



Finance & Resources Select Committee Agenda

Date: Thursday 20 July 2023

Time: 2.00 pm

Venue: The Oculus, Buckinghamshire Council, Gatehouse Road, Aylesbury HP19 8FF

Membership:

R Bagge (Chairman), D Anthony, M Ayub, M Bracken, S Chhokar, D Dhillon, T Dixon, M Fayyaz, G Harris, T Hogg, I Macpherson, R Newcombe, C Oliver, M Walsh and S Wilson

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Agenda Item	Time	Page No
1 Appointment of Vice-Chairman		
2 Apologies for absence / Changes in membership		
3 Declarations of Interest		
4 Minutes		5 - 10
The minutes of the meetings held on 6 April 2023 and 17		

May 2023 to be confirmed as a correct record.

5 Public Questions

Public Questions is an opportunity for people who live, work or study in Buckinghamshire to put a question to a Select Committee.

The Committee will hear from members of the public who have submitted questions in advance relating to items on the agenda. The Cabinet Member, relevant key partners and responsible officers will be invited to respond.

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6 Budget Monitoring - Outturn 2022-23

14:15

11 - 52

To consider the Budget Monitoring Outturn 2022-23 as reported to Cabinet on 13 June 2023.

Contributors:

Councillor John Chilver, Cabinet Member for Accessible Housing & Resources

David Skinner, Service Director for Finance (Section 151 Officer)

Papers:

Budget Monitoring – Outturn 2022-23

7 Budget Performance Monitoring Q1

14:30

53 - 80

To consider the Budget Performance Q1 report 2023-24 as reported to Cabinet on 11 July 2023.

Contributors:

Councillor John Chilver, Cabinet Member for Accessible Housing & Resources

David Skinner, Service Director for Finance (Section 151 Officer)

Papers:

Budget Performance Monitoring Q1

8 Work Programme

14:50

81 - 82

For the Select Committee to consider and agree the draft work programme for the year ahead.

Contributors:

All Committee Members

Papers:

Work Programme

9 Date and time of the next meeting

The next meeting will take place on Thursday 5 October at 2pm.

10 Exclusion of the Public

To resolve that under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting on the grounds that discussion will involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Act.

Paragraph 3 – information relating to the financial or business affairs of any particular person (including the authority that holds that information).

11 Agency Spend

15:00

83 - 104

During Budget Scrutiny in January 2023, Members recommended that F&R receive an in-depth report on agency staffing costs across the Council and steps being taken to mitigate it.

Contributors:

Councillor John Chilver, Cabinet Member for Accessible Housing & Resources

Councillor Tim Butcher, Deputy Cabinet Member for Resources

Sarah Murphy-Brookman, Corporate Director for Resources

Sarah Keyes, Service Director for HR & OD

Papers:

Overview of Buckinghamshire Council's Agency Spend

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

For further information please contact: Chris Ward democracy@buckinghamshire.gov.uk
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Agenda Item 4
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 expressed an interest in this further detail when it was available.

- 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.



Buckinghamshire Council

Finance & Resources Select Committee

Minutes

MINUTES OF THE MEETING OF THE FINANCE & RESOURCES SELECT COMMITTEE HELD ON WEDNESDAY 17 MAY 2023 IN THE OCULUS, BUCKINGHAMSHIRE COUNCIL, GATEHOUSE ROAD, AYLESBURY HP19 8FF, COMMENCING AT 5.50 PM AND CONCLUDING AT 6.00 PM

MEMBERS PRESENT

R Bagge, M Ayub, D Barnes, M Bracken, S Chhokar, D Dhillon, M Fayyaz, G Harris, I Macpherson, R Newcombe, C Oliver, M Walsh and S Wilson

OTHERS IN ATTENDANCE

P Birchley

Agenda Item

1 APOLOGIES FOR ABSENCE

Apologies had been received from Councillors D Anthony, T Dixon and T Hogg.

2 ELECTION OF CHAIRMAN RESOLVED –

That Councillor R Bagge be elected Chairman of the Finance & Resources Select Committee for the ensuing year.

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Report to Cabinet

Date: 13 June 2023

Title: **Budget Monitoring - Outturn 2022-23**

Relevant councillor(s): John Chilver, Cabinet Member for Accessible Housing and Resources

Author and/or contact officer: David Skinner, Service Director – Finance & S151 Officer

Ward(s) affected: none specific

Recommendations: **Cabinet is asked to:**

- **note the report and the success in achieving an overall balanced revenue outturn position.**
- **approve an increase to the Revenue Contribution to Capital Reserves (RCCR) by £0.6m to fund an update to the CCTV Control Room.**
- **approve the transfers to reserves as set out in paragraph 2.4b section vii.**
- **note the overall Capital outturn position of £107.5m of investment in Council's capital priorities.**
- **approve the carry-forward of slippage and accelerated spend as detailed in this report.**

Reason for decision: To understand the financial position of the Council in respect of 2022-23 Budgets.

1. Executive summary

1.1 This report sets out the Revenue and Capital outturn position for Buckinghamshire Council for the financial year 2022/23.

1.2 The Council is continuing to experience significant financial pressures due to high levels of inflation and continued increase in demand and complexity in key services,

such as Adults Social Care and Children's Social Care. Portfolio budgets have seen unavoidable pressures in areas such as energy inflation, in the cost of placements for looked after children, in Adult Social Care, Temporary Accommodation and provision of Home to School Transport, with an adverse variance of £9.8m across portfolio budgets at financial year end.

- 1.3 Despite these pressures, the Council has managed to achieve a balanced revenue position overall, due to the effective processes in place for managing financial risk; pressures in portfolio budgets have been managed overall and mitigated by a favourable variance in corporate budgets.
- 1.4 The final year end position on capital is spend of £107.5m against a budget of £151.9m, and against total released budget of £129.9m, equating to 17% variance against released budgets.
- 1.5 Capital projects which were successfully completed this year include Kingsbrook Secondary School, Brunel Shed in Wycombe (which has now been leased out), the £1.8m DEFRA-funded Rural Broadband installation programme, the Berryfields and Haydon Hill Cycleways, upgrades to the Southern Waste Depot, a roof replacement on Bedgrove Community Centre, 7 School toilet projects, and SEN placement projects in Shortenhills, Holmer Green Senior School, Westfield and Princes Risborough Upper School.
- 1.6 Many capital projects have been impacted by the current challenging economic situation, with high levels of construction inflation, pressures in the labour market, supply shortages and delays to acquisitions causing slippage in the programme. This is reflected in the relatively high levels of slippage, but low level of overspends. Where necessary, projects are being reviewed and re-scoped, and funding implications being considered.
- 1.7 The final outturn variance of £44.3m consists of slippage into future years of £53.8m, accelerated spend ahead of profile of £16.3m, overspends of £4.0m, and underspends of £10.9m which will be released for other purposes.
- 1.8 Cabinet is requested to approve the carry forward of slippage to future years and accelerated spend as detailed in this report.

2. Revenue

- 2.1 The Revenue outturn for 2022/23 is a balanced position, after the proposed transfers to reserves as recommended above. This is in line with the forecast position at Quarter 3.
- 2.2 There has been an improvement within Portfolio budgets of £4.5m from the Quarter 3 forecast, from an adverse variance of £14.3m to an adverse variance of £9.8m.
- 2.3 The key areas of movement are as follows:

Forecast variance Quarter 3	£0.0m
Climate Change and Environment – favourable increase of £3.9m due to additional electricity income from the council’s Energy from Waste plant, due to the prevailing market rates.	(£3.9m)
Education and Children’s Services – reduction of £1.8m in the adverse variance from £6.7m to £4.9m. This reflects a decrease in staffing spend, maximisation of grant funding, and a reduction in placement spend from the Quarter 3 forecast.	(£1.8m)
Housing & Homelessness & Regulatory Services – an increase of £0.9m from an adverse variance of £3.8m to £4.7m due demand pressures and cost increases in Temporary Accommodation.	£0.9m
Accessible Housing and Resources – an increase in the adverse variance of £0.6m from £1.4m to £2.0m predominantly due to Energy costs.	£0.6m
Other – minor movements across other portfolios	(£0.3m)
Corporate and Funding – a movement of £4.5m from a favourable variance of £14.3m to favourable £9.8m. This relates to contingency budgets of £4.3m which had been kept back to mitigate any emerging pressures in Portfolios, but were not required, additional interest income of £1.1m due to increased interest rates, and the proposed reserve movements as set out in paragraph 2.4b section vii.	£4.5m
Revenue Outturn 2022/23	£0.0m

- 2.4 Within the overall position the main variances are:
- a) The £9.8m adverse variance in Portfolios includes:
 - i. £2.4m pressure (£2.7m last quarter) in Health and Wellbeing from demand pressures and fee uplifts in Adult Social Care.
 - ii. £4.9m pressure (£6.7m last quarter) in Children’s Services, with the main pressures being:

- £2.6m in placement costs for children looked after. The national position in relation to the sufficiency of placements is leading to a shortage of available placements and very high unit costs of those placements that can be accessed.
 - £1.3m adverse variance in support for children with disabilities; in domiciliary care and direct payments, due to continued increases in seriousness and complexity of support needed for children with disabilities;
 - £1.2m in client costs in Children’s social care due to demand pressures;
 - £0.8m in costs of accommodation and allowances for care leavers and £0.3m in other pressures.
 - The other pressures are offset by a £1.4m underspend in social care staffing costs due to difficulties in recruiting permanent staff and a reduction in the number of agency staff.
- iii. £2.1m in Accessible Housing and Resources (£1.4m last quarter), with the main variances being £2.1m pressure from inflation on energy costs in Property & Assets due to the exceptional price increases in 2022/23, £0.4m due to pressures in Insurance, and a favourable variance of £0.5m from increased rental income.
- iv. £3.2m adverse variance (£3.4m last quarter) in Transport Services due to increased contract costs and a 3% increase given to Home to School Contracts to mitigate rising fuel prices. Within the Highways service, energy pressures of £1.8m have been mitigated in year by additional income and underspends in contract payments.
- v. £4.7m adverse variance in Housing & Homelessness & Regulatory Services (£3.8m last quarter) in Temporary Accommodation budgets due to increased demand, particularly for nightly paid accommodation.
- vi. A favourable variance of £7.2m (£3.3m last quarter) in Climate Change & Environment from additional electricity income from the council’s Energy for Waste (EfW) site due to prevailing market rates for electricity.
- b) The £9.8m of favourable variances in corporate budgets (£14.3m last quarter) includes:
- i. £4.4m contribution from earmarked reserves from income received in the Climate Change and Environment portfolio contributed to reserves, following partial resolution of the legal dispute with the council’s EfW contractor.

- ii. A contribution to reserves of £4.5m to set up a reserve for the Opportunity Bucks programme.
- iii. £4.0m increased favourable variance relating to Interest on Revenue Balances (£2.7m last quarter). This reflects a higher level of cash balances than budgeted, and the recent further increase in Bank of England base rate to 4% during February with a further increase on 23rd March to 4.25%.
- iv. £0.5m favourable variance on capital financing budgets (£0.8m last quarter). This includes an additional contribution of £0.6m to fund improvements works to the CCTV control room.
- v. A surplus of £0.9m in grant income budgets (£0.8m last quarter). This include a grant of £0.5m from distribution of Business Rates levy surplus which has been contributed to the Collection Fund reserve to mitigate the risk to future funding streams from the reset of the Business Rates system.
- vi. Corporate Contingencies: favourable variance of £4.1m (£5.5m last quarter). £3.2m of service risk contingency was being held back to support any further pressures that might arise, and £1.2m in Pay, Pension and Redundancy contingencies. These risks have not materialised at year end, and the unrequired balance on corporate contingencies has increased by £4.3m to a favourable variance of £9.9m. £0.5m of this is proposed to be contributed to Highways reserves to create a Highways lining fund for work to be delivered in 2023/24, and £4.7m is proposed to be contributed to the Mitigating Future Financial Risks reserve to address ongoing risk of pressures within Portfolios.
- vii. Cabinet is recommended to approve the following reserves transfers:
 - a transfer of £0.5m to the Collection Fund reserve from additional grant income from Business Rates levy surplus;
 - a transfer to the Highways Reserve of £0.5m to fund Highways lining;
 - a transfer of £4.7m to the Mitigating Future Financial Risks reserve.

