requires improvement
Experiences and progress of care leavers	Requires improvement	Good	Good	Requires improvement
Leadership, management and governance	Inadequate	Good	Good	Requires improvement
The effectiveness of the Local Safeguarding Children Board	Inadequate	Good	Good	Requires improvement

*Please note that the County has sought external advice and support to drive forward an improvement plan for children's services.

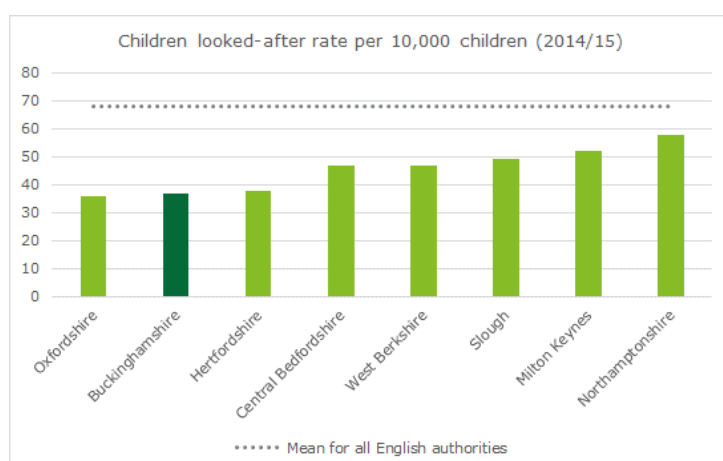
Revenue expenditure per head children's services, 2015/16



The graph on the left demonstrates the total revenue expenditure, per head of population (aged 0-17) in 2015/16, for children's services and includes employee costs and running expenses for neighbouring local authorities. It is taken from the Local Government Inform Tool which is based on General Fund Revenue Account Outturn Social Care data for 2015/16.

The chart indicates that revenue per head in Buckinghamshire is greater than the average for England and greater than neighbouring local authorities, excluding Northamptonshire.

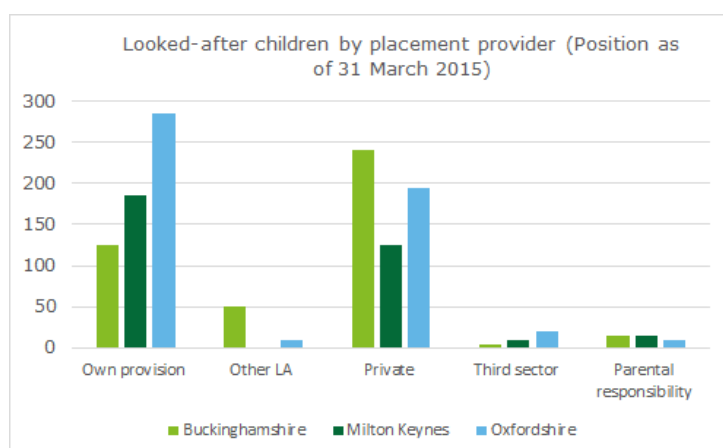
Children looked-after rate per 10,000 children aged under 18, 2014/15



The chart on the left demonstrates the number of children looked after as at 31 March 2015, expressed as a rate per 10,000 children aged 0 to 18. The term 'looked after' includes all children being looked after by a local authority; those subject to a care order under section 31 of the Children Act 1989; and those looked after on a voluntary basis through an agreement with their parents under section 20 of that Act. The data is taken from the Local Government Inform Tool.

The graph indicates that the rate of looked-after children in Buckinghamshire is below the English average and below its neighbouring authorities, excluding Oxfordshire. This is surprising given that revenue expenditure per head in Buckinghamshire is greater than the national average and the majority of its neighbouring local authorities.

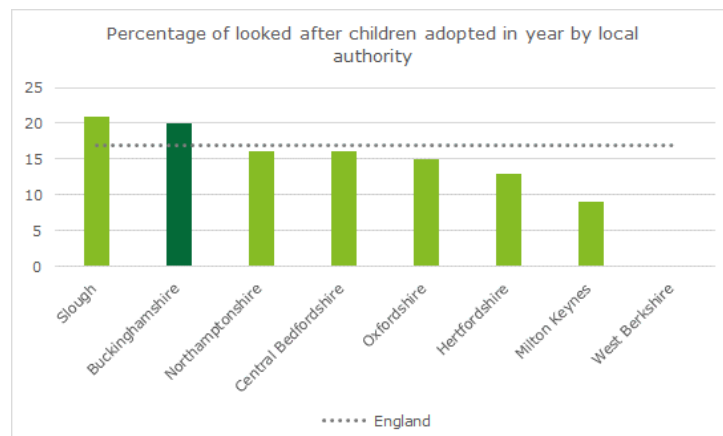
Looked-after children by placement provider, 2015



The graph on the left shows looked-after children by type of placement provider across Buckinghamshire, Milton Keynes and Oxfordshire. The information is taken from the Department of Education local authority benchmarking data set.

The chart suggests that Buckinghamshire relies on private placements more than the neighbouring counties of Oxfordshire and Milton Keynes. Buckinghamshire also relies on other local authority providers more than Milton Keynes and Oxfordshire.

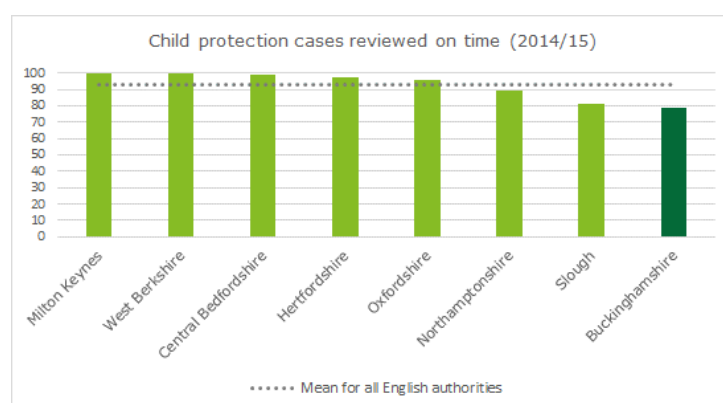
Percentage of looked-after children adopted in year, 2015



The graph on the left shows the percentage of looked-after children adopted in year for Buckinghamshire and the neighbouring local authorities. The information is taken from the Department of Education local authority benchmarking data set.

The chart suggests that Buckinghamshire is more successful at finding adoption homes for looked-after children compared to the neighbouring local authorities, excluding Slough. Indeed data suggests Buckinghamshire's performance against this indicator has improved in recent years.

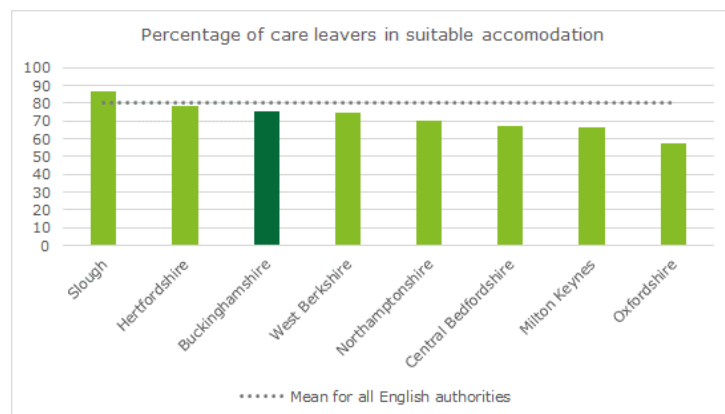
Child protection cases reviewed on time, 2014/15



The graph on the left demonstrates the percentage of children with a child protection plan on 31 March 2015 who had a plan continuously for at least three months and had their plan reviewed within the required timescales. The data is taken from the Local Government Inform Tool.

The chart shows that Buckinghamshire's performance is below its neighbouring authorities and the English average in relation to this indicator, suggesting that there is room to improve the timeliness of case reviews.

