



Buckinghamshire Council

Finance & Resources Select Committee

Minutes

MINUTES OF THE MEETING OF THE FINANCE & RESOURCES SELECT COMMITTEE HELD ON THURSDAY 9 DECEMBER 2021 IN THE PARALYMPIC ROOM, BUCKINGHAMSHIRE COUNCIL, GATEHOUSE ROAD, HP19 8FF, COMMENCING AT 2.00 PM AND CONCLUDING AT 3.13 PM

MEMBERS PRESENT

R Bagge (Chairman), D Anthony, K Ashman, S Chhokar, T Dixon, D Goss, G Harris, I Macpherson, J Ng and S Wilson

OTHERS IN ATTENDANCE

T Butcher and J Chilver

Agenda Item

1 APOLOGIES FOR ABSENCE / CHANGES IN MEMBERSHIP

Apologies were received from Councillors T Egleton, K Wood and M Walsh.

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 MINUTES

The minutes of the meeting held on 14 October 2021 were agreed as a correct record.

4 PUBLIC QUESTIONS

No public questions had been received.

5 CHAIRMAN'S UPDATE

The Chairman provided an update on budget scrutiny activity that had taken place since the last meeting. Two briefing sessions had been held in November relating to the Adult Social Care and Children's and Education areas of the budget respectively, recordings of the sessions had been circulated to committee members. A further private briefing would be held virtually with the section 151 officer on 21 December to give an update on the draft budget position and it was hoped that members could attend. The Section 151 officer would also hold a virtual briefing for Members on 5 January, a week prior to the formal sessions to highlight key areas in the budget and assist members with queries on the supporting paperwork. As a reminder if any members knew that they would be unable to participate in the budget scrutiny inquiry group they were asked to make the Chairman and Scrutiny Officer aware.

6 BETTER BUCKINGHAMSHIRE UPDATE

The Committee received a report on the Better Buckinghamshire Programme. Councillor J Chilver, Cabinet Member for Finance, Resources, Property and Assets presented the update and summarised the report which was appended to the agenda pack. The Better Buckinghamshire programme was developed to enable the Council to achieve the ambition detailed in the unitary business case, and to realise the benefits from achieving this. The programme included a series of service reviews to modernise and optimise services for the unitary council, driving innovation and improving customer experience.

The Cabinet Member highlighted the following key points:

- The aim of the Better Buckinghamshire Programme was not only to deliver the £18.6m savings as noted in the unitary business case, but to provide more efficient, streamlined services to residents. Whilst the Resources Portfolio led on the delivery of the programme, commitment and engagement from all service areas was vital to ensure that the programme would be successful. Paragraphs 3.2 to 3.4 of the report highlighted the main challenges to date, which included an increased level in demand in some areas such as child protection, homelessness and issues carried forward from legacy authorities.
- The Council had made good progress with service reviews, as detailed in appendix A of the report and they were on track for completion at the end of next year. At present, of the thirty-one reviews, ten had been completed and nineteen were in progress.
- To date, 56 staffing posts had been deleted and a saving of £2.2 million had been achieved. The target saving for this financial year was £2.6 million. These savings were achieved predominantly through staff reductions, contract harmonisation and property rationalisation.
- In terms of governance, the service improvement board continued to meet monthly, this was chaired by the Deputy Chief Executive and the Cabinet Member and Deputy Cabinet Member were regularly updated on progress.

During discussion, comments and questions raised by the Committee included:

- Members were keen to understand what work had been undertaken on property rationalisation which would also be discussed under agenda item 7. Due to the pandemic, staff working patterns had been impacted and there needed to be an evidence based approach to ensure adequate office accommodation remained in a hybrid model of working. It was noted that it would take time to build an evidence base, and eighteen months of covid restrictions had impacted this data collection. Early assessments indicated that approximately 100,000 square foot of office space would be required, with savings and income opportunities possible through letting spaces out and capital receipts of potential disposals. The full Work Smart strategy had yet to be implemented for a long enough period of time to gather enough data for thorough analysis. However, some buildings had already been successfully let, including office space at Easton Street office space, High Wycombe which provided a revenue stream to the Council.
- A member requested that where percentages and numbers were used within reports, could both percentages and actual numbers be consistently used to ensure data clarity and assist understanding. A member added that a visual progress meter would also be beneficial to understand the stage the Council was at with the Better Buckinghamshire programme.
- Members discussed the savings that had been delivered to date as noted on table 6.3 of the report. Not all savings would be realised until each of the service reviews had been

completed. Some external factors such as the length of property lease contracts impacted the timeframe of savings being made.