2.5 The Council continues to experience significant financial pressures due to demand for key services and the impact of inflation. Pressures which have been felt in financial year 2022/23, are continuing into 2023/24 across the following areas and are expected to grow:

- a) **Adult Social Care:** pressures across the NHS are resulting in a higher demand for early hospital discharge, and clients having subsequent higher needs. In addition there is pent up demand for social care due to the impact of the Covid pandemic on mental health. Social care providers are also facing cost pressures as wages have not kept pace with the private sector.
- b) **Children's Social Care:** in Children's social care, the market has become sub-optimal, with demand significantly outpacing supply. The national shortage of available placements has resulted in very high unit costs of those placements that can be accessed, and this trend is expected to continue into financial year 2023/24.
- c) **Temporary Accommodation:** the pressures seen in 2022/23 in terms of increased demand for temporary accommodation and also increased unit costs, are expected to continue into 2023/24.
- d) **Energy costs:** costs are expected to be higher than budgeted due to variable network costs and contract costs.
- e) A strategic contribution to the Mitigating Future Financial Risks reserve is proposed and included within the outturn figures. This will help to address the increased financial risks and pressures being felt in financial year 2023/24.

2.6 The forecast revenue budget outturn is summarised in Figure 1. The key Portfolio variances are explained in Appendix 1.

Figure 1: Revenue Budgets

	Budget	Y/E Outturn	Variance	Change in Variance (from Q3 Cab)
	£m	£m	£m	£m
Revenue				
Expenditure	9.2	9.9	0.7	
Income	(0.7)	(1.7)	(1.0)	
Leader	8.5	8.2	(0.3)	0.1 ↑
Expenditure	186.3	190.9	4.6	
Income	(132.0)	(134.5)	(2.5)	
Accessible Housing & Resources	54.3	56.4	2.1	0.8 ↑
Expenditure	41.4	59.5	18.1	
Income	(11.9)	(37.2)	(25.3)	
Climate Change & Environment	29.5	22.3	(7.2)	(3.9) ↓
Expenditure	14.5	14.7	0.2	
Income	(6.8)	(6.9)	(0.1)	
Communities	7.7	7.8	0.1	0.1 ↑
Expenditure	8.9	10.3	1.4	
Income	(3.8)	(5.4)	(1.6)	
Culture & Leisure	5.1	4.9	(0.2)	(0.1) ↓
Expenditure	425.6	431.9	6.3	
Income	(335.3)	(336.7)	(1.4)	
Education & Childrens Services	90.3	95.2	4.9	(1.8) ↓
Expenditure	252.0	256.9	4.9	
Income	(83.7)	(86.2)	(2.5)	
Health & Wellbeing	168.3	170.7	2.4	(0.3) ↓
Expenditure	21.3	23.7	2.4	
Income	(14.2)	(11.9)	2.3	
Housing & Homelessness & Regulatory Serv	7.1	11.8	4.7	0.8 ↑
Expenditure	18.6	19.5	0.9	
Income	(10.9)	(11.7)	(0.8)	
Planning & Regeneration	7.7	7.8	0.1	0.0
Expenditure	74.1	77.8	3.7	
Income	(18.7)	(19.2)	(0.5)	
Transport	55.4	58.6	3.2	(0.2) ↓
Portfolios	433.9	443.7	9.8	(4.5) ↓
Corporate	27.1	18.2	(8.9)	
Corporate & Funding	(461.0)	(461.9)	(0.9)	
Revenue Total	0.0	0.0	0.0	4.5 ↑

2.7 The Appendix provides further detail for each Portfolio and information about performance relating to overdue debts and late payments of commercial debt.

3. Achievement of Savings

3.1 £19.2m of savings and income targets were incorporated into the approved 2022-23 Revenue budgets. The table below shows performance against those targets.

Figure 2 Savings Targets by Portfolio

Portfolio	Target £k	Delivered £k	Actual Shortfall
Accessible Housing & Resources Portfolio	2.5	2.5	-
Climate Change & Environment	2.9	2.9	-
Communities	1.9	1.9	-
Culture & Leisure	1.6	1.6	-
Education & Children's Services	0.7	0.3	0.4
Health & Wellbeing	3.3	2.9	0.4
Housing & Homelessness & Regulatory Services	0.4	0.4	-
Leader	0.6	0.6	-
Transport	5.3	5.3	-
Total	19.2	18.4	0.8

3.2 Achievement of the £19.2m savings targets is summarised in the above table. Overall there was a shortfall of £0.8m (£0.5m Q3). The principal shortfalls relate to:

- a) Health & Wellbeing – a net adverse variance of £0.385m. A saving based on supporting more clients in Community Services rather than Residential and Nursing has not been achieved. Changes in the Discharge to Assess process have meant client numbers have exceeded the target, and increased Residential and Nursing clients in the last 2 months of the financial year has reduced the saving significantly.
- b) Children's – an adverse variance of £0.440m relating to elements of the Placement Sufficiency Strategy. The Placements budget has seen an overall overspend and the growth in Special Guardianship Orders could not be contained within the overall budget.

4. Capital Budget Outturn

4.1 The final outturn position on capital is a 17% variance against released budgets. There has been spend of £107.5m against the total budget of £151.9m, and against total released budget of £129.9m.

4.2 The total variance of £44.3m consists of slippage of £53.8m where spend has slipped into future years, accelerated spend ahead of profile of £16.3m, overspends of £4.0m, which have been funded through external funding and reserves, and some £0.1m of small scale overspends funded from the capital contingency (£2m, which now rolls forward to next year), and underspends of £10.9m which will be released for other purposes.

4.3 The table below shows the outturn compared to budgets by portfolio.

Figure 4: Capital Budgets

Portfolio	Released Budget	Unreleased Budget	Total Budget	Y/E Outturn	Variance	% of released budget	% of total budget	Change in Variance from Q3
	£m	£m	£m	£m	£m	%	%	
Leader	7.2	10.5	17.7	16.1	(1.6)	124%	(9%)	(0.2)
Climate Change & Environment	6.7	5.2	11.9	10.2	(1.7)	52%	(14%)	(2.4)
Communities	0.3		0.3		(0.3)	(100%)	(100%)	(0.1)
Culture & Leisure	7.1	0.6	7.7	3.9	(3.8)	(45%)	(49%)	(1.1)
Health & Wellbeing	0.3		0.3		(0.3)	(100%)	(100%)	
Transport	40.5	1.7	42.2	37.8	(4.4)	(7%)	(10%)	(0.4)
Homelessness & Regulatory Services	9.9	0.0	9.9	9.3	(0.6)	(6%)	(6%)	(1.4)
Education & Children's Services	38.2	0.8	39.0	23.4	(15.6)	(39%)	(40%)	(1.0)
Accessible Housing & Resources	5.5	0.6	6.1	3.5	(2.7)	(37%)	(43%)	(1.2)
Planning & Regeneration	14.1	2.6	16.7	3.2	(13.5)	(77%)	(81%)	(3.6)
Total	129.9m	22.0m	151.9m	107.5m	(44.3m)	(17%)	(29%)	(11.3m)

4.4 Spend was £11.3m less than forecast in Quarter 3. The main contributors to this change were Future High Streets Fund Programme (£1.8m, from some delays in contract payments on agreed projects), Cressex Aldi Regeneration project (£1.5m, due to the contractual timing of Escrow payments), Biowaste Treatment (£1.5m, project will now complete next year), Affordable Housing s.106 (£0.7m, as a registered provider did not yet claim their funding allocation), £0.7m additional slippage on Primary School Places, East West Rail Network Fibre installation (£0.6m, as Network Rail have not yet sent a completion statement for the works), £0.5m additional slippage on cycleway Canal Towpath project. In addition there was a further £3.8m of variance spread across 94 projects in the Capital Programme.

4.5 Projects and Programmes with Slippage over £1m are:

- a) **Future High Streets** £9.6m - the core original project for this funding (the Curve) fell through this year, and is in the process of being replaced by a proposal for the Tesco site at Eden Centre, plus slippage of contract and acquisition payments on

approved projects into next year. The remaining c£7m of uncommitted funding has to be committed by 31 March 2024.

- b) **Aylesbury HIF Grid Reinforcement** £7.9m – due to a project delay from finding an alternative site as original site (Bucks Sports and Social Club) has been allocated for housing; alternative sites have been identified and are being assessed for suitability by UKPN.
 - c) **SEN School Placements** £3.2m from delays in commencing projects. SEN & School Placement budgets are fully externally funded from s.106 and grant.
 - d) **Affordable Housing s.106** £1.9m from a combination of funds remaining uncommitted, and Registered Providers not yet claiming agreed funds.
 - e) **Primary School Places** £2.9m mainly from unallocated funds.
 - f) **Cressex Aldi works** £1.3m as payments to Aldi will take place next year under an ESCROW arrangement.
 - g) **Culture & Leisure s.106 funded projects** - £1.1m slippage across 27 small projects.
 - h) **Parks and Play area projects** - £1m due to delays in equipment installation
- 4.6 A further 33 individual projects had slippage between £250k and £1m, totalling £13.0m.
- 4.7 Projects with accelerated spend over £1m were SEALR (£6.7m, from early works on archaeology and utilities), Eastern Link Road (£1.3m, from progression of design spend compared to original profile), and Disabled Facilities Grant (£1.3m, accelerated use of grant held over from prior years, as the team expanded to manage a backlog in adaptations).
- 4.8 7 projects had overspends which were funded as follows:
- i) **Chesham Grammar School** £1.0m, currently with arbitrators due to dispute over final construction costs, to be funded from unallocated secondary school place budget (externally funded).
 - j) **Southern Waste - London Road Depot improvement works** £0.8m, which has been funded from the Waste Reserve.
 - k) **Southern Waste Depot enhancements** £0.2m, has been funded from a revenue contribution from the Waste Reserve.
 - l) **Strategic Highways Maintenance** £0.4m from increased costs of tar removal, has been funded from a revenue contribution from Highways budgets.
 - m) **Great Missenden Junior expansion** £0.3m currently with legal due to dispute with contractor, funded from unallocated primary school place budget (externally

funded).

- n) **Desborough Road Temporary Accommodation** £0.3m of additional build costs, has been funded by s.106 contributions.
- o) **Community Centre maintenance** £0.2m from roof repairs on Bedgrove Communities Centre, has been funded from revenue contribution from headroom in Property Maintenance.

4.9 A small number of projects underspent, and the headroom funding is set to be redistributed formally by Cabinet at Quarter 1, including:

- a) **Kingsbrook Secondary School** £6.6m from not requiring the contingency and temporary classroom budget, headroom will be redirected into HIF programme to support SEALR delivery (request currently with Homes England).
- b) **Kingsbrook Primary School** £2.2m and **Maids Morton Primary School** £0.6m, from not requiring project contingency, headroom proposed to be retained in the Primary School Funding line for reinvestment in future years.
- c) **Chiltern Hills Academy** £1m and **The Amersham School** £0.4m, from not requiring project contingency, headroom proposed to be retained in the Secondary School Places Funding line reinvestment in future years.
- d) **Westcott Venture Park** £0.3m from project not requiring contingency, underspend to be returned to the corporate pot through the carry forward process.
- e) There are other smaller projects with funding that is unlikely to be required, and this will be captured and reported via the carry forward and MTFP commitment review process, taking place in May and June.