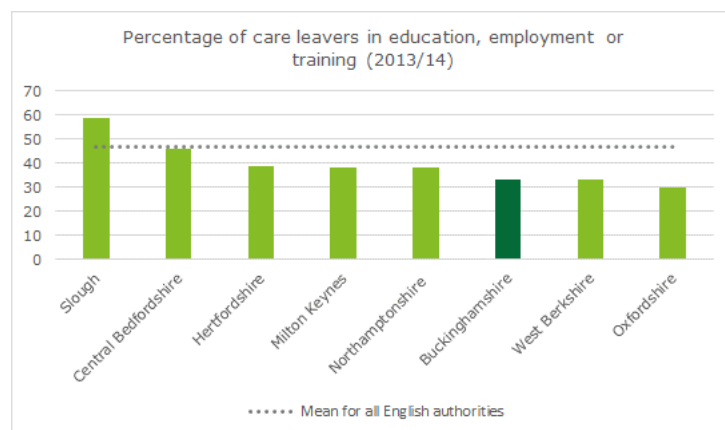
Percentage of care leavers in suitable accommodation, 2013/14



This indicator is the percentage of former care leavers aged 19 who were looked after under any legal status on 1 April in their 17th year, who are in suitable accommodation. Suitable accommodation must be safe and secure, and excludes emergency accommodation used in a crisis. The data is taken from the Local Government Inform Tool.

The chart demonstrates that Buckinghamshire's performance is below the English average for this indicator, suggesting there is room for improvement. The percentage of care leavers in suitable accommodation is greater than its neighbouring counties, excluding Slough and Hertfordshire.

Percentage of care leavers in education, employment or training, 2013/14



The graph on the left demonstrates the percentage of former care leavers aged 19 who were looked after under any legal status on 1 April in their 17th year, who are in education, employment or training. The data is taken from the Local Government Inform Tool.

The chart demonstrates that Buckinghamshire's performance against this indicator is below the English average, suggesting that there is room for improvement. The percentage of care leavers in education, employment or training in Buckinghamshire is below its neighbouring counties, excluding West Berkshire and Oxfordshire.

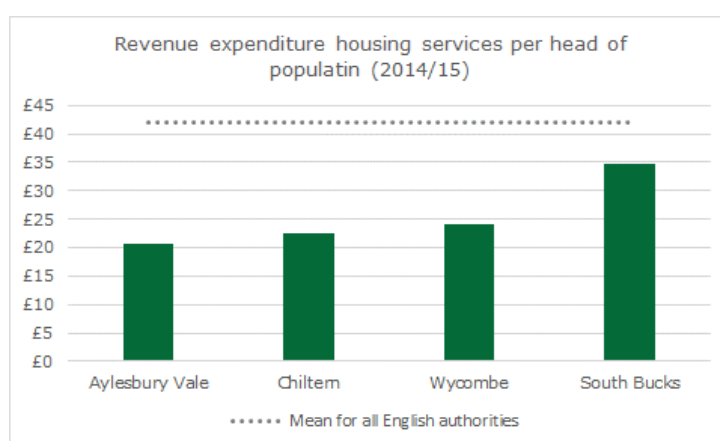
Outcomes for looked-after children

When benchmarking the outcomes for looked-after children in Buckinghamshire against the averages for England and the South East region there appears to be room for improvement in some areas such as educational attainment at GCSE level, as demonstrated in the table on the following page. However, in other areas, such as care leavers in suitable accommodation, Buckinghamshire's performance is above that of the national and regional average.

Outcome indicator	Buckinghamshire	England	South East
Percentage of children who have been looked after continuously for at least 12 months at key stage 4 who have achieved five or more GCSE grades A* to C (2015)	17.5%	18.3%	17.6%
Percentage of children with at least one fixed period exclusion who have been looked after continuously for at least 12 months (2014)	12.04%	11.22%	10.25%

Housing

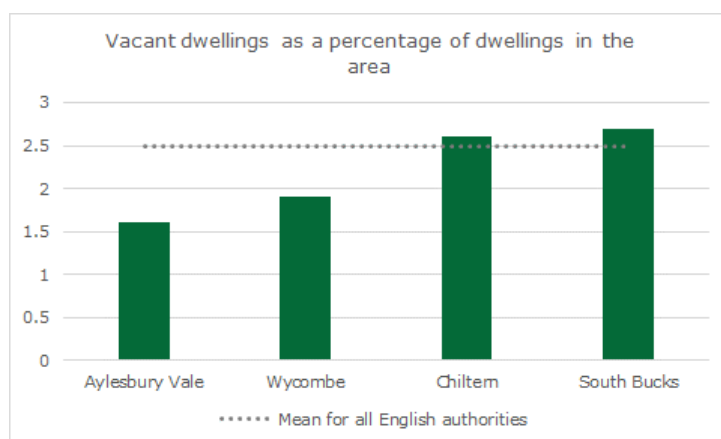
Total revenue expenditure on housing services (GRFA only) per head of population, 2014/15



This is total revenue expenditure, per head of population. It includes employee costs and running expenses. It is taken from the Local Government Inform Tool which is based on local authority Revenue Outturn Service Expenditure for 2014/15.

The chart demonstrates that there is variation across the district councils in Buckinghamshire in terms of revenue expenditure per head. Revenue expenditure per head on housing services is greater in South Bucks and lower in Aylesbury Vale. Spend in all districts is below the average for England.

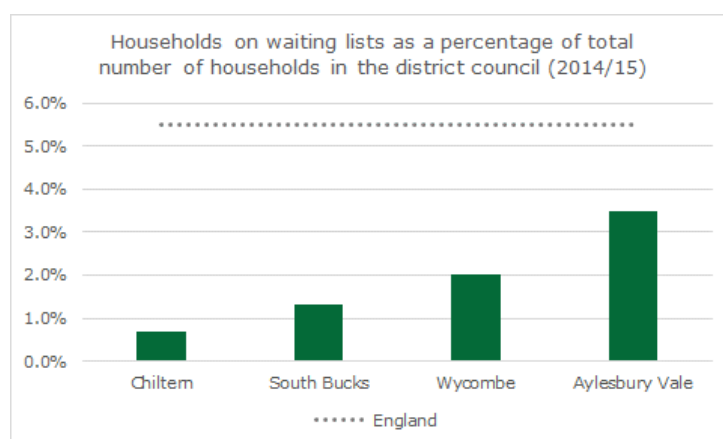
Vacant dwellings as a percentage of all dwellings in the area, 2014/15



This is the percentage of vacant dwellings as a percentage of all dwellings in the area. It is taken from the Local Government Inform Tool.

The graph demonstrates that there is variation in the percentage of vacant dwellings across the four districts. Chiltern and South Bucks have the highest percentage of vacant dwellings, both of which are above the average for England.

Households on housing waiting lists at 1 April, 2014/15



This is the total of households on the housing waiting list at 1 April 2014/15. It has been taken from the Local Government Inform Tool.

The graph shows that the number of households on housing waiting lists is below the England rate across all four districts. There are more households on the housing waiting list in Aylesbury Vale than any other district.

Appendix B: Good practice examples

Good practice examples – health and adult social care

Kaiser Permanente⁶²

Overview

Kaiser Permanente (KP) is the U.S.'s largest non-profit integrated healthcare system with over 9.6 million members and a focus on population health and prevention. KP uses data, available through its system-wide electronic health record, to understand its population's health needs. Hundreds of health education classes are offered at each of its medical centres, on topics ranging from stress management to diabetes care to quitting smoking. Physicians regularly encourage patients to improve their lifestyle, for example, they may "write a prescription" for a weight management or a menopause class rather than medication. All members are sent a copy of *The Health Wise Handbook* which provides information on hundreds of medical conditions, includes home care tips and advice about when to call your doctor or go to an emergency room. As part of these efforts, KP has established a range of Community Health Initiatives to support the development of place-based interventions to improve population health. These interventions typically focus on improving access to green spaces, promoting physical activity through creating bike paths and walking trails and improving access to healthy foods in schools, workplaces and deprived areas.

Nuka system of care, Alaska⁶³

Overview

Southcentral Foundation is a non-profit health care organisation serving a population of around 60,000 Alaska Native and American Indian people in south central Alaska, supporting the community through the Nuka System of Care.

Nuka was developed in the 1990s after legislation allowed Alaska Native people to take greater control over their health services, transforming the community's role from 'recipients of services' to 'owners' of their health and social care system, and giving them a role in designing and implementing services.