- A member requested a progress update on devolving services to Town and Parish Councils as noted in the report. Members were advised that the Communities Portfolio was responsible for this process, however it was noted that this was an important part of the unitary business programme. Town and Parish Councils had been invited to submit a list of assets and services for this opportunity, some of which were selected for a pilot phase. A number of assets across all community board areas were in the process of being reviewed as part of the devolution programme. A decision on the devolution of one of the community centres in High Wycombe had recently been made by the Cabinet Member for Communities.
- A member asked whether there were opportunities to reduce the transformation budget which was £17 million, of which £6.5 million had been committed. It was reported that external resources had been used in the early stages of the programme, however as the programme developed these specialist skills were transferred to the internal team which removed reliance on external resources. These external resources were now just providing technical expertise to support reviews. As reviews had progressed, it was continually assessed how projects could be delivered more efficiently. Members were assured that opportunities for reducing the cost of the programmes were monitored through the governance model, with business cases being submitted to the service improvement board for any costs required. Many of these had been rejected where feasibility and returns were not adequate. The Committee was assured that the transition budget was only used as necessary.
- The Committee requested that in future reports, more granular data be provided on the programme that underpins assurances made and evidences the working governance model.

7 WORK SMART PROGRAMME

The Committee received a report on the Work Smart Programme which was the programme created to focus on the design of a future working model which met the needs of the Council going forward, as well as reducing costs in line with the unitary business case.

Councillor J Chilver, Cabinet Member for Finance, Resources, Property and Assets presented the update, highlighting the following key points:

- Very recent Government guidance had requested that, once again, staff work from home where possible, which would pause the Work Smart return to the office for the time being.
- The benefits of hybrid working were highlighted, including less commuting, a better work-life balance, fewer working days lost to illness and decreased costs in printing and travelling. By spending two days in an office environment, collaboration between teams could be maintained.
- Since 22 November, the hybrid model of staff spending two days a week in the office had been in operation. Staff had been categorised under four categories of worker type, with the majority, 57 % identified as 'any-desk' workers – those who will work remotely for 3 days per week and were not fixed to a particular location.
- The importance of engagement for new starters and entry-level workers was emphasised. Face-to-face contact and extra support had been implemented for this group of staff as noted in the report.
- Feedback from the early stages of implementation of the programme, including from new starters who had been employed through the Government Kickstart initiative had been positive. It was hoped that through offering flexible working arrangements this

would also ensure the Council was seen as a top employer and attractive option to potential employees.

- Hybrid working offered opportunities for potential property rationalisation through significant downsizing.

During discussion, the following questions and comments were raised by the Committee:

- The Chairman welcomed the Work Smart initiative and praised its efficiency in terms of flexibility for staff and potential for reduction in office space.
- A member was interested in the rationale behind working remotely for three days rather than two. Cllr Chilver and the Corporate Director for Resources explained that an examination of staff calendars displayed that for 'Any Desk' workers that there was a mix of collaborative meetings, 1-1s but also 'quiet work'. On average the collaborative working and 1-1s were assessed to be about 2 days a week, with the rest being quiet work. In many cases, staff members reported that they benefit from having a quiet space at home for focused work. The two days in the office was then focussed collaborative meetings, training sessions and one to one meetings with line managers. It was also highlighted that the two office days would be the minimum, with staff being able to visit the office more frequently if they wished.
- Members were concerned about the negative mental health implications of being at home more frequently. The Corporate Director for Resources advised that mental health implications were different for different people. Some members of staff had expressed anxiety about returning to work, including clinically extremely vulnerable staff. Those staff members had been assured that the office environment would be made as safe as possible, with additional measures in place such as spacing between desks. It was also noted that people who wished to come into the office more frequently for mental health or other reasons could do so and this had been communicated to staff. Members were advised that the Work Smart initiative allowed for greater flexibility at work. The Council had also seen in the first lockdown a significant reduction in sickness due largely to decreased social mixing, this reduction in sickness in turn meant that there was greater productivity. There was also the benefit of colleagues still being able to work remotely when suffering from the lesser illnesses, such as colds, whereas in the past these colleagues may have had to take a day's sickness absence.
- A member highlighted the importance of face-to-face contact for new starters and colleagues in entry-level positions and the committee was assured that this group of staff had continued to receive proper induction and support was in place. The Committee was advised that new strategies had been developed over time to adapt to different ways of working. Induction tools had been produced for online use and the 'Being a Buckinghamshire Manager' programme had been rolled out to managers to support them with the training of new members of staff.
- A member asked how the Council ensured that customer demands were going to be met in the future through Work Smart. It was pointed out that customer service centre and all customer contact channels remained open throughout the pandemic. It was noted that in order to remain competitive in the employment market, flexibility and homeworking was in demand, and was now expected from a large number of applicants.
- Several members queried the discrepancy between the office space available and the utilised space eighteen months into the Council's formation. It was asserted that due to the pandemic, exceptional ways of working had been adopted and therefore, not enough data had been acquired to give an entirely clear picture as to what office space the Council needed to retain. Additional evidence would need to be collected once the Work Smart programme was re-introduced to understand the Council's operational footprint in more detail. Some surplus office space in High Wycombe, Amersham, Aylesbury, and

Denham was already being let out to generate additional revenue. It was also noted that less office space had been available for us in light of the pandemic and requirements to practice social distancing. Furthermore, the office space was not only used for staff working at their desks, and consideration had to be given for other spaces such as meeting space. Members expressed that they would like to see a more detailed plan produced on this topic.