4.10 Further details for each portfolio may be found in **Appendix 1**.

5. Other options considered

5.1 None arising directly from this report.

6. Legal and financial implications

6.1 This is a Finance report and all the financial implications are included in the report.

6.2 There are no legal implications arising from the report.

7. Corporate implications

7.1 Actions resulting from consideration of this report may influence future expenditure in areas of concern / interest.

8. Local councillors & community boards consultation & views

8.1 Not applicable.

9. Communication, engagement & further consultation

9.1 Not applicable.

10. Next steps and review

10.1 A report on the Council's 2023/24 financial position, based on the Q1 position, will be brought to Cabinet in July.

11. Background papers

11.1 Appendix 1 – Portfolio level summaries.

12. Your questions and views (for key decisions)

If you have any questions about the matters contained in this report please get in touch with the author of this report. If you have any views that you would like the cabinet member to consider please inform the democratic services team. This can be done by email [democracy@buckinghamshire.gov.uk].

Further detail by Portfolio, Outstanding Sundry Debt and Late Payment information

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Please note that the rounding of numbers gives rise to minor differences in the totals for each Portfolio between the covering report and this appendix.

1. Leader

1.1 Leader Revenue: Budget £8.5m, Outturn £8.2m, Var -£0.3m

	Budget	Y/E Outturn	Variance	Change in Variance (from Q3 Cab) £000
	£000	£000	£000	
Expenditure	500	420	(80)	
Income	0	0	0	
Chief Executives Office	500	420	(80)	0
Expenditure	2,370	3,440	1,070	
Income	(120)	(980)	(860)	
Economic Growth & Regeneration	2,250	2,460	210	140 ↑
Expenditure	5,960	5,660	(300)	
Income	(550)	(540)	10	
Policy & Communications	5,410	5,120	(290)	(70) ↓
Expenditure	370	350	(20)	
Income	0	(150)	(150)	
Strategic Infrastructure	370	200	(170)	10 ↑
Leader	8,530	8,200	(330)	80 ↑

- Leader Revenue is reporting a favourable variance of £0.33m.
- Policy & Communications £0.29m underspend, primarily related to staffing underspends due to vacancies and recharges to Homes for Ukraine Scheme.
- Economic Growth had an £0.21m adverse variance due to a £0.05m increase in project work on economic growth, a small £0.02m drop off in markets income, and a change from Qtr 3 of £0.14m for PGS Directorate-wide consultancy savings which were delivered under the Transport and Planning & Regeneration portfolios.
- Strategic Infrastructure £0.17m favourable variance due to staffing vacancies in the team.

1.2 **Leader Capital: Budget £17.7m, Outturn £16.1m Var -£1.6m**

Programme	Released Budget	Unreleased Budget	Total Budget	Y/E Outturn	Variance	Change in Variance <small>(from Q3 Cabinet)</small>
	£000	£000	£000	£000	£000	£000
Rural Broadband	1,323		1,323	1,884	561	561
Economic Growth Total	1,323		1,323	1,884	561	561
A355 Improvement Scheme (Wilton Park)	397		397	58	(338)	(7)
Abbey Barn - HIF / S106	50		50	61	11	(14)
Aylesbury Eastern Link Road	274		274	1,537	1,263	37
Creditor Reserve Payments	194		194		(194)	(12)
Cycle Infrastructure	840	336	1,176	324	(852)	(481)
Grid Reinforcement Works		9,976	9,976	2,111	(7,865)	50
Marginal Viability Works		181	181		(181)	
Princes Risborough Relief Road	876		876	1,008	131	(5)
SEALR (South East Aylesbury Link Road)	2,000		2,000	8,737	6,737	(46)
Stoke Mandeville Relief Road / SEALR II	1,250		1,250	423	(827)	(266)
Strategic Infrastructure (HIF) Total	5,882	10,492	16,374	14,259	(2,115)	(744)
Grand Total	7,205	10,492	17,697	16,143	(1,554)	(183)

- a) There is £8.0m of accelerated spend in the Leader portfolio projects, including £6.7m on South East Aylesbury Link Road for advanced works on Archaeology and Utilities, £1.3m on Eastern Link Road design and planning work, ahead of original expected profile, plus £0.1m on Princes Risborough Housing Infrastructure Fund project from early works land acquisition.
- b) There was additional spend of £0.6m on the Rural Broadband voucher scheme as additional DEFRA grant was received in year for this scheme, which is now nearly completion.
- c) There was slippage of (£10.3m): (£7.9m) on Aylesbury Electricity Grid Reinforcement Works as potential shortlisted sites are undergoing suitability assessments with UKPN; (£0.9m) on Cycle Infrastructure projects due to ongoing discussions with landholders on the High Wycombe cycleway scheme; (£0.8m) on Phase II SEALR, as the funding sources continue to be secured; (£0.3m) on A355; (£0.2m) on retention payments as no such payments were required to be made this year, and (£0.2m) on Marginal Viability Works as funding is not yet committed.

2. Accessible Housing and Resources Portfolio

2.1 Accessible Housing and Resources Revenue: Budget £54.4m, Var +£2.0m

	Budget	Y/E Outturn	Variance	Change in Variance (from Q3 Cab)
	£000	£000	£000	£000
Expenditure	11,830	11,950	120	
Income	(370)	(590)	(220)	
Business Operations	11,460	11,360	(100)	(100) ↓
Expenditure	650	640	(10)	
Digital	650	640	(10)	(10) ↓
Expenditure	98,890	106,180	7,290	
Income	(89,680)	(96,680)	(7,000)	
Finance	9,210	9,500	290	(50) ↓
Expenditure	5,650	5,770	120	
Income	(830)	(1,030)	(200)	
Human Resources & Organisational Development	4,820	4,740	(80)	(80) ↓
Expenditure	14,350	16,400	2,050	
Income	(100)	(2,160)	(2,060)	
ICT	14,250	14,240	(10)	(10) ↓
Expenditure	16,220	17,490	1,270	
Income	(1,500)	(2,340)	(840)	
Legal & Democratic Services	14,720	15,150	430	(770) ↓
Expenditure	20,950	23,350	2,400	
Income	(24,460)	(24,930)	(470)	
Property & Assets	(3,510)	(1,580)	1,930	1,370 ↑
Expenditure	650	590	(60)	
Income	40	0	(40)	
Resources Director and Bus Mngmnt	690	590	(100)	240 ↑
Expenditure	17,130	8,510	(8,620)	
Income	(15,050)	(6,800)	8,250	
Service Improvement	2,080	1,710	(370)	(10) ↓
Accessible Housing & Resources	54,370	56,350	1,980	580 ↑

a) The main revenue variances are as follows:

- i. £1.9m adverse variance in Property & Assets, primarily from Energy cost increases, which was an increase of £1.4m from the previous quarter's position. Overall income was £0.5m better than budgeted due to in-year rental deals. This increased income offset contract cost increases driven by an increase in property voids (rates, service charges). Movement adverse £1.4m.
- ii. £0.4m adverse variance in Legal & Democratic Services, mainly Business Assurance £0.7m adverse variance due to increased insurance premiums and outsourced audit costs to cover vacant posts within the internal audit team. This is offset by Democratic Services, £0.3m favourable variance due to staff vacancies and

reduction in Member costs and allowances. Movement favourable £0.8m.

- iii. £0.29m adverse variance in Finance being £0.12m net adverse variance for Housing Benefits costs (which represents 0.1% of the gross expenditure budget for Housing Benefit payments), and £0.17m net adverse in other smaller budgets across the service. Movement favourable £0.05m.
- iv. Service Improvement £0.37m favourable variance on staffing, due to slippage on recruitment. Movement favourable £0.01m.

2.2 Accessible Housing and Resources Capital: Budget £6.1m, Var **-£2.7m**

Programme	Released Budget	Unreleased Budget	Total Budget	Y/E Outturn	Variance	Change in Variance <small>(from Q3 Cabinet)</small>
	£000	£000	£000	£000	£000	£000
Buckinghamshire Network	2,026		2,026	1,267	(759)	(482)
Delivery of Technology Strategy	819	66	884	296	(588)	(238)
Device Refresh & Windows 10	57	250	307	303	(4)	(121)
Mobile Phone Refresh		200	200	200	(0)	(0)
Social Care Systems	200		200		(200)	(145)
ICT Total	3,101	516	3,617	2,066	(1,552)	(986)
Agricultural Estate	200		200	170	(30)	50
Conversion Old Wycombe Library	308		308	55	(254)	(45)
Corporate Investment Portfolio	639	79	718	373	(345)	(266)
Enhancement of Strategic Assets	200		200	72	(128)	72
Property Management Programme	1,048		1,048	712	(336)	(57)
Rowley Farm		25	25	12	(13)	(13)
Property & Assets Total	2,396	104	2,500	1,394	(1,105)	(259)
Grand Total	5,497	620	6,117	3,460	(2,657)	(1,245)

- a) ICT Capital programme had variances of £1.6m, with £0.8m of costs for the new Buckinghamshire Network being spent on Revenue license costs rather than Capital, and some slippage on computer components due to global delivery delays. There was also slippage on the projects delivering the technology strategy (including Worksmart and data centres). Property & Assets maintenance and enhancement programmes had a variance of (£1.1m). (£0.8m) was due to slippage: the roof works at Vale Retail Park have slipped due to tender delays, the corporate maintenance programme due to shortages of contractors, Planning and Design work on Tilehouse land disposal has been delayed as the project is still in feasibility/viability stage, Rowley Farm barn refurbishment due to planning delays, and the maintenance programme for Friar's Square has been pushed back. The Old Wycombe Library conversion project underspent by £0.3m on the final retention amounts due.

3. Climate Change and Environment

3.1 Climate Change and Environment: Revenue Budget £29.5m, Variance £7.2m

	Budget	Y/E Outturn	Variance	Change in Variance (from Q3 Cab)
	£000	£000	£000	£000
Expenditure	3,720	3,660	(60)	
Income	(1,740)	(1,680)	60	
Environment	1,980	1,980	0	30 ↑
Expenditure	3,040	3,720	680	
Income	(380)	(900)	(520)	
Street Cleaning	2,660	2,820	160	50 ↑
Expenditure	34,600	52,140	17,540	
Income	(9,740)	(34,630)	(24,890)	
Waste	24,860	17,510	(7,350)	(3,940) ↓
Climate Change & Environment	29,500	22,310	(7,190)	(3,860) ↓

a) EFW & Residual Waste - Budget -£0.1m, Var Favourable £8.6m

- i. £18.2m additional electricity income including the impact of electricity generator levy from 1st January 2023, 10 day unexpected plant outage in November and 7 days in January 23, and prevailing market rates over the year compared with the original budget assumptions.
- ii. £4.4m receipt related to a legal dispute on third party income for previous years.
- iii. £13.9m net transfer to reserves due to the additional electricity income.
- iv. Lower payments on EfW contractor charges (£0.5m), final settlement of the 2021-22 income account (£0.7m), additional 3rd party income (£0.2m) offset by North Waste collection pressures due to increasing dry mixed recycling rates (£0.3m) and additional legal costs (£0.1m).

b) Household Waste Recycling Centres - Budget £3.2m, Var Favourable £0.1m
Underspend due to savings achieved from a delay in the opening of the 10th site at Bledlow in January 23.

c) Waste Collection – Budget £16.7m, Var Adverse £1.4m
Additional costs for round re-organisation and introduction of paid Wycombe Garden Waste Service net of additional green waste income. The pressure from dry mixed recycling market price volatility from October 2022 and additional contract operational costs from the paper sort facility back

dated to April 2021 have been offset by additional third-party income waste received relating to previous year from EfW.