The system incorporates patient-centred, multi-disciplinary teams providing integrated health and care services in primary care centres and the community. This is combined with a wider approach to improving family and community wellbeing that extends well beyond the co-ordination of care services, for example the Nuka's Family Wellness Warriors programme aims to tackle domestic violence, abuse and neglect across the population through education, training and community engagement.

Alaska Native people are actively involved in the management of the Nuka system of Care in a number of ways. These include community participation in locality-based advisory groups, the active involvement of Alaska Native 'customer owners' in Southcentral Foundation's management and governance structure, and the use of

⁶² Kaiser Permanente, The King's Fund

⁶³ Population Health Systems, The King's Fund, 2015

surveys, focus groups and telephone hotlines to ensure that people can give feedback that is heard and acted on.

Since the Nuka model was established there have been a number of positive results, including reductions in hospital activity:

- 36 per cent reduction in hospital days;
- 42 per cent reduction in urgent and emergency care services; and
- 58 per cent reduction in visits to specialist clinics.

First Contact Customer Service Centre (CSC), Nottinghamshire County Council (NCC)⁶⁴

Overview

NCC has restructured its CSC to improve its efficiency and effectiveness and reduce front-door demand on its operational teams. Social care enquiries are initially handled by specialist Customer Service Advisors who use a range of tools and resources to assist 'triage' in the form of scripts, on-screen information, process flow charts and assessment forms. These aid advisors in determining whether direct referral is appropriate rather than referring up to the operational teams.

The Adult Access Service (AAS) deals with more complex referrals and undertakes a range of assessments previously completed within the operational teams.

A 'self-serve' option at first contact is also available to service users. The system provides people with the information they need to take control of their care and support and choose the options that are right for them. For more specialist advice, people can complete an online Contact Assessment which will provide a quicker indication of their care needs and eligibility for funded support.

Over 75 per cent of social care enquiries into the CSC are now resolved at the front end. This has reduced work-flow into the operational teams and has freed up professional staff to focus on more complex cases and provide the customer with a more timely and targeted response.

Supporting Lives, Suffolk⁶⁵

Overview

Suffolk's vision for ASC is based upon the assumption that the communities in which people live can be developed so that citizens can assist their neighbours to live more independent lives through active engagement in the community and asset-based approached to delivering care. Suffolk provides three levels of adult social care support:

- Help to help yourself – 'My Life' website is a library of information, advice or signposting to help that is available within the community.
- Help when you need it, immediate short-term help – an integrated approach to enablement, given to a person in a crisis or to support them in recovery. A 'Short Term Enablement Plan' provides an integrated approach for customers.
- Ongoing support for those who need it – users are given the choice to take the support through a personal budget, which may be based on a direct payment

⁶⁴ Integrated Digital Care Records – Enabling information sharing 2015

⁶⁵ <http://www.local.gov.uk/documents/10180/11779/LGA+Adult+Social+Care+Efficiency+Programme+-+the+final+report/8e042c7f-7de4-4e42-8824-f7dc88ade15d>

system where customers arrange the services themselves, or through a managed account where the council manages the care for them.

A key element of the transformation has been to help staff, citizens and communities understand the need for change and engage with the new model. Practitioners are having new conversations with service users and as a result are finding more creative ways to address needs.

Over a four-year period Suffolk has delivered £38 million in savings in adult social care.

Gateway to Care, Calderdale⁶⁶

Overview

Calderdale Council and the NHS have developed a new integrated front-end service called the Gateway to Care. The service provides the first point of contact between customers and adult social care and aims to help the customer find a solution to their presenting problem, focusing on prevention, early intervention and safeguarding. The service works to divert people away from formal care to community-based solutions or short-term help to build independence where appropriate.

There were 37,000 adult social care contacts to the service in 2013/14. Over 97 per cent of these people received short-term support without the need for a further social care or medical assessment. Calderdale attributes this to the fact that it is run by trained staff from health and social care, including nurses and social workers, who are experienced in finding the best solutions without the need for ongoing care.

The service gives staff time to work with people in a personalised way on the full range of solutions that may be available, thereby promoting independence in a way that safeguards people's best interests.

Connecting Care, Bristol, North Somerset and South Gloucestershire interoperability programme⁶⁷

Overview

The Connecting Care team saw a key blocker to the provision of high quality care was the lack of integrated patient data. Following the success of a view-only shared portal pilot, the team went out to tender to extend the breadth and depth of the model. The team started work with Orion Health in March 2013 and Connecting Care went live in December 2013.

17 partners are involved, including local authorities, clinical commissioning groups, hospital trusts, GP practices, community health services, mental health partnerships, the ambulance service and a regional academic health science network.

The programme uses the Orion Health Cross Community Care Record portal option to create a shared care record as it was felt to be the best option for the region given the disparate systems and range of organisations involved and the desire for a 'partnership of equals.'

Connecting Care brings together information from 11 separate information systems, enabling authorised professionals to log in and see a comprehensive summary of an

⁶⁶ <http://www.local.gov.uk/documents/10180/11779/LGA+Adult+Social+Care+Efficiency+Programme+-+the+final+report/8e042c7f-7de4-4e42-8824-f7dc88ade15d>

⁶⁷ Integrated Digital Care Records – Enabling information sharing 2015

individual's health and social care data in a single electronic view subject to a role-based access/permission approach.

Key benefits of the programme include:

- *Admissions prevention* – The pilot illustrated that annual savings could equate to £1,036,288 from unplanned admissions. This saving is based on 10,000 people using information in Connecting Care.
- *Time savings* – The pilot indicates annual savings of £155,278 can be achieved through more efficient use of 'people time' as Connecting Care users spend less time calling other organisations for information. This saving is based on the assumption that one call per week can be saved per each professional user and has been calculated using an average NHS band 7 to 8 salary.
- *Reduced home visits* – The pilot suggests annual savings of £68,000 can be delivered by reducing unnecessary home visits. This saving is based on 10,000 people using information in Connecting Care and is based on the assumption that the average cost of a face-to-face assessment by a Community Nurse is £60.

Integrating health and social care records, Milton Keynes⁶⁸

Overview

Following the successful implementation of the single patient record for local GP practices and PCOCs across Milton Keynes, NHS Arden and GEM sought to bring health and social care systems together.

Working with Milton Keynes CCG and Milton Keynes Council, NHS Arden & GEM CSU Clinical Systems team developed, implemented and managed a 12-month programme which set up a clinical IT system for multi-disciplinary teams to access patient records when patient consent was given.

This allows GPs to make electronic referrals to the MDT service, who will then be able to access patient records to allow them to determine the best and most appropriate support required to meet patient need. The records are updated and then sent back to the GP.

MDTs in Milton Keynes consist of agencies across the social care system including social services, Age UK, Diabetes UK, mental health services as well as other community and voluntary organisations. By having access to integrated care records, there is confidence that both health and social care professionals are working together.

Through integrated working, referrals are instantaneous resulting in quicker, proactive treatment which reduces A&E, hospital and out-of-hours admissions. By reviewing the processes required, the patient journey is more streamlined and clinical safety is improved and GPs are alerted when medication is due for collection for one of their patients. MDT actions are also logged within the patient record and are available to the GP practice to view.

Telecare and assistive technologies, London Borough of Hillingdon⁶⁹

Overview

Hillingdon offers a community alarm service to residents aged 80 and over to support people to live independently in their own homes by providing reassurance that help is available in an emergency. The equipment ranges from basic alarms, which can be activated by pressing a button, to more sophisticated devices that can sense if there is a

⁶⁸ Implementing a single patient record across Milton Keynes, 2013

⁶⁹ Good practice in Local Government Savings, Department for Communities and Local Government, 2014

personal risk, for example when someone falls; it can also help prompt residents to remember to take their medication. TeleCareLine is staffed 24 hours a day, 365 days a year, by experienced operators who will call responders in an emergency situation.

Similar telecare packages are offered free for the first six weeks as part of a reablement service. The telecare and reablement service achieved the financial savings target of £5.0m by March 2014.