- A member queried how much space of the former New County Offices (Walton Street Offices) was presently occupied by staff. Cllr Chilver advised that most of the floors would be occupied once the Work Smart programme was in full force.
- A member was interested in whether there had been an increase in staff moving from part-time to full-time roles in light of more flexible working being introduced. The Corporate Director for Resources advised she would examine the data and feed back to members, although believed this pattern was not evident.
- A question was raised in respect of the ways Work Smart had been implemented and monitored among teams. It was explained that each manager discussed the days their team members would come into the offices with them directly. This was also subject to desk availability. Teams had been encouraged to spread their office presence across the week, both to use meeting rooms and desk space efficiently but also to collaborate with different teams/team members across the services. All staff were supported in this process both by their line managers and corporately.

8 BUDGET PERFORMANCE MONITORING Q2

Councillor John Chilver, Cabinet Member for Finance, Resources, Property and Assets presented the Q2 Budget Monitoring Report which had been presented to Cabinet at its meeting on 9 November. Councillor J Chilver summarised the report which reflected the business as usual and Covid pressures faced during that period. An appendix provided further detail for each Portfolio and information about performance relating to overdue debts and late payments of commercial debt.

At the end of the Q2, an overall nil variance was forecast for the revenue budget 2021-22 after allowing for £4.8m of corporate mitigations. This was a favourable movement of £0.5m since Q1.

The nil variance comprised:

£4.9m adverse variance on Portfolio Covid related spend (£6.7m adverse August).

£0.1m favourable variation on Portfolio BAU (£0.9m adverse August).

£2.8m favourable variation on Corporate Contingencies (£4.0m August).

£0.9m favourable variation relating to Covid Sales Fees and Charges compensation scheme.

£1.1m favourable variation on Corporate Budgets, principally capital financing costs.

Figure 1 (Cabinet report) detailed high level information for each Portfolio.

The total Portfolio net revenue forecast variance was £4.8m adverse (1.1% of the total Portfolio budget). Significant risks to the Revenue forecasts had been identified, a proportion of which were likely to materialise. These and any new pressures could potentially be covered by a number of contingencies that were not yet fully committed and could be used, if required. Appendix 1 provided further detail on the revenue forecast outturn by Portfolio.

Figure 2 showed performance, by Portfolio and against savings targets, for the £13.2m of savings that had been incorporated into the 2021-22 revenue budgets.

Figure 3 provided information on the Contain Outbreak Management Fund (COMF), funding

provided to local authorities to help reduce the spread of coronavirus and support local public health. Buckinghamshire was expected to benefit from £15.9m of funding spread over three financial years. The approved spend was for £6.125m in each of 2020-21 and 2021-22.

Capital Budget Outturn

Capital slippage had increased between Q1 and Q2 from 1.6% (£3.0m) to 7.9% (£14.8m). Whilst this was currently below the corporate target of 10% there was an expectation that slippage may increase further in future months because there were reduced opportunities to catch up on delays as the year progressed. Details were provided of a number of specific circumstances that had impact on the progress of capital projects. Further details for each portfolio were found in Appendix 1.

During discussion, the following key points were raised by the Committee:

- A member noted that a breakdown of the impact of COVID-19 on the revenue budget for areas such as transport would be helpful in determining budgets for next year. It was advised that COVID-19 assumptions had been forecast when setting the budget for 2021/2022, particularly around income loss in parking, rental and leisure. Members were advised that many of the reduced income variances were related to pandemic implications, but that some of this had been claimed back from the government's Sales, Fees and Charges income protection scheme for the first quarter of the year. There were Client Transport pressures (particularly transport for SEND children) with additional costs relating to both demand and complexity. This was being assessed as part of the budget build process for next year, with analysis on whether certain pressures would be one off or on-going. This Committee would, through its budget scrutiny inquiry in January, test assumptions made in the draft budget.
- A Member also commented that some savings noted in the report would be repeatable such as some of those noted within climate change; however, decisions would need to be made on underspends in other areas such as Communities. The papers for the draft budget would be published prior to Christmas for Cabinet to consider at its meeting on 6 January, before being reviewed by the Budget Scrutiny Inquiry Group.

9 BUDGET SCRUTINY INQUIRY GROUP SCOPING PAPER

The Committee received a scoping paper and noted the proposed approach to the budget scrutiny inquiry taking place in January 2022.

10 WORK PROGRAMME

The Committee received an up to date version of the work programme to cover the remainder of this municipal year. Members were advised that items had been scheduled for the most appropriate meetings where member input would be most valuable. The Committee was advised that there were no items provisionally scheduled for the April meeting as yet, and there was agreement that the budget scrutiny sessions in January may highlight areas that should be looked at in April.

Resolved:

That the work programme be noted.

11 DATE AND TIME OF THE NEXT MEETING

Thursday 17 February 2022 at 2 p.m.