- d) Waste Disposal – Budget £2.7m, Var Favourable £0.1m
Reduced costs in Green Food Bulky Wood (GFBW) contract in relation to green waste cost reductions due to hot weather conditions in July and August and a reduction in business rates.

3.2 Climate Change & Environment Capital: Budget £11.9m, Var -£1.7m

Programme	Released Budget	Unreleased Budget	Total Budget	Y/E Outturn	Variance	Change in Variance <small>(from Q3 Cabinet)</small>
	£000	£000	£000	£000	£000	£000
Climate Change Strategy	374		374	121	(253)	101
Climate Change & Air Quality Total	374		374	121	(253)	101
Flood Defence Schemes	1,239	158	1,397	574	(822)	(241)
Strategic Flood Management	100		100		(100)	
Flood Management Total	1,339	158	1,497	574	(922)	(241)
Aylesbury Waste Vehicles Replacement	2,116	355	2,471	2,319	(152)	(152)
Biowaste Treatment	2,483		2,483	2,371	(112)	(1,512)
Buckingham HRC & Waste Transfer Station		275	275		(275)	
Pembroke Rd Depot Welfare Facilities	111		111	22	(89)	(89)
Recycling Centre Welfare Facilities	254		254	218	(36)	(36)
Recycling Centres Drainage EA Compliance	224		224	39	(185)	(185)
Recycling Centres Vehicles & Plant		360	360	210	(150)	(150)
Recycling Initiatives & Waste Containers	343		343	1,170	827	205
Southern Waste Contract - Vehicles		4,018	4,018	2,947	(1,071)	(471)
Southern Waste Contract-Depot Improvnmn	(525)		(525)	228	753	153
Waste Management Vehicles & Plant						
Waste Total	5,006	5,008	10,014	9,524	(490)	(2,237)
Grand Total	6,719	5,165	11,884	10,219	(1,665)	(2,377)

- a) Waste had a (£0.5m) variance, from reduced procurement costs on the Southern Waste Vehicle Contract (£1.1m), overspends of £1.6m on Southern and North Waste and Paper sort facilities which were funded from reserves, and slippage into next year on the project delivery on the Biowaste and HRC projects
- b) There was (£0.9m) of slippage on Flood alleviation schemes, mainly from delays in the installation of culverts at Pednormead and Marlow.
- c) There was (£0.3m) of slippage on Climate Change strategy projects, including solar car ports (where suitable sites are being identified and viability assessments are still ongoing, in conjunction with the parking team), and solar panel installation project, which is being prepared for tender, and on the recently-added Shared Prosperity Grant funded Energy Doctor scheme, for which the tender processes are now underway.

4. Communities

4.1 Communities Revenue: Budget £7.7m, Outturn £7.7m, Var £0.1m

	Budget	Y/E Outturn	Variance	Change in Variance (from Q3 Cab) £000
	£000	£000	£000	
Expenditure	3,200	3,460	260	
Income	0	(210)	(210)	
Community Boards	3,200	3,250	50	230 ↑
Expenditure	3,550	3,320	(230)	
Income	(1,530)	(1,400)	130	
Community Safety	2,020	1,920	(100)	(80) ↓
Expenditure	5,560	5,770	210	
Income	(4,790)	(4,880)	(90)	
Localities & Strategic Partnerships	770	890	120	50 ↑
Expenditure	340	340	0	
Resilience Services	340	340	0	0
Expenditure	1,840	1,750	(90)	
Income	(470)	(380)	90	
Special Expenses	1,370	1,370	0	10 ↑
Communities	7,700	7,770	70	210 ↑

- Communities Revenue is reporting £0.07m adverse variance.
- Localities & Strategic Partnerships reporting £0.12m adverse variance due to 4th quarter Citizens Advice Bureau payment not accrued in FY22.
- Community Safety £0.1m underspend related to staffing underspends offset by a shortfall in car park income and additional project spend.
- Community Boards £0.05m overspend and £0.23m adverse movement from Q3 as the Boards underspend was transferred to reserves.

4.2 Communities Capital: Budget £0.27m, Var £0.27m

Programme	Released Budget	Unreleased Budget	Total Budget	Y/E Outturn	Variance	Change in Variance (from Q3 Cabinet) £000
	£000	£000	£000	£000	£000	£000
CCTV Projects	268		268		(268)	(50)
Community Safety Total	268		268		(268)	(50)
Grand Total	268		268		(268)	(50)

- Following a recommendation from Budget Scrutiny the full CCTV project amount of £268k has been released. This is in anticipation of future CCTV projects.

5. Culture and Leisure

5.1 Culture and Leisure Revenue: Budget £5.1m, Var £0.1m

	Budget	Y/E Outturn	Variance	Change in Variance (from Q3 Cab)
	£000	£000	£000	£000
Expenditure	8,870	10,320	1,450	
Income	(3,780)	(5,360)	(1,580)	
Culture & Leisure	5,090	4,960	(130)	(30) ↓
Culture & Leisure	5,090	4,960	(130)	(30) ↓

a) Arts & Culture - Budget £1.4m, Var Favourable £0.1m

Vacancies and reduced Paralympic legacy contribution spend within Arts & Culture.

5.2 Culture and Leisure Capital: Budget £7.7m, Var (£3.8m)

Programme	Released Budget	Unreleased Budget	Total Budget	Y/E Outturn	Variance	Change in Variance (from Q3 Cabinet)
	£000	£000	£000	£000	£000	£000
Country Parks Visitors Centre		100	100	15	(85)	(5)
South Bucks Country Pk Leisure Facility	500		500	186	(314)	(314)
Country Parks Total	500	100	600	201	(399)	(319)
Chalfont & Chesham Leisure Centres	(60)		(60)	(37)	23	28
Chilterns Lifestyle Centre	1,453		1,453	1,173	(280)	(280)
Leisure Centres Maintenance	605		605	319	(286)	(286)
Leisure Centres Total	1,997		1,997	1,454	(543)	(539)
Libraries Enhanced Technology		100	100		(100)	
Libraries Self-Service Replacement	124		124	118	(6)	(6)
Wendover Library Project	50	380	430		(430)	
Libraries Total	174	480	654	118	(536)	(6)
Parks & Play Areas	1,339		1,339	270	(1,069)	(33)
Parks & Play Areas Total	1,339		1,339	270	(1,069)	(33)
S106 Funded Projects	3,127		3,127	1,868	(1,259)	(186)
Sport & Leisure Projects Total	3,127		3,127	1,868	(1,259)	(186)
Grand Total	7,137	580	7,717	3,911	(3,806)	(1,083)

- a) Slippage of £3.7m and underspend of £0.1m; Parks & Play area slippage of £1m for play area replacement projects due to long lead in times for equipment and a £0.1m underspend variance due to completion of projects planned for 23/24; net slippage of £1.3m from S106 Funded projects to be completed in 23/24; slippage of £0.5m for Libraries due to delays in testing

enhanced technology at the new Amersham Library and the Wendover Library project to be completed next financial year; slippage of £0.5m in Leisure on Chilterns Lifestyle Centre and Maintenance Programme; and slippage of £0.4m in Country Parks due to accessing project support for the Black Park Visitor Centre and construction to commence in 23/24 for the South Bucks Country Park ready for opening by the autumn of 2023.

6. Education & Children's Services

6.1 Education & Children's Services Revenue: Budget £90.3m, Var +£4.9m

	Budget	Y/E Outturn	Variance	Change in Variance (from Q3 Cab) £000
	£000	£000	£000	
Expenditure	81,680	86,690	5,010	
Income	(6,510)	(6,560)	(50)	
Children's Social Care	75,170	80,130	4,960	(1,390) ↓
Expenditure	27,130	24,870	(2,260)	
Income	(12,030)	(9,810)	2,220	
Education	15,100	15,060	(40)	(380) ↓
Expenditure	316,770	320,300	3,530	
Income	(316,770)	(320,300)	(3,530)	
Education - Dedicated Schools Grant	0	0	0	0
Education & Children's Services	90,270	95,190	4,920	(1,770) ↓

- a) An adverse variance of £4.9m is reported against the budget of £90.3m. This is a favourable movement of £1.8m compared with the previous quarter.
- b) An adverse variance of £5.0m is reported against the budgets for Children's Social Care and Education budgets show a break-even position.
- c) The factors contributing to the overspend for Children's Social Care are:
- d) National position in relation to the sufficiency of placements for children looked after continues to result in a shortage of available placements and very high unit costs of those placements that can be accessed. This has also resulted in the need to develop creative solutions to support young people with complex needs and manage risk. At the end of the year there is an adverse variance of £2.6m against budgets for placements for children looked after including budgets for adoption and Special Guardianship Order allowances. Placement costs are lower than forecast due to a number of high cost placements commencing at a later date than forecast at Q3.
- e) The costs of accommodation and allowances for care leavers exceed the budget by £0.8m.
- f) Continued increases in seriousness and complexity of support needed for children with disabilities have resulted in an adverse variance of £1.3m.
- g) Client cost budgets, to support children in need, are £1.2m overspent. This forecast reflects the increase in demand for support experienced by front line teams.

- h) Due to difficulties in recruitment of permanent staff and a reduction in the numbers of agency staff within the service through the year, there is a favourable variance of £1.4m against staffing budgets across Children’s Social Care.
- i) Other pressures of £0.3m across Children’s Social Care including £0.2m on client transport.

6.2 Education & Children’s Services Capital: Budget £39.0m, Var (£15.6m)

Programme	Released Budget	Unreleased Budget	Total Budget	Y/E Outturn	Variance	Change in Variance <small>(from Q3 Cabinet)</small>
	£000	£000	£000	£000	£000	£000
Children's Homes		499	499		(499)	
Children's Social Care Total		499	499		(499)	
Primary School Places	5,036	1,517	6,553	1,099	(5,454)	(782)
Provision for Early Years	83	101	183	0	(183)	(10)
Provision for Special Educational Need	2,593	1,799	4,391	1,219	(3,172)	(117)
School Access Adaptations	151		151	142	(9)	(9)
School Property Maintenance	5,625		5,625	5,383	(242)	(242)
School Toilets	217		217	302	85	85
Secondary School Places	24,489	(3,090)	21,399	15,243	(6,156)	52
Schools Total	38,193	326	38,519	23,388	(15,131)	(1,023)
Grand Total	38,193	825	39,018	23,388	(15,630)	(1,023)

- a) A favourable variance of £15.6m is reported against the Education and Children’s Services capital programme.
- b) Slippage on Children’s services Capital programme of £8.9m includes:
- SEND Projects £3.0m, including slippage against the unallocated budget of £1.8m and slippage against Furzedown School £0.8m
 - Primary school projects slippage of £2.7m including £1.5m against unallocated budgets
 - Secondary school projects slippage of £2.5m
 - Children’s Social Care residential provision £0.5m
- c) Underspends of £11.4m are reported against the programme, mainly from project contingencies not being needed, these contingencies are to be returned to the Education programme. The most significant underspends are as follows:
- Kingsbrook Primary School £2.2m underspend

- Other Primary School Projects £0.9m
 - Kingsbrook Secondary School current forecast underspend £6.7m
 - Other Secondary School Projects £1.2m
 - SEND projects £0.2m
 - Early Years projects £0.2m
- d) Overspend £1.4m including £1.0m against Chesham Grammar School and £0.3m against Great Missenden.
- e) Accelerated Spend of £3.3m
- Brookmead Primary Expansion £0.1m
 - School access projects, School toilets and Rolling maintenance projects overall £0.2m accelerated spend,
 - Unallocated Secondary School placement budget had £3.0m of accelerated spend in prior years.