Using capital resources, Portsmouth City Council⁷⁰

Overview

Portsmouth City Council has used its capital resources to build a 92-bedded nursing home which is now run by the independent sector (Care UK). The provider is able to offer beds at a reduced price of £470 per week as Portsmouth has met the capital costs of the provision. This gives a net cost for nursing care of £360 per week. This is significantly lower than the rate of £700-plus that the council is paying for alternative provision. The business plan in Portsmouth estimates a £4 million saving over the 25-year lifespan of the project.

Good practice examples – children and young people

ChildStory, New South Wales, Australia⁷¹

Overview

ChildStory is a child welfare IT system built around individual children. It flips the traditional needs-based service delivery model of social service to make the child the focus of the system and one of its actual users. Placing the child at the centre of the system impacts how employees approach their work and leads to more respectful report writing.

One of ChildStory's unique capabilities is the "digital suitcase" which is a repository in which children and their caretakers collect photos, videos, documents, school reports and other digital memorabilia. Such items are often lost as children move around the system. The value of the virtual suitcase is enormous, both to children and to those responsible for them, and it fits neatly with ChildStory's system, allowing caseworkers to swiftly and easily track a child's relationship and support networks. The IT system reflects a major change in mind-set from a paternalistic model to one where individuals are actively engaged in their care.

Family Space, London Borough of Croydon⁷²

Overview

The London Borough of Croydon built a family-focused website 'Family Space' for parents and professionals to enable easier access to a range of different sources of information about children's services locally. The council used ethnographic research, interviewing a number of local families to understand their current experiences and used the insight gleaned to develop a website that best served their customer's needs. The site brings together information and services delivered by the councils and other local providers and

⁷⁰ <http://www.local.gov.uk/documents/10180/11779/LGA+Adult+Social+Care+Efficiency+Programme+-+the+final+report/8e042c7f-7de4-4e42-8824-f7dc88ade15d>

⁷¹ D.Eggers, *Delivering on Digital: The innovators and technologies that are transforming government* (2016)

⁷² London Borough of Croydon, Family Space

includes advice and information about a range of subjects, for example, finance, disability, child safety, special needs, staying healthy and social activities.

Family Space has also facilitated the development of communities of interest by linking parents with their peers. Family Space enables residents to build up their own networks of support and has led to increased resilience.

By encouraging more customers to access information online, the council has managed to cut their costs from their more traditional customer service operations. It saved £136,000 in handling customer enquiries in the first seven months. Following the same model and based on increased uptake, this means that a £450,000 saving was made in the 2013/14 financial year. Managing demand on the phone is estimated to be £32 more expensive per call and managing demand face-to-face is estimated to be £54 more expensive per enquiry.

Reducing high placement costs, Solihull⁷³

Overview

Solihull implemented a programme to reduce the cost of placements for children in care. Previously external placements were secured on a spot-purchase basis by social care teams. This led to a large number of providers of residential and foster care placements, making both the development of relationships and performance management of providers difficult. In addition, the local authority foster care team had no specific targets for the number of carers required and the process for assessment was lengthy. As a result the capacity of in-house fostering services had not increased in line with the rise in demand for placements.

The programme involved a range of interventions, including:

- Creating a professional procurement service;
- Moving from a reactive commissioning approach to a planned commissioning strategy;
- Strengthening the authority's foster care service through a 'lean management' process to reduce the recruitment time;
- Introducing multi-dimensional foster care placements for children with complex needs who otherwise would have been placed in residential care;
- Providing support care for children on the edge of care;
- Offering short-term breaks for those children and young people with additional needs; and
- Efficient management of the external market.

The programme led to an 11 per cent reduction in placement expenditure and foster care recruitment time halved, leading to a 28 per cent increase in capacity of in-house foster care services.

Integrated approach to commissioning, Manchester City Council⁷⁴

Overview

Manchester City Council delivered significant savings through an integrated approach to commissioning services for 'looked-after children' with an increased emphasis on increasing the availability and use of local foster care placements. The programme consisted of five work streams:

- *Reducing demand* – reducing the need for placements by developing effective early interventions such as multi-systemic therapy;

⁷³ Reducing High Placement Costs, Solihull Metropolitan Council

⁷⁴ Good practice in Local Government Savings, Department for Local Government and Communities, 2014

- *Foster care* – recruiting an additional 100 foster carers;
- *Residential homes* – a phased withdrawal as able to meet demand through foster care placements;
- *Permanence* – speeding up the adoption process and improving services to care leavers including access to education, employment, training and housing; and
- *Contract efficiencies* – achieving efficiencies on existing contracts and re-commissioning services for care leavers.

The successful implementation of these work streams was expected to generate savings of up to £15 million over four years (2012/13 to 2015/16). By March 2014 seven residential care homes had closed.

Good practice examples – economic development, transport and strategic spatial planning

Personalised bus transportation, Washington DC⁷⁵

Overview

Washington DC has introduced dynamic bus routes through a transportation start-up called Bridj which uses analytics to move commuters to their destinations. As the world's first smart mass transit system, Bridj delivers a fundamentally more efficient way of moving throughout the city. Powered by data and mobile tech, the company is able to optimise pick-ups, drop-offs, and routing based on need. Plus, since all rides are shared and each Bridj seats up to 14 passengers, fares cost only slightly more than the metro. However, on Bridj customers are always guaranteed a seat. Instead of fixed routes Bridj assesses where passengers live and work to offer personalised options. The service is provided through a simple App where users enter their destination, input the time they would like to leave and reserve a seat. Users then receive directions to a pick-up location where a Wi-Fi enabled Bridj bus meets them.

Reducing car ownership, Helsinki⁷⁶

Overview

Helsinki has an ambitious transport vision: by 2025 it plans to eliminate the need for any city resident to own a private car. The city plans to combine public and private transport providers so citizens can assemble the fastest or cheapest mode of travel. The idea is to take a characteristically physical transportation system designed around vehicles, roads, bridges, subways and buses, and reverse it to revolve around digitally enabled individual mobility. Citizens will use their phones to arrange a rideshare, an on-demand bus, an automated car, special transport for children, or traditional public transport. From planning to payment, every element of the system will be accessible through mobile devices. Rather than paying for each leg of a trip, or requiring passes and memberships, Helsinki's citizens will simply pay by the route, kilometre or a set monthly fee.

The city has launched its Kutsuplus service, a fleet of on-demand minibuses that allows commuters to determine their own customised routes and schedule and pay for trips with a smartphone. Similar to the "maxi cabs" and "minibuses" in Hong Kong and colectivo routes found throughout smaller Latin American cities, these mini buses cost more than scheduled public transportation services but are far cheaper than taxis.

⁷⁵ D.Eggers, *Delivering on Digital: The innovators and technologies that are transforming government* (2016)

⁷⁶ D.Eggers, *Delivering on Digital: The innovators and technologies that are transforming government* (2016) and K.Leon, 'Helsinki Mulls a Future Free of Car Ownership', *Triple Pundit* (2014)

Youth Offending Programme, National Grid⁷⁷

Overview

The Young Offender Programme led by National Grid is a training and employment programme focused on the rehabilitation of offenders. It works with prisoners coming towards the end of their sentences, providing training and sustainable employment on release.

Offenders must be as good as those recruited through traditional routes. Retention rates are around 10 per cent better than those recruited conventionally and from those that joined the initial gas training programmes, 15 per cent have progressed to team leadership roles.

The Programme manages to keep the reoffending rate for participants in the gas/electricity sector to less than 7 per cent – substantially less than the 50 per cent national average reoffending rate for young offenders. Reducing reoffending is a serious concern as not only does it cost around £40,000 to keep someone in prison for a year, there are wider benefits in terms of enabling people to contribute to society and become an asset rather than a burden.

Good practice examples – environment and community

Alternative delivery model for environmental services, North Somerset⁷⁸

Overview

The Directorate of Development and Environment at the council identified savings from three contracts it procured services for:

- Grounds maintenance;
- Arboriculture (tree maintenance); and
- Street cleaning.

Previously traditional contracts were in place which led to inefficiencies such as all streets being cleaned with the same frequency despite areas outside the town centre not requiring the same level of cleaning as those in the town centre. The council introduced a single combined contract which included a flexible and rapid team of staff who are deployed to tasks as they arise with no additional costs.

The new contract delivers annual savings of 27 per cent to the council, or £0.8 million.

