



Buckinghamshire Council

Finance & Resources Select Committee

Minutes

MINUTES OF THE MEETING OF THE FINANCE & RESOURCES SELECT COMMITTEE HELD ON THURSDAY 6 APRIL 2023 IN THE OCULUS, BUCKINGHAMSHIRE COUNCIL, GATEHOUSE ROAD, AYLESBURY HP19 8FF, COMMENCING AT 2.00 PM AND CONCLUDING AT 3.28 PM

MEMBERS PRESENT

R Bagge, D Goss, D Anthony, M Ayub, M Bracken, S Chhokar, T Dixon, G Harris, I Macpherson, R Newcombe and S Wilson

OTHERS IN ATTENDANCE

T Butcher, J Chilver, S Keyes, S Murphy-Brookman, D Skinner and C Ward

Agenda Item

1 APOLOGIES FOR ABSENCE / CHANGES IN MEMBERSHIP

Apologies were received from Councillors D Barnes, M Fayyaz, M Walsh and K Wood.

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 MINUTES

The minutes of the meeting held on Thursday 23rd February 2023 were agreed as a correct record.

4 PUBLIC QUESTIONS

There were no public questions.

5 BUDGET PERFORMANCE MONITORING Q3

The Chairman welcomed Councillor J Chilver, Cabinet Member for Accessible Housing and Resources, and the officers to the meeting. In the Cabinet Member's presentation, the following points were highlighted:

- The report showed the forecast revenue and capital outturn for the end of quarter three. A breakeven position was forecast for the end of the financial year, despite high levels of inflation and continuing pressures on services. This was an improvement on the forecast overspend of £1.8m reported for quarter two.
- The analysis by portfolio showed an overall overspend of £14.3m, offset by £14.3m of

corporate mitigations. The largest areas of overspend were £6.7m in Children's Services due to placement cost and increased complexity of need; £3.9m in Housing, Homelessness and Regulatory Services due to increases for temporary accommodation; and £3.4m in transport services due to increased fuel costs.

- The Climate Change & Environment portfolio showed a favourable variance of £3.3m from the sale of electricity at the Energy from Waste plant, due to an increase in electricity price. 97% of target savings were expected to be delivered by the end of the year. £38m in grant funding had been received, with the largest to help Ukrainian refugees. The overall forecast net variance was £30.7m. £33.2m related to slippage, which was 22% of the overall budget. The biggest areas of slippage were major infrastructure and regeneration schemes.
- The total debt had seen an increase from quarter two of £1.8m, though unsecured debts over 90 days had been reduced. Late payments were marginally below the target of 95% but increased by 3% from the last quarter.

The following points were noted during the Committee's discussion:

- At the end of February, the trend data had stabilised which was starting to reflect in Q4. No major fluctuations in the budget were expected. Future financial risks were further mitigated through contingencies and the financial risk reserve. Some of the pressures in children's services were heightened due to delays in health provision and recruitment, but these were not expected to occur going forward.
- One of the challenges in budget setting was the lack of certainty from central Government around grant funding. Thus, some of the grants that may become available were not included in the budget. However, an analysis on this issue was currently being conducted.
- Housing costs had increased quite dramatically, and housing benefit payments had not increased at the same rate. This was a national issue and raised by the LGA. The Council would help contribute information to the overall lobbying position. Temporary accommodation was a key financial risk due to the Council's obligation to provide housing to people with no alternative means of accommodation, which could mean providing hotel stays. The relationship between income and expenditure was discussed, and this was being monitored. Additionally, both temporary and permanent accommodation options were being considered.
- There was significant slippage in the Aylesbury electric grid expenditure capital amount. Land was currently being identified as a site for new developments. Discussions were also held with National Grid, with one site having been excluded. Further information around possible delays would be provided to the Committee once this was available.

ACTION: D Skinner

- The budget for Kingsbrook school included several contingencies which had not been needed. The project was noted to have been a success and remaining funds could be used for similar schemes in the future.
- A Member suggested that the report table did not accurately reflect the dynamic between waste expenditure and the Energy from Waste income which was present in the accompanying narrative. The suggestion was noted and would be considered in future reports.

ACTION: D Skinner

- It was highlighted that the income for planning applications had reduced due to fewer applications being submitted. The number of agency staff could be reduced long-term to save costs, but currently this was not possible due to the backlog in applications which needed to be actioned. Discussions were already being held with high-quality

agency staff to convert their contracts to permanent. However, due to the national shortage in planners and high salaries in the private sector, this was challenging. Work was also being done to promote Buckinghamshire Council as an employer of choice. Agency work was constantly under review due to the changing nature of planning workload, and a report would be brought to the Committee in the summer.

The Chairman thanked the Cabinet Member for the report.