7. Health & Wellbeing

7.1 Health & Wellbeing Revenue: Budget £168.3m, Var +£2.4m

	Budget	Y/E Outturn	Variance	Change in Variance (from Q3 Cab)
	£000	£000	£000	£000
Expenditure	228,900	234,290	5,390	
Income	(60,560)	(63,570)	(3,010)	
Adult Social Care	168,340	170,720	2,380	(320) ↓
Expenditure	23,100	22,590	(510)	
Income	(23,100)	(22,590)	510	
Public Health	0	0	0	0
Health & Wellbeing	168,340	170,720	2,380	(320) ↓

- a) The Outturn position in Adult Social Care is an adverse variance of £2.4m, this has reduced by £0.3m since Q3 monitoring.
- b) **Adult Social Care Operations** is an adverse variance of +£4.0m, this relates to Residential +£2.7m Supported Living of +£3.1m, Day Care +£0.8m and Dom Care +£1.0m, Other Comm Care +£0.3m. This is partly offset by favourable variances on Nursing £-0.3m Direct Payments -£0.8m and staffing -£1.4m and additional income -£1.6m (inc bad debt provision).
- The favourable variance in Nursing is -£0.3m. There has been an increase of 24 FTEs and average unit cost increases of 5.7% for 65+ and 11.7% for 18-64 over the year. This growth was mitigated by an additional £2.3m being added to the Nursing budget.
 - The adverse variance in Residential is +£2.7m, +£0.45m higher than forecast. Residential has shown a significant increase in demand (29FTE) mainly from dementia, Discharge to Assess and younger Learning Disability clients. The average unit cost of packages has increased by 9.7% for 65+ and 7.2% for 18-64 due to providers increasing their costs for new clients.
 - The overspend in Supported Living is +£3.1m, +£0.2m higher than forecast. The adverse variance relates to growth this year of 14 FTE, an increase of 8.4% in average unit cost caused by existing clients receiving more care and new packages being much higher cost than those that have ended.
 - There is an adverse variance of +£0.8m on Day Care due to an increase in year of 60 FTEs, and several high-cost placements.

- There is an adverse variance of +£0.96m in Dom Care. The overspend relates to 119 additional clients and existing clients receiving more care. The average package increased from 16.10 to 18.18 hours per week. The average hourly rate increased from £20.57 to £21.89.
 - There is an overachievement in client and joint funded income of -£2.7m related to the growth in the number of Nursing -£1.48m and Residential -£2.14m clients, partly offset by lower Comm Care income +£0.48m.
 - There is a favourable variance of -£1.4m on employee costs, this represents a net underspend due to staffing vacancies, after agency staff are included.
- c) **SMT and Transformation** -£0.8m relating predominately to additional improved Better Care Fund (iBCF) funding received in year.
- d) **Integrated Commissioning** -£0.6m relating to £0.5m contribution from Public Health towards the prevention contract and £0.2m one off income.
- e) **Quality, Performance and Standards**- £0.2m relating to underspends on training and small underspends across the service.
- f) **Public Health** – breakeven.

7.2 Health & Wellbeing Capital: Budget £0.34m, Var (£0.34m)

Programme	Released Budget £000	Unreleased Budget £000	Total Budget £000	Y/E Outturn £000	Variance £000	Change in Variance (from Q3 Cabinet) £000
Respite Care	335		335		(335)	
Adult Social Care Total	335		335		(335)	
Grand Total	335		335		(335)	

- a) Adult Social Care – Respite Care. This project has been removed from the Capital Programme however the £335k remaining is a grant from the then CCG towards the project. This is being returned to NHS England.

8. Housing & Homelessness & Regulatory Services

8.1 Housing & Homelessness & Regulatory Revenue: Budget £7.1m, Var **£4.6m**

	Budget	Y/E Outturn	Variance	Change in Variance (from Q3 Cab)
	£000	£000	£000	£000
Expenditure	10,590	13,080	2,490	
Income	(7,220)	(5,000)	2,220	
Housing & Homelessness	3,370	8,080	4,710	930 ↑
Expenditure	10,740	10,610	(130)	
Income	(6,990)	(6,930)	60	
Regulatory Services	3,750	3,680	(70)	(190) ↓
Housing & Homelessness & Regulatory Serv	7,120	11,760	4,640	740 ↑

- a) A final outturn position of £4.7m adverse variance in Housing was mainly due to pressures of £4.5m from Temporary Accommodation demand and cost increases. The year ended with nearly 250 families in expensive hotel accommodation, compared to 130 at the beginning of 22-23. The overall cost increased by £0.7m from Qtr 3 due to an increase in the rates being charged by hotels, and a demand increase from 230 to 250 households. A Housing Improvement Board is being established in 23-24, with one of its objectives being to manage the demand and costs for temporary accommodation. There was a further £0.2m increase in adverse variance across Housing budgets, including £0.1m staffing cost increases due to the need for agency cover, and £0.1m of extra spend on Rough Sleeper prevention.
- b) £0.1m net adverse variance in Regulatory Services, with pressures in Trading Standards from the staff pay award and reduction in primary authority income post-COVID (expected to recover by 2024), staffing cost increases in Coroners for additional administrative staff to work on an increasingly complex caseload, offset by a favourable variance in Registrars from increases in ceremony income, as the service is recovering well post-COVID.

8.2 Housing & Homelessness & Regulatory Capital: Budget £9.9m, Var £0.6m

Programme	Released Budget	Unreleased Budget	Total Budget	Y/E Outturn	Variance	Change in Variance <small>(from Q3 Cabinet)</small>
	£000	£000	£000	£000	£000	£000
Affordable Housing - S106 Funded	2,103	42	2,145	271	(1,874)	(732)
Affordable Housing Total	2,103	42	2,145	271	(1,874)	(732)
Temporary Accommodation	1,188		1,188	1,503	315	(285)
Homelessness Total	1,188		1,188	1,503	315	(285)
Disabled Facility Grants	3,848		3,848	4,979	1,130	21
Enabling Schemes	31	(31)		80	80	80
Raynes Avenue Park Drainage Replacement	152		152		(152)	(20)
Housing Total	4,032	(31)	4,000	5,059	1,058	81
Cemeteries & Memorial Gardens	317		317	45	(272)	(269)
Chiltern & Bierton Crematoria	2,252		2,252	2,443	191	(148)
Cemeteries & Crematoria Total	2,569		2,569	2,488	(81)	(417)
Grand Total	9,891	11	9,902	9,320	(581)	(1,354)

- There was a £0.3m overspend on the Bridge Court Temporary Homelessness accommodation project, which was funded by s106. The site is due to open in May, and will help to mitigate Temporary Accommodation revenue pressures.
- There was (1.9m) of slippage in the spending of s.106 affordable housing funding, £0.6m of which was where agreed funding with Registered Providers has not yet been claimed, and £1.3m of which remains uncommitted, pending a business case coming forward for decision.
- There was £1.2m accelerated spend Disabled Facilities projects (mandatory adaptations, adult social care equipment and healthy homes on prescription scheme) which have all accelerated at pace following a backlog during COVID.
- Cemeteries & Crematoria: £0.2m over budget for Crematory and Hampden Chapel refurbishment/cremator replacement and building projects due to historical building defects with increased costs for furniture and crematory equipment and staffing – to be funded from reserves.

9. Planning and Regeneration

9.1 Planning & Regeneration Revenue: Budget £7.7m, Var **£0.1m**

	Budget	Y/E Outturn	Variance	Change in Variance (from Q3 Cab)
	£000	£000	£000	£000
Expenditure	1,180	1,080	(100)	
Income	(250)	(250)	0	
Economic Growth & Regeneration	930	830	(100)	(20) ↓
Expenditure	17,460	18,420	960	
Income	(10,690)	(11,460)	(770)	
Planning	6,770	6,960	190	(10) ↓
Planning & Regeneration	7,700	7,790	90	(30) ↓

- a) Regeneration had a £0.1m favourable variance on staffing vacancies as posts continue to be recruited to following the Service Review.
- b) Planning had a £0.2m adverse variance. Income from planning applications throughout the year was £0.7m more than budgeted due to increased application numbers, with additional staffing being taken on to process them. Income dropped off slightly in January and February resulting in the £0.2m variance, and the Planning Service will monitor income trends closely in the new year to determine if staffing levels need to be reduced to manage within budget.

9.2 **Planning & Regeneration Capital: Budget £16.7, Outturn £3.2m Var (£13.5m)**

Programme	Released Budget	Unreleased Budget	Total Budget	Y/E Outturn	Variance	Change in Variance <small>(from Q3 Cabinet)</small>
	£000	£000	£000	£000	£000	£000
LEP 3rd Party Schemes				552	552	552
LEP 3rd Party Schemes Total				552	552	552
Amersham Regeneration (St John's Build)		50	50		(50)	(50)
Ashwells	100		100	140	40	(33)
Aylesbury Town Centre	150	574	724	170	(553)	20
CIL Funded Regeneration	113	260	373		(373)	(113)
Employment & Regeneration Led Opportur	2,969		2,969	669	(2,300)	(1,527)
Environment Led Opportunities	349		349	68	(281)	18
Former WDC Third Party CIL Projects	125		125		(125)	(20)
Future High Street Funds	9,700	1,600	11,299	1,515	(9,785)	(1,814)
High Wycombe Town Centre	176	(3)	173	120	(53)	(30)
Retasking of Winslow Centre	326		326	1	(325)	(295)
Waterside North Development	81	100	181	5	(175)	(176)
Wycombe Air Park						(100)
Wycombe District Centres	25		25		(25)	(25)
Regeneration Total	14,113	2,580	16,694	2,689	(14,005)	(4,144)
Grand Total	14,113	2,580	16,694	3,240	(13,454)	(3,593)

- a) There was £14.0m of variance across Regeneration projects, notably:
- i. (£9.8m) of slippage on Future High Streets Fund Programme as the core original project for this funding (the Curve) was delivered by the Private Sector instead, and a business case for an alternative project is now being written.
 - ii. (£1.4m) slippage on Cressex Island Aldi, as payments to Aldi will take place next year under a recently agreed ESCROW arrangement.
 - iii. (£0.5m) of slippage on the project to regenerate Kingsbury Market Square as the design and specification continues to be developed.
- b) (£0.9m) slippage across numerous Wycombe regeneration projects, Handy Cross Hub landscaping, Brunel Shed retention payments, Capital House upgrade works.
- c) There was a further (£0.09m) slippage across other North and Aylesbury - area regeneration projects, including (£0.3m) on the Winslow Development which is currently at the feasibility stage; (£0.2m) delays on Waterside North development as the Aylesbury Regeneration plans continue to be developed.

10. Transport

10.1 Transport Revenue: Budget £55.4m, Variance £3.2m

	Budget	Y/E Outturn	Variance	Change in Variance (from Q3 Cab) £000
	£000	£000	£000	
Expenditure	35,200	35,440	240	
Income	(14,770)	(14,760)	10	
Highways & Technical Services	20,430	20,680	250	110 ↑
Expenditure	1,670	1,860	190	
Income	(960)	(1,150)	(190)	
HS2	710	710	0	(120) ↓
Expenditure	35,590	38,520	2,930	
Income	(2,430)	(2,500)	(70)	
Transport Services	33,160	36,020	2,860	(380) ↓
Expenditure	1,650	2,010	360	
Income	(570)	(810)	(240)	
Transport Strategy	1,080	1,200	120	120 ↑
Transport	55,380	58,610	3,230	(270) ↓

a) Transport Services £2.9m adverse variance

- i. £3.1m adverse variance within Home to School Transport: the service experienced increasing numbers of contracts being handed back which then required re-tendering or contract variations (to date 131 new contracts and multiple contract amendments). Efforts have been made to effectively manage the procurement process with a transparent, rigorous approach including rejection of prohibitively costly contracts. There have been constant changes during the financial year due to cost-of-living impacts on drivers and operators for which a 3% uplift was applied and absorbed within directorate. There were specific contract amendments which have increased the general 3% uplift value.
- ii. £0.3m favourable variance on Public Transport due to a reduction in the concessionary pot following negotiations with commercial suppliers, offset by £0.1m additional operational costs within Client Transport.

b) Highways & Technical Services – £0.3m adverse variance

- i. £1.8m adverse variance for increased electricity costs (forecasts updated in December 22 but costs came in higher on outturn) affecting Highways and Parking after taking into account the recently announced energy price cap and a new energy contractor.