Good practice examples – culture and leisure

Overview

Alternative delivery model for leisure services, North Dorset District Council⁷⁹

The council has had to fundamentally review the services it provides, particularly discretionary services including leisure centres. Two different models have been pursued which focus on responding to local needs:

- The Riversmeet Leisure Centre in Gillingham is run by a community group, the Three Rivers Partnership, which means the council no longer has to contribute to running costs;

⁷⁷ Youth Offender Programme, National Grid

⁷⁸ Good practice in Local Government Savings, Department for Local Government and Communities, 2014

⁷⁹ Good practice in Local Government Savings, Department for Local Government and Communities, 2014

- The Blandford Leisure Centre is managed by SLM Everyone Active which is a private company and allows the centre to obtain the greatest efficiencies by using the company's collective purchasing power.

The programme has led to annual savings of £200k for the council.

Good practice examples – digital technology

The most digitised government in the world, Estonia⁸⁰

Overview

Estonia emerged from the Soviet Union in 1991 at the dawn of the internet age; as a result, unlike other governments, it is not burdened with legacy systems. It now boasts the world's most digitised government and is the first country to enable online voting. Citizens can complete just about every municipal or state service online and in minutes. Every citizen has a unique online identity, meaning he or she never has to fill out the same information twice when transacting with public sector services. What is more, systems are integrated meaning it takes citizens less than five minutes to complete their online tax returns as information is centrally collated by the government ahead of time. It is possible to formally register a company remotely and start trading within 18 minutes. Citizens can view their educational records, medical record, address, employment history and traffic offences online.

Data analytics, New York City⁸¹

Overview

New York City Department of Buildings inspects properties for unsafe conditions and structural hazards based largely on complaints received. In 2011 the city received almost 25,000 illegal conversion complaints, where landlords divide apartments into smaller units to accommodate more people than apartments can safely house. Dozens of people might occupy a space meant for five, a potential disaster in terms of fire safety, crime and public health. The Mayor's Office of Data Analytics build a predictive data model alongside the building inspectors to triage a list of properties for inspection. Previous follow-up complaints had led to 13 per cent requiring vacate orders. Following the introduction of the triage tool the share of complaints leading to vacate orders increased to 70 per cent. Improved building inspections lowered the risk for firefighters, as fires in illegal conversions are 15 per cent more likely to result in injury or death.

Pothole sensors, Boston and Google⁸²

Overview

Potholes are symbolic of the interface between what government does and what the public wants. A number of government organisations have adopted digital approaches to effectively managing potholes, for example:

- Boston's Street Bump app allows drivers to monitor potholes with their smartphones. Before they even start their trip, drivers using Street Bump fire up the app, then set their smartphones either on the dashboard or in a cup holder. The app takes care of the rest, using the phone's accelerometer — a motion

⁸⁰ D.Eggers, *Delivering on Digital: The innovators and technologies that are transforming government* (2016)

⁸¹ D.Eggers, *Delivering on Digital: The innovators and technologies that are transforming government* (2016)

⁸² D.Eggers, *Delivering on Digital: The innovators and technologies that are transforming government* (2016)

detector — to sense when a bump is hit. GPS records the location, and the phone transmits it to an AWS remote server.

- Google has invented technology which maps potholes through sensors attached to each car's shock absorbers. The data is transmitted from the sensors so that it can be used to analyse the condition of roads.

Neighbourhood-based staff, Bristol City Council⁸³

Overview

Bristol City Council uses mobile technology to increase the efficiency of its mobile neighbourhood-based staff, reducing office-based hours, increasing reporting of local issues and reducing accommodation costs. 60 mobile officers were identified to receive tablet devices pre-loaded with the Looking Local's MyCouncil app which enabled the officers to complete their daily tasks without having to visit the office.

The cost of savings from staff reports via the app instead of the telephone were £2,256 in the 12 months, and for the public contacts, there was an estimated saving of £91,700 compared to telephone reporting. The reduced use of facilities formed part of a larger programme which is due to save the council an estimated £10 million over three years.

The company behind the app, Looking Local, is wholly-owned by Kirklees Council and is a not-for-profit-organisation. Looking Local channels registered 1.36 million sessions in 2013, nearly 60 per cent of them for transactional services, rather than flat content. Around 45 per cent of usage occurred outside normal business hours and around 25 per cent at the weekend. This indicates a saving from self-service as opposed to telephone reporting in the region of £0.8 million.

Offline accessible reporting app, Telford & Wrekin⁸⁴

Overview

The council partnered with a specialist research and development company, Bronze Software Labs, to develop the 'Everyday Telford' cross-mobile application. A report from a member of the public automatically generates a work order which is actioned with no need for council intervention. The public can submit photos taken from their smartphone/tablet on any issue that they are reporting which also uses GPS technology to pinpoint the exact location. As a result of the 'Everyday Telford' app, the council has seen a marked increase in the number of reports from the public and response times have been improved. 2,311 reports have been received through the app without any involvement from the general public – this delivered a £5,000 saving in the first quarter of 2013/14.

Online self-assessment application for care services, Kent County Council⁸⁵

Overview

Kent County Council worked with IT supplier Anite to develop an online self-assessment application for citizens seeking council care services. The application enables people to find out whether they are entitled to social care quickly and easily and the application has been integrated with the Council's back-office repository of social care records.

⁸³ Bristol City Council, Looking Local

⁸⁴ Telford and Wrekin, Offline Accessible Reporting App

⁸⁵ Kent to launch an online self-assessment system - Computer Weekly 2006

Each time a client uses the online self-assessment tool, a 30-minute phone call with a social worker is avoided. The tool provides a decision on entitlement to care within seconds of the form being completed.

Digitalised transactions, Utah⁸⁶

Overview

The state of Utah has digitised more than 1,100 of basic transactional processes, saving on average \$13 dollars per transaction or about \$500 million a year. Utah has also introduced paperless processes to public assistance benefits and 90% of recipients now use the state's MyCase portal which has enabled Utah to cut 300 administrative FTEs. In addition caseworkers now spend less time processing applications and forms, and more time working with families and individuals with complex needs.

Digital innovation, Barcelona⁸⁷

Overview

Barcelona aims to become the world's smartest city powered by data streams through every part of the city, for example:

- Lampposts equipped with fiber-optic cables;
- Telecommunications towers capable of monitoring crowds, noise, weather and traffic;
- Sensor-powered trash bins which send signal trucks to empty them only when they are full;
- A network of sensors to manage irrigation of the city's green spaces that transmit live data on humidity, temperature, wind velocity, sunlight and atmospheric pressure;
- Citizens carry their digital identity on the city's MobileID smartphone app, which allows easy access to digital public services, for example, census registration; and
- Smart parking spaces send information on vacant spots directly to drivers' smartphones.

Reducing unemployment claims, New Mexico⁸⁸

Overview

New Mexico has utilised predictive analytics to tackle fraudulent unemployment insurance claims. Officials at the New Mexico Department of Workforce Solutions recognised that a large portion of fraudulent claims were the result of small falsifications, rather than hard fraud. They employed behavioural-economics principles to nudge claimants to be more honest. One technique was to trigger pop-up messages at moments when people were most likely to be dishonest. Overall, claimants who saw pop-up messages were 31 per cent more likely to report earnings.

⁸⁶ D.Eggers, *Delivering on Digital: The innovators and technologies that are transforming government* (2016)

⁸⁷ D.Eggers, *Delivering on Digital: The innovators and technologies that are transforming government* (2016)

⁸⁸ D.Eggers, *Delivering on Digital: The innovators and technologies that are transforming government* (2016)

MK:Smart, Milton Keynes⁸⁹

Overview

MK:Smart is a large collaborative initiative, partly funded by HEFCE (the Higher Education Funding Council for England) and led by The Open University, which is developing innovative solutions to support sustainable economic growth in Milton Keynes.

Central to the project is the creation of a state-of-the-art 'MK Data Hub' which supports the acquisition and management of vast amounts of data relevant to city systems from a variety of data sources. These include data about energy and water consumption, transport data, data acquired through satellite technology, social and economic datasets, and crowdsourced data from social media or specialised apps. Building on the capability provided by the MK Data Hub, the project is innovating in the areas of transport, energy and water management, tackling key demand issues.