6 BUCKINGHAMSHIRE COUNCIL MANAGEMENT OF ABSENCE AND WELLBEING

The Chairman invited the Deputy Cabinet Member for Resources, Councillor T Butcher, to introduce the report. In the Cabinet Member's presentation, the following points were highlighted:

- Most organisations saw a sharp fall in reported sickness absence during the pandemic, followed by increased absence thereafter. There had also been an increase across all sectors in reported absence related to mental health.
- The Council's highest sickness rate was 9.78 days of absence per full-time employee in August 2022. By January 2023, this was reduced to 9.12 days against the target of 9 days. The overall cost of absence was estimated to be around £4.54m, or 3.02% of the wage bill.
- Best practice since the pandemic was to consider employee health and wellbeing as an integral part of absence management. This included greater awareness of mental health, which was the most prevalent cause of absence at the Council, at 25.44%. There was considerable variation in the sickness patterns across the directorates and types of roles carried out. A new occupational health contract with TP Health was launched in April 2023, which was more cost-effective and provided direct service to managers to manage sickness absence.
- Sickness absence rates in the public sector were higher than in the private sector. This was attributed to the higher number of women, older workers and those with long-term health conditions, as well as care and leisure staff being part of the workforce. The Council's aim was to recognise that ill health was part of life but reduce sickness absence overall to reach target.
- A key component of reducing sickness was early intervention and keeping in touch with staff on sick leave, which has been shown to result in faster return to the workplace. A robust sickness absence policy with clear triggers was in place and automated through the IT system. As part of the Council's Coaching for Performance review, wellness action plans were put in place to gain a holistic understanding of staff as individuals.

The following points were noted during the Committee's discussion:

- A number of Members commended the officers on their work on the report and the detail it contained.
- A Member suggested reducing the target rate to 8 days from the current target of 9 days. The key aim was to reduce overall long-term sickness, which would reduce overall sickness significantly, so it was expected that the target could be reduced in future as a result. Furthermore, comparisons with other councils were not clear-cut; for example county councils did not include waste collection which is an area where sickness was higher.
- It was noted that sickness varied greatly between historical legacy councils and directorates, with some already performing above the target. Work was currently undertaken to reduce sickness rates in specific directorates, such as Communities. Morale and engagement in the Adult Social Care Directorate was high according to the

latest staff survey, indicating no connection between morale and sickness. Sickness rates were higher among junior staff. This was attributed to lower levels of engagement in terms of ensuring a positive employment experience, as well as being managed by more junior managers, though further analysis was needed to fully understand the issue in more depth. Roles involving higher levels of physical work also saw higher levels of absence due to increased risk of illness and injury. Members requested that the enhanced reporting of data at a Directorate level be circulated to the Committee for ongoing monitoring.

- Some Members queried the sick pay policy, particularly in comparison with private sector policies. The Council's sickness policy had been developed as part of the move to a Unitary authority, though existing employees retained the conditions of their contract in line with TUPE. The new policy had been benchmarked against both the legacy councils and other local authorities. It was crucial to ensure that the terms and conditions, including sick pay, were in line with neighbouring authorities to remain competitive as an employer in terms of recruitment and retention, particularly in roles that were difficult to fill, e.g. social work. Comparisons needed to be done within the public sector context, though some directorates, such as the Deputy Chief Executive's Directorate, had similar average sickness levels to the private sector. Additionally, it was noted that ONS analysis could not conclude the sickness rate variance between the private and public sector.
- Agency staff sickness was not reflected in the report.
- Absence monitoring had several trigger points. Individuals were expected to speak to their managers on the first day of absence. After seven days, an individual was no longer able to self-certify their sickness, resulting in the first formal trigger.
- A Member raised concerns around the high number of staff reporting that they did not feel their employer cared about their health and wellbeing. It was anticipated that these rates would improve through the new occupational health provider. Furthermore, the survey was undertaken in November 2022, at a time where the cost of living impacted overall wellbeing and before the cost-of-living award of £500 was issued.
- A Member noted that absence excluding Covid was 5.95 in March 2021 and increased to 8.26 in June 2022. It was explained that during this time, Covid absence had increased due to the Omicron variant, as well as colds and flus re-emerging as a result of increased social interaction. Surgery related absence had also increased due to surgeries being on hold during the pandemic, resulting in a backlog.
- It was suggested that the Council could follow a different approach to managing mental health, as practiced in other countries, e.g. France. The Council managed Mental Health in a way that followed best practice in the UK. Educational psychologists and public health professionals ensured that the Council's policies followed an evidence-based approach. Preventative measures, such as regular wellbeing meetings and upskilling managers on mental health issues, were also in place, particularly in directorates with high levels of absence due to mental health issues, such as Children's Services.

The Chairman thanked the Cabinet Member for the report.

7 WORK PROGRAMME

A work programme for the next municipal year would be drafted in due course. Members were asked to advise the Chairman and scrutiny officer of items they wish to be considered for the future work programme.

0 DATE AND TIME OF THE NEXT MEETING

The provisional date of the next meeting would be Thursday 20 July 2023 at 2pm.