- ii. The above is offset by favourable variances within Parking due to vacancies (£1m), Streetworks Temporary Traffic Orders (£0.5m), and the closing out of the Ringway Jacobs contract suspense account balances which are now realised with the contract ending.
 - iii. Corporate Director – £0.1m adverse variance relating to net increased costs of debt loss impairment calculation from 2021-22 to 2022-23.
- c) HS2 (and EWR) team break even. The Council is due to be in receipt of an additional £0.2m more than budgeted on HS2 income, for staffing expenditure incurred in line with the Funding and Service Level Agreements in place with HS2.
- d) Transport Strategy £0.1m adverse variance on unachievable income and savings targets which have been resolved next year via the recent restructure, plus a temporary increase in agency staffing costs to fill vacant posts following the recent service review. These variances are being offset and managed across the whole Service Area, with headroom on staffing under Infrastructure Projects under the Leader Portfolio.

10.2 Transport Capital: Budget £42.2m, Var (£4.4m)

Programme	Released Budget	Unreleased Budget	Total Budget	Y/E Outturn	Variance	Change in Variance <small>(from Q3 Cabinet)</small>
	£000	£000	£000	£000	£000	£000
Car Parks	566		566	571	5	(106)
Car Parks Total	566		566	571	5	(106)
Active Travel Tranche II - Emerald Way	500		500	756	256	46
ADEPT Live Labs	925		925	662	(262)	(13)
Globe Park Access / Westhorpe Junction	50		50	74	24	(4)
Haydon Hill Cycle Way	42		42	36	(5)	4
Highways & Cycleway Funded Schemes	1,365		1,365	618	(747)	0
HS2 Funded Schemes	81		81	(28)	(109)	(62)
HS2 Road Safety Projects	383		383	498	115	(87)
NPIF Schemes	582		582	28	(554)	(141)
Taplow Cycle Way	607		607		(607)	
Highways & Cycleway Funded Schemes Total	4,533		4,533	2,646	(1,887)	(255)
East West Rail	2,425		2,425	1,828	(598)	(589)
Electric Vehicle Charging Points	200		200	1	(199)	(9)
Other Highway & Technical	1,020		1,020	28	(992)	(123)
Wycombe Parking Review	50		50		(50)	(50)
Other Transport & Infrastructure Total	3,696		3,696	1,856	(1,839)	(772)
Berryhill Footbridge Repair				109	109	0
Denham Bridleway Bridge Replacement	213		213	(17)	(229)	(92)
Improvements to Rights Way	167		167	186	19	42
Rights of Way Total	380		380	279	(101)	(49)
Abbey Way Flyover High Wycombe	(70)	300	230	124	(107)	(76)
Bridge Maintenance	998		998	684	(313)	(138)
Failed Roads Haunching & Reconstruction	3,000		3,000	3,118	118	108
Footway Structural Repairs	2,065		2,065	1,930	(135)	(76)
Maintenance Principal Rds - Drainage	2,041		2,041	1,976	(65)	(30)
Marlow Suspension Bridge	(1,107)	1,400	293	327	34	34
Plane & Patch	4,369		4,369	4,259	(110)	(28)
Replacement Traffic Signals	938		938	855	(82)	522
Road Safety - Casualty Reduction	856		856	852	(3)	(4)
Safety Fences	236		236	192	(44)	(97)
Strategic Highway Maintenance Program	16,051		16,051	16,700	648	952
Street Lighting	1,600		1,600	1,287	(313)	(179)
Strategic Highway Maintenance Total	30,978	1,700	32,678	32,306	(373)	990
Public Transport	131		131	31	(101)	(100)
Purchase of Fleet Vehicles	240		240	143	(97)	(97)
Transport Services Total	371		371	174	(198)	(197)
Grand Total	40,524	1,700	42,224	37,830	(4,393)	(391)

- a) Strategic Highway Maintenance – Budget £32.7m, (£0.4m) variance - £0.8m of accelerated spend on Strategic Highways Maintenance and Failed roads, as the costs of schemes increased due to poor road conditions. Slippage

within: Structures of £0.3m due to mitigations no longer required; Street Lighting of £0.3m due to resource shortage; Footway schemes (£0.1m) and Plane and Patch (£0.1m) where completion of programme has come in less than anticipated; Drainage (£0.1m) & Traffic Signals (£0.1m) due to credits received following previous overpayments; Abbey Way Flyover (£0.1m) due to investigative works access permissions delaying completion of the final report and associated spend.

- b) Rights of Way - Slippage of £0.2m on Denham Bridleway due to main construction now to commence in Spring 2023/24 to accommodate other works within the vicinity, and Accelerated spend for Berryhill Footbridge on design and cradle costs for removal and storage of the bridge.
- d) Highways & Cycleway Funded Schemes – Budget £4.5m, var (£1.9m) (£0.7m) Slippage for Highways and Cycle schemes including the High Wycombe Cycleway (£0.5m) due to the National Trust negotiations and a further (£0.2m) net slippage on various cycleway projects; (£0.6m) slippage on the A40 London Road scheme in Wycombe mainly the A40 London Road in Wycombe; (£0.6m) under spend on Taplow Cross Rail project which is now complete.
- e) Other Transport & Infrastructure – Budget £3.7m, var (£1.8m), notably from (£0.6m) net slippage on East West rail projects; (£0.6m) Freight Strategy due to resourcing following to service review, (£0.3m) (0.2m) on the Council-funded Electric vehicle charging points projects, as the Council has received Govt Grant funding to kickstart these projects.

11. Corporate & Funding

11.1 Corporate & Funding Revenue: Budget -£433.9m, Outturn -£443.7m, Var -£9.8m

	Budget £m	Y/E Out- turn £m	Variance £m	%	Change in Variance £m
Capital Financing	27.1	26.4	(0.7)	(3%)	
Corporate Costs	9.3	5.2	(4.1)	(44%)	
Reserves	(6.1)	(6.2)	(0.1)	2%	
Treasury Management	(3.2)	(7.2)	(4.0)	...	
Corporate Total	27.1	18.2	(8.9)	(33%)	4.6
Business Rates	(58.2)	(58.2)	-	-	
Council Tax	(377.4)	(377.4)	-	-	
Council Tax Surplus	-	-	-	...	
New Homes Bonus	(5.8)	(5.8)	-	-	
Special expenses Council Tax	-	-	-	...	
Unringfenced Grants	(19.6)	(20.5)	(0.9)	5%	
Funding Total	(461.0)	(461.9)	(0.9)	0%	(0.1)
Total	(433.9)	(443.7)	(9.8)	2%	4.5

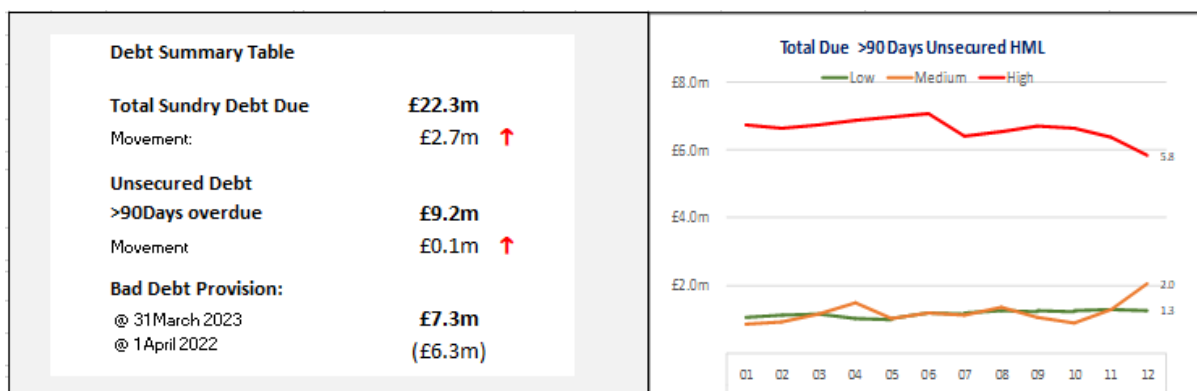
- a) The £9.8m favourable variance (£14.3m last quarter) forecast comprises:
- i. £4.4m contribution from earmarked reserves from income received in the Climate Change and Environment portfolio contributed to reserves, following partial resolution of the legal dispute with the council's EfW contractor.
 - ii. A contribution to reserves of £4.5m to set up a reserve for the Opportunity Bucks programme.
 - iii. £4.0m increased favourable variance relating to Interest on Revenue Balances (£2.7m last quarter). This reflects a higher level of cash balances than budgeted, and the recent further increase in Bank of England base rate to 4% during February with a further increase on 23rd March to 4.25%.
 - iv. £0.5m favourable variance on capital financing budgets (£0.8m last quarter). This includes an additional contribution of £0.6m to fund improvements works to the CCTV control room.
 - v. A surplus of £0.9m in grant income budgets (£0.8m last quarter). This include a grant of £0.5m from distribution of Business Rates levy surplus which has been contributed to the Collection Fund reserve to

mitigate the risk to future funding streams from the reset of the Business Rates system.

- vi. Corporate Contingencies: favourable variance of £4.1m. At Quarter 3, a favourable variance on contingency budgets of £5.5m was being forecast to support the overall Council position. £3.2m of service risk contingency was being held back to support any further pressures that might arise, and £1.2m in Pay, Pension and Redundancy contingencies. These risks have not materialised at year end, and the unrequired balance on corporate contingencies has increased by £4.3m to a favourable variance of £9.9m. £0.5m of this is proposed to be contributed to reserves to create a Highways lining fund for work to be delivered in 2023/24, and £4.7m is proposed to be contributed to the Mitigating Future Financial Risks reserve to address increased risk of pressures within Portfolios.