In addition to these technical solutions, MK:Smart also comprises ambitious education, business and community engagement activities, including:

- An integrated programme of business engagement, aimed at supporting businesses that wish to take advantage of the innovation capabilities developed in MK:Smart. A key component of this activity is the Innovation and Incubation Centre (IIC) at University Campus Milton Keynes (UCMK), which provides training in data-driven business innovation and the digital economy, as well as hands-on support for business development, demonstration facilities, and an incubation space.
- A smart city education programme engaging a wide range of audiences, from local schools to higher education students and businesses. This programme provides advanced training covering digital technologies, business innovation and urban services to empower students and practitioners with the skills and competences needed to participate in the creation of a smart city.
- Engagement activity involving citizens in the innovation process, not just through an outreach programme, but also by engaging the community in innovation-centric decision-making processes through the establishment of a Citizen Lab.

Online access, East Riding of Yorkshire Council⁹⁰

Overview

The council has delivered cost efficiencies by introducing community hubs with self-service kiosks and by developing a mobile-responsive website. The community hubs offer a range of council services, such as reporting a missed bin collection, booking a bulky waste collection, reporting a housing repair, and making council tax payments. As more customers self-serve, fewer staff are required to work in the community hubs which allows staff to focus on more complex queries. The programme has generated the following savings for the council:

⁸⁹ MK:Smart website

⁹⁰ East Riding of Yorkshire Council online access

- Face-to-face staff savings over a three-year period of implementation of £91,500 (representing a reduction of 5.14 FTE) with further savings anticipated with the ongoing reduction in face-to-face and telephone contact.
- Additional income to the council through self-service payments reducing payment processing costs and maximising income opportunities, for example £250,000 through one self-service kiosk in the first six months of operation.

MyHarrow Account, London Borough of Harrow⁹¹

Overview

The online MyHarrow account gives customers access to quick and convenient registration for a range of services. Customers can access multiple services including viewing and paying Council Tax balances, checking details of their housing benefit, viewing planning applications, receiving alerts about a missed bin or an overdue library book. Overall, the council has seen a 40 per cent take-up of the online account, with 63,352 registered users. 70 per cent of enquiries are now via self-service and there has been a 65 per cent reduction in the average cost per enquiry. By moving electoral registration online, Harrow saved £280k on printing, postage and staffing on inputting data. In addition, the council has saved £1.55 million over four years across the website as a whole.

Good practice examples – shared support functions

Outsourcing back-office services, London Borough of Barnet⁹²

Overview

Barnet established a Customer and Support Group partnership with Capita which covers all of the council's back-office services including: corporate procurement, customer services, estates, finance, human resources, information systems, revenues and benefits and transformation capability. Savings were secured through:

- A determined focus on procurement;
- Cost-reductions including the relocation of services to Capita's centres of excellence (providing economies of scale, expertise and resilience); and
- Radical service re-design.

Barnet also introduced an on-line citizen's portal and invested £2.3 million into data gathering and storage platforms to enable more sophisticated analysis of the needs of residents so that commissioning can be targeted towards these needs.

The Customer and Support Group partnership is expected to deliver better services by contracting for guaranteed standards and levels whilst reducing the operating costs by 45% in real terms over the lifetime of the partnership. The contract guarantees a saving of £125.4 million over ten years.

⁹¹ Online Electoral Registration through MyHarrow account

⁹² Good practice in Local Government Savings, Department for Local Government and Communities, 2014

'One Council' approach, Kirklees⁹³

Overview

Kirklees' 'One Council' programme has a number of elements including:

- A senior management review focused on reducing the number of directors, assistant directors and heads of service; and
- A business support review focused on reducing the number of secretarial staff;

The programme has resulted in more efficient systems processes and systems and reduced duplication which has generated £20 million in direct savings and an estimated £60 million in indirect savings.

⁹³ Good practice in Local Government Savings, Department for Local Government and Communities, 2014

Appendix C: Financial assumptions

The following tables provide a list of assumptions that have been made to determine the high-level costs and savings for the different options.

Costs

Assumption category	Assumption description and Source
Council tax	<p>Publicly available data has been used on council tax base and average band D council tax rates for 2016/17 and based on the principal council element only for the county and the districts, i.e. excluding parish, fire and police precepts. In 2017/18 the council tax rates have been uplifted by 3.99% (including the 2% for additional council tax on top of the authority's existing referendum threshold on the understanding that the additional council tax revenue collected is used for adult social care) for the County Council and 1.99%* for the district councils with the exception of Wycombe District Council which is assumed to freeze council tax at the 2016/17 rate until 2019/20. From 2019/20 onwards, which is when the new UA(s) are assumed to be formed, the council tax rates are assumed to increase by 3.99% annually.</p> <p>The 2016/17 average band D council tax rates⁹⁴ used in the calculations are as follows:</p> <ul style="list-style-type: none"> • Buckinghamshire County Council - £1,160.19 • Aylesbury District Council - £150.81 • Chiltern District Council - £170.62 • South Bucks District Council - £148.00 • Wycome District Council - £137.65 <p>The 2016/17 council tax base⁹⁵ used in the calculations are as follows:</p> <ul style="list-style-type: none"> • Aylesbury District Council - 69,410 • Chiltern District Council - 43,560 • South Bucks District Council - 31,988 • Wycome District Council - 66,373 <p>*It is the intention of Chiltern District Council and South Bucks District Council to revise their Council Tax policies and move from a 1.99% increase to a £5 increase.</p>

⁹⁴ Council Tax rates for 2016/17 are based on CTR and CTB forms and include special expenses

⁹⁵ Council tax base for council tax setting purposes in 2016/17

<p>Change programme costs</p>	<p>The financial analysis assumes the following for each option:</p> <ul style="list-style-type: none"> • Three-unitary model – creating three unitary councils will require (over a two-year change programme): <ul style="list-style-type: none"> ○ 40 extra Council staff at £45k per annum (including on-costs) per member of staff to set up the county-wide services including a shared back-office service and the integration of IT systems. ○ £1.9m of external consultancy support per annum to set up three new unitaries, integrate IT systems and set up the county-wide shared back-office service. • Two-unitary model – creating two unitary councils will require (over a two-year change programme): <ul style="list-style-type: none"> ○ 35 extra Council staff at £45k per annum (including on-costs) per member of staff to set up the county-wide services including a shared back-office service and the integration of IT systems. ○ £1.6m of external consultancy support per annum to set up two new unitaries, integrate IT systems and set up the county-wide shared back-office service. • Single-unitary model – creating one unitary council will require: <ul style="list-style-type: none"> ○ 30 extra Council staff at £45k per annum (including on-costs) per member of staff to set up the county wide services including a shared back-office service and the integration of IT systems. ○ £1.3m of external consultancy support per annum to set up two new unitaries, integrate IT systems and set up the county-wide shared back-office service • As this is a strategic options case and more detailed work on the costs of reorganisation will be performed at the outline business case and full business case stage, a contingency cost of £2m per annum has been included for each option for the first two years following reorganisation.
<p>Senior staff restructuring (estimated cost of reducing the number of senior posts)</p>	<p>Publicly available data from each council on the pay policies and senior staff pay has been used. The assumed exit cost per head is £95k for senior staff. This is the proposed cap being set by HM Treasury for the total cost of all forms of exit payments (including pension payments) available to individuals leaving local government. This has been assumed as most senior staff are likely to reach this due to their pay and years of service. To inform the senior staff structure assumption for the proposed new structures, Wiltshire Council has been used as a reference point.</p> <p>Based on this, the assumption used in the financial analysis assumes the following for each option:</p>

	<ul style="list-style-type: none"> • Three-unitary model – creating three unitary councils <p>There are currently 70 senior members of staff across the five councils. A total of 41 senior members of staff are required under the three-unitary model. The senior staff headcount will be reduced by 29 across the three-unitary model at a cost of £95k per member of staff.</p> <ul style="list-style-type: none"> • Two-unitary model – creating two unitary councils <p>There are currently 70 senior members of staff across the five councils. A total of 29 senior members of staff are required under the two-unitary model. The senior staff headcount will be reduced by 41 across the two-unitary model at a cost of £95k per member of staff.</p> <ul style="list-style-type: none"> • Single-unitary model – creating one unitary council <p>There are currently 70 senior members of staff across the five councils. A total of 17 senior members of staff are required under the single-unitary model. The senior staff headcount will be reduced by 53 across the single-unitary model at a cost of £95k per member of staff.</p>
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Savings