12. Outstanding Sundry Debts

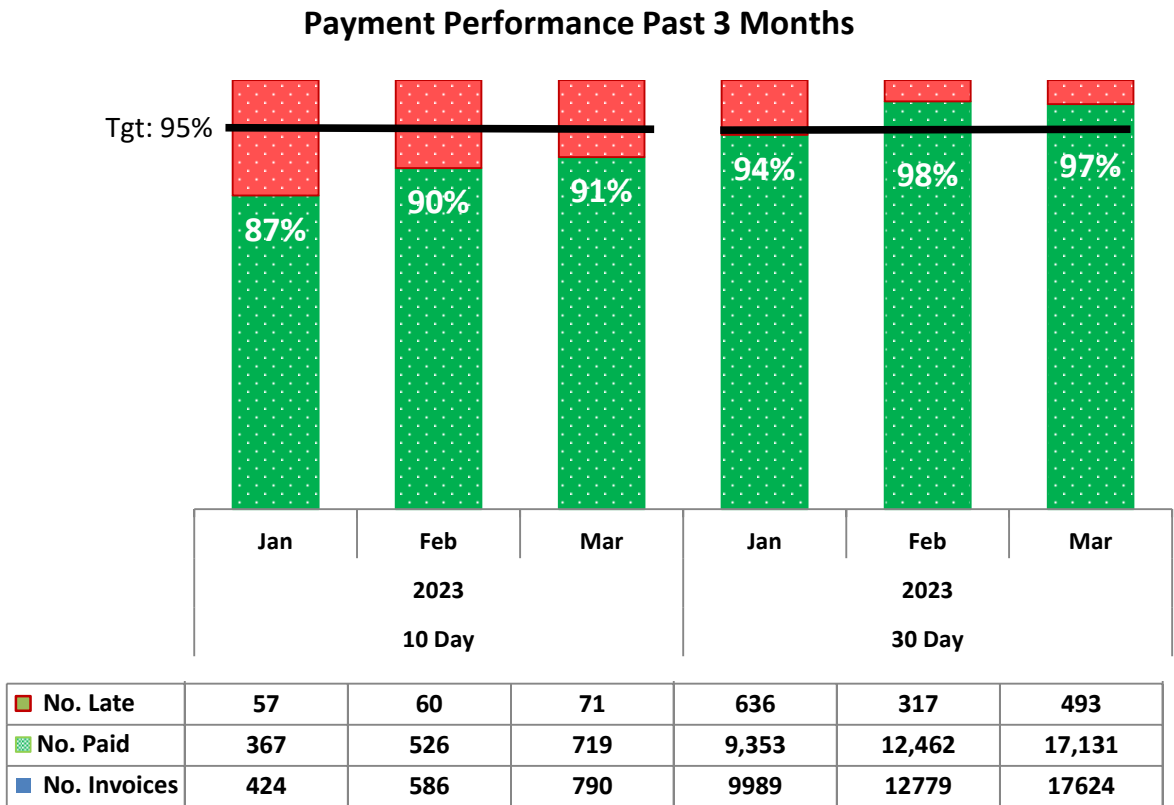
Figure 2: Sundry Debts Table



- 12.1 Unsecured debt over 90 days has seen an increase of £0.2m across Q4, rising from £9m to £9.2m, but still within the £10m KPI.
- 12.2 At the end of Q4 our total sundry debt sits at £22.3m, an increase of £2.7m from Q3. Of the £22.3m, £17.8m is unsecured with an age profile of: less than 30 days £5.1m (29%); 31-90 days £3.5m (20%); and over 90 days £9.2m (51%).
- 12.3 Improvement Actions:
- a) Strategic and operational Adult Social Care Debt Task and Finish groups have been set up to drive improvements across our ASC debt recovery. The operational group is made up of representation from across Adults & Health, Finance and Legal with the goal of improving our existing debt recovery processes and improving recoveries.
 - b) As part of the AURA programme, ongoing work is currently being undertaken between Finance and ICT to automate parts of our debt collection process. These process automations will make our recovery process more efficient, and free up capacity for officers to focus on more complex debts.

13. Payment Performance

Figure 3: Payment Performance Table



- 13.1 For Q4 our overall invoice payment performance is 95.8% paid on-time (40,558 invoices), up 1.9% from Q3.
- 13.2 Our 30-day payment performance for Q4 is 96.1% (38,946) of invoices paid on time, up 1.9% from Q2
- 13.3 Our 30-day payment performance currently exceeds our KPI of 95% paid on-time, reaching upwards of 97% across most of the quarter. We are continuing to identify solutions and improvements to the challenges we face with the payment of invoices and are working closely with our colleagues across various service areas providing further training and support to drive efficiencies across our invoice processing.
- 13.4 Our 10-day payment performance for Q4 is 89.1% (1,612 invoices) of invoices paid on time, up 3.7% from Q2
 - a) Our 10-day payment performance currently falls below our KPI of 95% paid on-time, with 188 invoices paid late across the quarter. These late invoices represent just 0.44% of all invoices paid over Q4, but we are constantly trying to identify where there are themes or regular issues that arise so that we can assist in improving the payment performance.

13.5 Improvement Actions:

- a) As part of the AURA workstream we are currently working on improving our vendor creation process, implementing a more efficient, automated process for both requesting and creating a vendor record. We are also carrying out a cleanse on our existing vendor master records. These improvements should have a positive impact on our payment performance, making it faster for service users to identify and request vendor records.
- b) We are currently also reviewing our various payment methods as part of the AURA workstream and aim to ensure that our service users are using the most efficient & cost-effective method for making payments. This will include providing further training and support, improving our system controls and ongoing reporting around our payment methods.



Report to Cabinet

Date: 11 July 2023

Title: **Quarter 1 Budget Monitoring Report 2023-24**

Relevant councillor(s): John Chilver, Cabinet Member for Accessible Housing and Resources

Author and/or contact officer: David Skinner, Service Director – Finance & S151 Officer

Ward(s) affected: none specific

Recommendations: **Cabinet is asked to:**

- i. **Note the report and the risks and opportunities contained within it**
- ii. **Approve the actions set out in the report to address the pressures.**

Reason for decision: To understand the financial position of the Council in respect of 2023-24 Budgets.

1. Executive summary

1.1 This report sets out the forecast Revenue and Capital outturn position for Buckinghamshire Council for the financial year 2023/24 as at Quarter 1.

1.2 This is the first budget monitoring report for the new financial year and comes at a time when the Council is continuing to experience significant financial pressures due to high levels of inflation and continued increase in demand and complexity of need in key services, such as Adults Social Care and Children's Social Care.

1.3 The forecast revenue outturn position for 2023/24 is an adverse variance of **£8.3m**, 2% of Portfolio budgets. This is primarily due to pressures in Health and Wellbeing and Education and Children's Services from demand and market insufficiency issues,

coupled with pressures in Accessible Housing and Resources in Energy budgets, Housing & Homelessness & Regulatory Services in Temporary Accommodation budgets and Transport in Parking income budgets.

- 1.4 Detailed Portfolio Action Plans are already in development to address the pressures, with a view to urgently bringing budgets back into line. These will consider the acceleration of savings plans from future years. In addition a member led Strategic Property and Finance Review will be initiated to examine opportunities for additional savings, income or capital receipt. The delivery of the action plans will be managed by the Portfolio Holders.
- 1.5 The forecast position on capital budgets is break even.

2. Revenue

2.1 The forecast revenue outturn for 2023/24 is an adverse variance of £8.3m (2%).

2.2 Within the overall position the main variances are:

- a) The £14.0m adverse variance in Portfolios includes:
 - i. £3.9m pressure in Health and Wellbeing due to growth in client numbers, and increased cost of care packages, particularly in Residential, Nursing and Supported Living.
 - ii. £3.9m pressure in Education & Children's Services predominantly due to the national insufficiency of placements for children looked after leading to a shortage of available placements and very high unit costs of those placements that can be accessed. The forecast is not based on increased volume of activity, rather the mix of placements, with more expensive placements needing to be accessed. This is a particular risk area, due to the volatility of expenditure where one high cost placement can cost in excess of £1m, and there is therefore a significant risk that this pressure could escalate.
 - iii. £1m adverse variance in Accessible Housing and Resources from Energy costs in Property & Assets exceeding budget. This is due to increases in network costs, which are costs relating to access and maintenance of the electricity grid, and energy usage exceeding the budgeted assumptions.
 - iv. £1.5m adverse variance in Housing & Homelessness & Regulatory Services in Temporary Accommodation budgets due to increased demand, particularly for nightly paid accommodation. There has been

an increase in clients presenting as homeless, and an underlying shortage of suitable housing to move clients on to permanently.

- v. £3.2m adverse variance in Transport Services. This includes £0.8m due to increased contract costs in Home to School Transport with provider pressure to increase costs on letting of new contracts. In addition there is a forecast shortfall of £1.8m in the Parking Income budget, which was increased this financial year to reflect post-Covid recovery; the impact of Covid on consumer behaviour is proving to be more long term than previously expected. Energy costs in Transport are also exceeding the budgeted assumptions, by £0.8m.
 - vi. £0.7m pressure in Climate Change and Environment due to recycling income shortfall due to market volatility within dry mixed recycling.
 - vii. The position also reflects a forecast shortfall on Energy from Waste income of £5.0m due to the reduction in market energy prices. This is being offset by a drawdown from the waste reserve in line with the intended use of that reserve.
- b) The £5.7m of favourable variances in corporate budgets includes:
- i. £4.3m favourable variance relating to Interest on Revenue Balances. This reflects further increases in the Bank of England base rate.
 - ii. £0.8m favourable variance on interest payable budgets, due to recalculation of loan repayments.
 - iii. A minor surplus of £0.2m in grant income due to the budget being set prudently.
 - iv. A favourable variance of £0.3m arising predominantly from contribution from grants towards central overheads.
 - v. Corporate Contingencies are retained to address the ongoing risk of further pressures within the year.
 - vi. Available reserve balances: in addition to the Corporate Contingencies, the “Mitigating Future Financial Risks” reserve contains £11.5m. After known commitments of £2.2m, a balance of £9.3m remains which could be called upon if required.

Figure 1: Corporate Contingencies & Mitigating Future Financial Risks Reserve

2023-24 Revenue Contingencies	Budget	Released	Current Budget	Favourable Variances - mitigating pressures	Remaining to cover pressures that may arise in remainder of
	£'000	£'000	£'000	£'000	£'000
Pay, Pension and Redundancy Contingency					
Pay Inflation	9,695	0	9,695	-	9,695
Pay - Bonus Contingency	1,000	0	1,000	-	1,000
Pay conversion	710	0	710	-	710
Redundancy Fund	500	0	500	-	500
Total Pay, Pension and Redundancy	11,905	0	11,905	-	11,905
Service Risk Contingency					
General Contingency	8,446	0	8,446	-	8,446
National Living Wage	1,750	0	1,750	-	1,750
Social Care Pressures	1,936	0	1,936	-	1,936
Adult Social Care Provider Market	300	0	300	-	300
Adults Demography	1,799	0	1,799	-	1,799
Children's Services Demography	800	0	800	-	800
High Cost Children's Placements	500	0	500	-	500
Total Service Risk	15,531	0	15,531	-	15,531
Total Contingency	27,436	0	27,436	-	27,436
Total Variation on Contingencies				0	
Available balance from "Mitigating Future Financial Risks" reserve	11,465				
Further £0.15m approved by SAPC to support staff hardship fund	(150)				
Committed to Helping Hand scheme: £1m in 2023/24 and £1m in 2024/25	(2,000)				9,315
Total resources earmarked to mitigate further pressures					36,751

- c) The forecast revenue budget outturn is summarised in Figure 1. The key Portfolio variances are explained in Appendix 1.

Figure 2: Revenue Budgets

	Budget	Y/E Outturn	Variance	
	£m	£m	£m	%
Revenue				
Expenditure	7,500	7,400	(100)	
Income	(300)	(200)	100	
Leader	7,200	7,200	0	0%
Expenditure	165,400	177,600	12,200	
Income	(110,600)	(121,800)	(11,200)	
Accessible Housing & Resources	54,800	55,800	1,000	2%
Expenditure	40,200	35,600	(4,600)	
Income	(23,300)	(18,000)	5,300	
Climate Change & Environment	16,900	17,600	700	4%
Expenditure	13,800	13,600	(200)	
Income	(6,700)	(6,600)	100	
Communities	7,100	7,000	(100)	-1%
Expenditure	8,600	8,600	0	
Income	(4,000)	(4,000)	0	
Culture & Leisure	4,600	4,600	0	0%
Expenditure	689,900	693,600	3,700	
Income	(587,300)	(587,100)	200	
Education & Childrens Services	102,600	106,500	3,900	4%
Expenditure	269,600	278,000	8,400	
Income	(86,000)	(90,500)	(4,500)	
Health & Wellbeing	183,600	187,500	3,900	2%
Expenditure	22,100	23,500	1,400	
Income	(12,400)	(12,300)	100	
Housing & Homelessness & Regulatory Serv	9,700	11,200	1,500	15%
Expenditure	16,200	16,000	(200)	
Income	(9,300)	(9,200)	100	
Planning & Regeneration	6,900	6,800	(100)	-1%
Expenditure	81,000	82,200	1,200	
Income	(19,600)	(17,600)	2,000	
Transport	61,400	64,600	3,200	5%
Portfolios	454,800	468,800	14,000	3%
Corporate	48,500	43,000	(5,500)	
Funding	(503,300)	(503,500)	(200)	
Corporate & Funding	(454,800)	(460,500)	(5,700)	-1%
Revenue Total	0	8,300	8,300	

2.3 The Appendix provides further detail for each Portfolio and information about performance relating to overdue debts and late payments of commercial debt.