Assumption category	Assumption description Source
Senior staff restructuring (estimated savings from comparing current cost to new structure cost)	<p>Publicly available data from each council on the pay policies and senior staff pay has been used. To inform the senior staff assumption for the proposed new structures, Wiltshire Council has been used as a reference point.</p> <p>The estimated current senior staff cost for the County and the five districts is £5.8m + 25% on costs per annum</p> <p>Based on this, the assumption used in the financial analysis assumes the following for each option:</p> <ul style="list-style-type: none"> • Three-unitary model – creating three unitary councils <p>The combined cost of the three new organisations is assumed to be based on the following:</p> <p>3 Chief Executives at £150,000 + 25% on costs per annum 9 Strategic Directors at £100,000 + 25% on costs per annum 29 Heads of Service at £70,000 + 25% on costs per annum</p> <p>The current senior staff costs for the three</p> <ul style="list-style-type: none"> • Two-unitary model – creating two unitary councils <p>The combined cost of the two new organisation is assumed to be based on the following:</p> <p>2 Chief Executive at £170,000 + 25% on costs per annum 6 Strategic Directors at £110,000 + 25% on costs per annum 21 Heads of Service at £70,000 + 25% on costs per annum</p> <ul style="list-style-type: none"> • Single-unitary model – creating one unitary council <p>The senior staff cost for the new organisation is assumed to be based on the following:</p> <p>1 Chief Executive at £190,300 + 25% on costs per annum 3 Strategic Directors at £120,000 + 25% on costs per annum 13 Heads of Service at £70,000 + 25% on costs per annum</p>
Democratic	<p>Publicly available data from each council on member allowances and expenses has been used to establish the expenditure incurred by members. The average amount of allowances and expenses paid to members of the five councils is £9,361 based on the latest publicly available data (a mixture of 2014/15 and 2015/16 data).</p> <p>Local Government Boundary Commission for England data on member-to-electorate ratios has been used to determine a reasonable member-to-electorate ratio for rural and urban unitary authorities.</p> <p>Under the current democratic structures for the five councils there are currently 236 members. Under the reorganised structures the financial analysis assumes the following for each option:</p>

	<ul style="list-style-type: none"> • Three-unitary model – creating three unitary councils with 150 members • Two-unitary model – creating two unitary councils with 120 members • Single-unitary model – creating one unitary council with 90 members <p>No assumption has been made at this stage as to the distribution of the members in each option as this will be determined by a Boundary Commission review as part of the reorganisation process.</p>
Corporate services	<p>Strategic Financial Case reports for three local government reorganisations in England (for two tier to a single county unitary) which suggest Corporate Services, including ICT, savings are possible when combining authorities. As a percentage of total service expenditure (excluding schools expenditure) from Revenue Account (RA) statistics, the estimated average saving across the proposed three Council reorganisations is 2.59%.</p> <p>The 2.59% has been applied to the total service expenditure (excluding schools expenditure) from the RA statistics for 2016/17 for the five councils to calculate the estimated annual saving. It is assumed that in the first full year following reorganisation 33.3% of the estimated annual saving will be achieved, 66% in year two and 100% in year three. In each year thereafter, 100% of the estimated savings is assumed to be achieved.</p> <p>It has been assumed that the single unitary option will receive a greater benefit from potential efficiencies when compared to the two and three unitary options. Therefore, the following adjustments have been made to reflect this:</p> <ul style="list-style-type: none"> • Three-unitary model – benefit reduced by a factor of 0.15. • Two-unitary model – benefit reduced by a factor of 0.10.
Service optimisation	<p>Strategic Financial Case reports for three local government reorganisations in England (for two tier to a single county unitary) which suggest service optimisation efficiency savings are possible when combining authorities. As a percentage of total net service expenditure (excluding schools expenditure) from RA statistics, the estimated average saving across the proposed three authority reorganisations is 1.62%.</p> <p>The 1.62% has been applied to the total service expenditure (excluding schools expenditure) from the RA statistics for 2016/17 for the five councils to calculate the estimated annual saving. It is assumed that in the first full year following reorganisation 33.3% of the estimated annual saving will be achieved, 66% in year two and 100% in year three. In each year thereafter, 100% of the estimated savings is assumed to be achieved.</p> <p>It has been assumed that the single unitary option will receive a greater benefit from potential efficiencies when compared to the two</p>

	<p>and three unitary options. Therefore, the following adjustments have been made to reflect this:</p> <ul style="list-style-type: none"> • Three-unitary model – benefit reduced by a factor of 0.15. • Two-unitary model – benefit reduced by a factor of 0.10.
Property rationalisation	<p>Strategic Financial Case reports for three local government reorganisations in England (for two tier to a single county unitary) which suggest property rationalisation savings are possible when combining authorities. As a percentage of total net service expenditure (excluding schools expenditure) from RA statistics the estimated average saving across the proposed three authority reorganisations is 0.44%.</p> <p>The 0.44% has been applied to the total service expenditure (excluding schools expenditure) from the RA statistics for 2016/17 for the five councils to calculate the estimated annual saving. It is assumed that in the first full year following reorganisation 33.3% of the estimated annual saving will be achieved, 66% in year two and 100% in year three. In each year thereafter, 100% of the estimated savings is assumed to be achieved.</p> <p>It has been assumed that the single unitary option will receive a greater benefit from potential efficiencies when compared to the two and three unitary options. Therefore, the following adjustments have been made to reflect this:</p> <ul style="list-style-type: none"> • Three-unitary model – benefit reduced by a factor of 0.15. • Two-unitary model – benefit reduced by a factor of 0.10.

Dates

Assumption category	Assumption description Source
Reorganisation year	2019/20
Shadow reorganisation year	2018/19

Appendix D: Disaggregation of Buckinghamshire County Council Revenue Budget

Population (2014)		BCC 2019/2020 Net Budget Requirement £m	
County	521,922	Total net budget requirement	335.1
Aylesbury Vale	184,560	Functions delivered across Buckinghamshire under DC vision	300.7
Chiltern	93,972	Total net budget to be disaggregated	34.4
South Bucks	68,512		
Wycombe	174,878		

		Population	% of total Bucks population	Equitable disaggregation of funding from BCC on per capita basis
Three-unitary model	Aylesbury Vale	184,560	35%	12.2
	Chiltern	93,972	31%	10.7
	South Bucks	68,512		
	Wycombe	174,878	34%	11.5
	Total	521,922		34.4

		Population	% of total Bucks population	Equitable disaggregation of funding from BCC on per capita basis
Two-unitary model	Aylesbury Vale	184,560	35%	12.2
	Chiltern	93,972		
	South Bucks	68,512	65%	22.2
	Wycombe	174,878		
	Total	521,922		34.4

		Population	% of total Bucks population	Equitable disaggregation of funding from BCC on per capita basis
Single-unitary model	Aylesbury Vale	184,560		
	Chiltern	93,972		
	South Bucks	68,512	100%	34.4
	Wycombe	174,878		
	Total	521,922		34.4

Appendix E: What each council does

Council services provided by district councils include:

- Household recycling and waste collection
- Local planning and building regulations
- Housing advice
- Licensing
- Environmental health
- Benefits
- Council tax collection
- Community safety
- Public car parks
- Parks and community centres

Council services provided by county councils include:

- Education
- Libraries
- Public health
- Transport
- Social services
- Trading standards
- Registrar of births, deaths and marriages
- Waste disposal

Parish councils may provide the following services:

- Allotment
- Dog and litter bins
- Street lighting
- Grass cutting
- Village halls
- Recreation grounds

The above lists provide an indication of the type of services provided by the different councils but each council provides a more comprehensive list of services.

Appendix F: Outline brief

Outline Brief for Modernising Local Government Business Case in Buckinghamshire – Version 3

This brief has been prepared jointly by the four district councils in Buckinghamshire, namely:

- Aylesbury Vale District Council
- Chiltern District Council
- South Bucks District Council
- Wycombe District Council

Background

1. Buckinghamshire has a three-tier local government system, with one county council, four district councils and a large number of town and parish councils. Within Wycombe District, High Wycombe Town is unparished, with the Charter Trustees maintaining the town charter, which includes the election of the Town Mayor with ceremonial duties.
2. Buckinghamshire has a population of 522,000⁹⁶, excluding Milton Keynes which became a unitary council in 1997. The County has two of the largest district councils in the country, in population terms, with significantly higher growth plans in Aylesbury Vale compared to the other districts.
3. In September 2014, Bucks Business First published a strategic financial case for Local Government Re-organisation in Buckinghamshire, prepared by Ernst & Young, which examined the following options:
 1. One unitary council to replace the five existing councils;
 2. Two unitary councils, one in the north and one in the south of the County;
 3. One county council and one district council; and
 4. Creating new authorities outside County boundaries.
4. In December 2014, Buckinghamshire, Oxfordshire and Northamptonshire County Councils set out their proposal for the Tri-County Strategic Alliance, covering a population of 1.9m people. This was seeking to address the barriers to economic growth, focusing on infrastructure, economic development, integrated transport and public investment in education, skills and training. The initial focus of work has been to establish a Strategic Transport Forum.
5. In April 2015, Aylesbury Vale District Council published a unitary council business case of a two-unitary council structure in Buckinghamshire, prepared by Local Government Futures, with one based on the existing boundaries of Aylesbury Vale and one covering the combined areas of Wycombe, Chiltern and South Bucks District Council areas.

⁹⁶ 2014 estimate.

6. In summer 2015, there were Buckinghamshire-wide discussions regarding the submission of devolution proposals to Government, which would have involved a commitment to governance reforms. In the event, no submission was made. More recently, the Bucks (Thames Valley) Local Enterprise Partnership has been advised by the Government, in preparing its submission for local growth fund 3 bids, of the need for stronger, reformed governance structures, implying that proposals that are aligned with mayoral Combined Authorities (or proposed Combined Authorities) will have an advantage.
7. In May 2016, Buckinghamshire County Council agreed to prepare an outline business case which explores the benefits of a single unitary council in Buckinghamshire, with an invitation to the four district councils and other strategic stakeholders to collaborate in discussions on how local government in Buckinghamshire might be modernised, on the basis of an "independent" review. This report is due to be presented to the County Council's Cabinet in September 2016.
8. At the Bucks (Thames Valley) Local Enterprise Board (BTVLEP) meeting on 20 May 2016 Local Authority Board members were asked to press for agreement during current discussions to the BTVLEP leading on co-ordination of the independent review.
9. Local government reform investigations are also being undertaken in Oxfordshire, geographical neighbours to both Aylesbury Vale and Wycombe Districts.
10. The Government has not set out any process for determining unitary government proposals, although statements have been made that they would be willing to consider proposals if there is a consensus from partners in the local area.
11. Discussions regarding local government reform within Buckinghamshire have been held periodically over a number of years, but without any local consensus yet emerging.

Overall requirements from this brief

12. Apart from Aylesbury Vale, the other District Councils have not formed a definitive view on the need for local government reform within Buckinghamshire, nor the model that should be introduced if change is required.
13. To date, not all the unitary options have been explored for Buckinghamshire. This joint study is therefore being collectively commissioned by all four District Councils to ensure that all options are explored, so that there can be an informed debate on the future of local government in Buckinghamshire based on all the alternative solutions.
14. In undertaking this work the four councils are seeking to explore not just the financial savings and costs, but to equally highlight the service delivery and democratic aspects of operation, which your residents equally require from local government in Buckinghamshire.
15. The four District Councils are therefore issuing this joint brief to commission a report examining the strategic business case for creating new unitary government organisations as follows:

Option 1 - Buckinghamshire having a three-unitary council model based on the existing boundaries of Aylesbury Vale, Wycombe District, and the combined existing boundaries of Chiltern and South Bucks Districts;

Option 2 - Buckinghamshire having a two-unitary council model based on one covering the existing boundaries of Aylesbury Vale and one covering the combined existing boundaries of Chiltern, South Bucks and Wycombe Districts;

Option 3 – Buckinghamshire having a single-unitary council on the existing County boundary.

Option 4 - Any other potential variations, having regard to current developments, for example possible local government reform in Oxfordshire. This option to include exploring a combined authority model for specific functions covering Oxfordshire and Buckinghamshire, identifying those functions that can be most appropriately delivered to provide both service resilience and economies of scale, as well as how any governance structure would commission and manage services, such as social care. Alternatives for joint service provision also need to be considered as part of this option, for example linking with neighbouring unitary councils. Under this option, regard must be given to how any proposals would complement and enhance the unitary government options within Buckinghamshire, as outlined in options 1 – 3 above. The functions to be specifically explored, but not exclusively, are:

- Adult Social Care and Health
- Children and Families Social Services
- Transport – infrastructure and maintenance
- Strategic Planning in support of Local Plans
- Strategic economic development

The report should set out how the proposals for any combined authority would operate to manage services and functions it is responsible for and the relationship with unitary councils within Buckinghamshire.

16. This approach is necessary because of the need to provide a sustainable solution for the whole of Buckinghamshire, recognising that if a unitary council for one part of the county was created, the current two-tier model would not be viable for the remainder of Buckinghamshire.
17. The above options, along with others produced, will need to be evaluated against set criteria. The report produced therefore needs to be evaluated against the following criteria for each option (except criteria 8 which will be undertaken at a later stage):
 1. Delivers stable or improved level of service to residents and businesses.
 2. Protects District Council taxpayers' interests on an equitable basis between the four district areas.
 3. Locally affordable, representing value for money and can be met from the Councils' existing resources.
 4. Provides strong, effective and accountable leadership.
 5. Ensures there is strong democratic representation for residents in terms of Councillor/elector ratios.
 6. Provides future financial and operating stability.
 7. Provides a solution for the whole of Buckinghamshire, not just one part.
 8. Supported by a broad cross-section of partners and stakeholders.

9. Facilitates the growth and devolution agenda.

Detailed specification of work required

18. To prepare a written strategic business case by 30 September 2016 that provides independent analysis on the establishment of unitary government in April 2019 based on the options and evaluation criteria outlined in paragraph 15.
19. The report to include, based on explicit methodology and clear assumptions:

Assessment of impact of future changes

- An analysis of the population profile and the impact on resource-hungry services, specifically adult social care and children services.
- The impact of planned housing and economic growth as identified in the draft Local Plans for each District.
- Taking into account the rural and urban nature of the county of Buckinghamshire.

Financial viability and sustainability

- An analysis of the current and future funding situation for local government in Buckinghamshire on a council-by-council basis.
- Initial disaggregation of funding from Buckinghamshire County Council on an equitable basis for each of the options explored, either using data shared by the Buckinghamshire County Council or published data, using whatever is available within the timescale for the completion of this report.
- Financial operating viability of the proposed councils, with income and expenditure models for each option.
- The cost of creating new unitary councils under each option and repaying transition costs within five years, including the use of available reserves on an equitable basis, as well as contract disaggregation, potential employee severance costs and disaggregating and apportioning assets.
- Protecting District Council taxpayers' interests on an equitable basis between the four district areas.
- Projected council tax levels for the first five years of operation.
- Pension liability implications.

Service delivery

- The ability and opportunities to deliver county council services individually and/or collectively in partnership with other unitary councils in Buckinghamshire and/or another provider, including other unitary councils.
- Opportunities for further service improvement and rationalisation, recognising that projected transformation changes that would have been delivered by Buckinghamshire County Council and the District Councils by 2019.
- Opportunities for the harmonisation of fees and charges.

Democratic representation

- Ensuring there is strong democratic representation for residents of Buckinghamshire in terms of Councillor/elector ratios, based on current district council representation, recognising this completely removes the level of County Council representation.
- Various representation options need to be explored, with the financial implications outlined for each option.

Parished and unparished areas

- Assessment of further devolution opportunities to town and parish councils within a unitary model(s) of government.
- An analysis of the impact of the change on the unparished part of Wycombe District, namely High Wycombe Town.

Timescale

20. Wycombe District Council is leading on the procurement, on behalf of the other districts. A final report is required by the end of September.



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