3. Achievement of Savings

3.1 £30.4m of savings and income targets were incorporated into the approved 2023-24 Revenue budgets. The table below shows performance against those targets.

Figure 3: Savings Targets by Portfolio

Portfolio	Target £k	Forecast £k	Shortfall £k
Accessible Housing and Resources	3,486	3,486	0
Climate Change & Environment	13,818	8,618	5,200
Communities	515	515	0
Culture & Leisure	657	657	0
Education & Childrens Services	3,094	3,094	0
Health & Wellbeing	4,611	4,611	0
Homelessness & Regulatory Services	115	115	0
Leader	710	710	0
Planning & Regeneration	137	137	0
Transport	3,269	1,841	1,428
Total	30,412	23,784	6,628

3.2 Achievement of the £30.4m targets is summarised in the above table. There is currently a forecast shortfall of £6.6m. The principal shortfalls relate to:

- a) £1.1m Off-Street parking income – the recovery towards pre-Covid levels of income is slower than budgeted
- b) £5.0m Energy from Waste Income – due to the reduction in market energy prices both contract based and spill market (daily based). The in-year impact of this is being mitigated by a proposed drawdown from the waste reserve to manage this risk. The amount will be monitored over the course of the year and will reflect prevalent market conditions, with the final amount determined for the outturn position.
- c) £0.3m Streetworks Income – expenditure allocated to the permit scheme has increased but volumes are forecast to be similar to last year. Therefore the forecast increase is not achievable.
- d) £0.2m External contract savings in Waste services - Volatility in market price fluctuations relating to dry mixed recycling materials.

4. Capital

Figure 4: Capital Budgets

Portfolio	Current Year Budget			Actual	Forecast	Variance
	Released	UnRel'd	Total			
	£m	£m	£m			
Leader	1.9	17.5	19.4	0.7	19.4	
Accessible Housing & Resources	4.9	1.5	6.4	(0.1)	6.4	
Climate Change & Environment	3.3	4.2	7.6	(0.3)	7.6	
Communities						
Culture & Leisure	5.0	1.4	6.4	0.5	6.4	
Education & Children's Services	13.8	5.5	19.3	(0.2)	19.3	
Homelessness & Regulatory Services	5.4	0.5	5.8	(0.7)	5.8	
Planning & Regeneration	12.7	1.0	13.7	4.0	13.7	
Transport	49.0	0.4	49.4	1.7	49.4	
Corporate		0.8	0.8		0.8	
Grand Total	96.1m	32.7m	128.8m	5.6m	128.8m	0.0m

- 4.1 The Capital Programme was reprofiled during May, where each project reviewed its expenditure profile for 23-24. This reprofiling is due to be formally agreed at this Cabinet Meeting alongside this quarterly finance report. Due to this recent reprofiling the Capital Programme is currently projecting a breakeven position this year, with £128.8m of forecast expenditure.
- 4.2 £32.7m of the budget remains unreleased, meaning that some projects are still at feasibility stage and are required to go a gateway review at the Cabinet's Capital Board before they can proceed.
- 4.3 The Top 10 programmes by value this year are:
- a) Strategic Highways Maintenance planned programme - £17.6m
 - b) South East Aylesbury Link Road – £15.8m, pending the funding decisions from Homes England and DfT (see risk below).
 - c) Roads Plane & Patch - £9.5m, which includes an additional £5m agreed at Full Council, and additional Government Grant.
 - d) Future High Street Fund, High Wycombe regeneration projects - £6.3m
 - e) Schools Planned & Reactive Maintenance works - £6.1m
 - f) Secondary School Places - £5.7m
 - g) Wycombe Regeneration Projects - £5.5m
 - h) East West Rail projects (funded by EWR) - £5.0m
 - i) Disabled Facilities Programme - £4.1m
 - j) Primary School Places - £4.0m

4.4 The main in-year financial risks on capital are currently:

- a) Housing Infrastructure Funding Schemes – Securing Homes England approval to reallocate our HIF grant, and for DfT to finalise the agreement of additional funding, to deliver the South East Aylesbury Link Road.
- b) Future High Streets - Committing the remaining grant funding on a proposed final project; the commitment needs to be in place by 31 March 2024 to meet grant conditions. A decision paper will be coming to Cabinet shortly on this matter.
- c) 2 projects are currently reporting the risk of adverse variances this year, which will be scrutinised in more detail at the Corporate Capital Investment Board prior to a formal funding decision coming back to Cabinet in Qtr 2:
 - i. A cost pressure of £1.4m on the Biowaste project from increased fuel, steel and disposal of contaminated soil, as reported last year, and expected to be funded from existing earmarked reserves.
 - ii. A cost pressure of £0.3m on the Crematory and Hampden Chapel replacement, due to historical building defects and increased furniture & equipment costs, expected to be funded from crematoria reserve.

4.5 Funding

- a) Community Infrastructure Levy (CIL) income is projected to meet its target of £4m.
- b) Capital Receipts are projecting to accelerate delivery this year, with a forecast of £20m against the £2.6m budget due to early delivery against the 4 year MTFP target from the Ashwells site. To note, the overall forecast for receipts over the 4 year MTFP remains to budget.
- c) Grants - Since the last report our funding allocation for Basic Needs grant in 2025-26 has been confirmed at £7.4m by DfE which will help us to continue to balance and deliver the Schools Capital Programme, and a bid has been submitted for £1.9m for electric vehicle charging points, with final confirmation pending over the Summer. Both these items will come forward into the budget formally via the MTFP this year.

4.6 Further details for each portfolio may be found in **Appendix 1**.

5. Other options considered

5.1 None arising directly from this report.

6. Legal and financial implications

6.1 This is a Finance report and all the financial implications are included in the report.

6.2 There are no legal implications arising from the report.

7. Corporate implications

7.1 Actions resulting from consideration of this report may influence future expenditure in areas of concern / interest.

8. Local councillors & community boards consultation & views

8.1 Not applicable.

9. Communication, engagement & further consultation

9.1 Not applicable.

10. Next steps and review

10.1 A report on the Council's Q2 position, will be brought to Cabinet in November.

11. Background papers

11.1 Appendix 1 – Portfolio level summaries, Debt and Payment Performance

12. Your questions and views (for key decisions)

If you have any questions about the matters contained in this report please get in touch with the author of this report. If you have any views that you would like the cabinet member to consider please inform the democratic services team. This can be done by email [democracy@buckinghamshire.gov.uk].

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Further detail by Portfolio, Outstanding Sundry Debt and Late Payment information

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Please note that the rounding of numbers gives rise to minor differences in the totals for each Portfolio between the covering report and this appendix.

1. Revenue by Portfolio

1.1 **Leader Revenue: Budget £7.2m, Outturn £7.2m, Var £0.0m Adverse**

	Budget	Y/E Outturn	Variance
	£000	£000	£000
Expenditure	570	560	(10)
Income	0	0	0
Chief Executives Office	570	560	(10)
Expenditure	1,760	1,850	90
Income	(110)	(90)	20
Economic Growth & Regeneration	1,650	1,760	110
Expenditure	4,890	4,820	(70)
Income	(200)	(110)	90
Policy & Communications	4,690	4,710	20
Expenditure	320	150	(170)
Income	0	0	0
Strategic Infrastructure	320	150	(170)
Leader	7,230	7,180	(50)

- a) Leader Revenue is reporting broadly to budget, with a minor adverse variance of **£0.05m**.
- b) Policy & Communications are reporting a minor overspend.
- c) Economic Growth and Regeneration are reporting a **£0.1m** adverse variance on staffing. This is being managed across the same service area through headroom on staffing in the Planning & Regeneration portfolio spend area, where there are some staff who cross over portfolio activities.
- d) Strategic Infrastructure is reporting a favourable variance of **£0.2m** due to vacancies - currently 47% of the team in post.

1.2 **Accessible Housing and Resources Revenue: Budget £54.8m, Outturn £55.7m,
Var £1.0m Adverse**

	Budget	Y/E Outturn	Variance
	£000	£000	£000
Expenditure	11,160	11,130	(30)
Income	(430)	(400)	30
Business Operations	10,730	10,730	0
Expenditure	550	550	0
Digital	550	550	0
Expenditure	90,030	90,220	190
Income	(81,010)	(81,200)	(190)
Finance	9,020	9,020	0
Expenditure	5,200	5,210	10
Income	(750)	(760)	(10)
Human Resources & Organisational Development	4,450	4,450	0
Expenditure	13,430	13,430	0
Income	(130)	(130)	0
ICT	13,300	13,300	0
Expenditure	17,860	17,860	0
Income	(1,470)	(1,480)	(10)
Legal & Democratic Services	16,390	16,380	(10)
Expenditure	22,580	23,200	620
Income	(25,500)	(25,150)	350
Property & Assets	(2,920)	(1,950)	970
Expenditure	1,410	1,410	0
Resources Director and Bus Mngmnt	1,410	1,410	0
Expenditure	3,170	14,590	11,420
Income	(1,330)	(12,740)	(11,410)
Service Improvement	1,840	1,850	10
Accessible Housing & Resources	54,770	55,740	970

- a) Accessible Housing and Resources Revenue is reporting an adverse variance of **£1.0m**.
- b) Property & Assets have an adverse variance of **£1m** due to increased energy costs (increases in costs relating to access and maintenance of the electricity grid – ‘network costs’ - and under-budgeted usage). Within Strategic assets, loss of income from property voids is being met from contingencies.

1.3 **Climate Change and Environment:** Revenue Budget £16.8m, Outturn £17.6m

Variance £0.8m Adverse

	Budget	Y/E Outturn	Variance
	£000	£000	£000
Expenditure	1,840	1,850	10
Income	(480)	(480)	0
Environment	1,360	1,370	10
Expenditure	3,640	3,640	0
Income	(970)	(970)	0
Street Cleaning	2,670	2,670	0
Expenditure	34,690	30,120	(4,570)
Income	(21,880)	(16,550)	5,330
Waste	12,810	13,570	760
Climate Change & Environment	16,840	17,610	770

- a) Climate Change and Environment Revenue is reporting an adverse variance of **£0.8m**.
- b) **£0.8m** adverse variance in Waste Collection due to market volatility within dry mixed recycling resulting in cost pressures.
- c) Electricity income is forecast to be **£5m** less than budgeted income target which will be offset with a proposed **£5m** waste reserve drawdown in order to balance to budget. The forecast includes the impact of 31 days shutdown of which 10 days was unplanned outage, leaving only 9 days of the baseline for the rest of the year. Summer contracts have been purchased and there is the further option of utilising the daily spill market; winter contracts are not yet confirmed but should be known by the end of the Summer. Electricity income forecast is based on the mid-case scenario.
- d) The income budget for EfW was temporarily increased to £13.3m (from £1.5m) in 2023/24 because of the significant increase in electricity sales prices. It was always recognised that this is a temporary and volatile situation, so the waste reserve was also increased to manage any variations against budget and volatility in the energy market.
- e) The government has announced that it will abolish charging for household DIY waste at Household Recycling Centres. This represents a potential risk of loss of income which is currently being assessed and will be brought into the financial position once the implications and timeline is known.

1.4 **Communities Revenue: Budget £7.0m, Outturn £6.9m, Var £0.1m Favourable**

	Budget	Y/E Outturn	Variance
	£000	£000	£000
Expenditure	2,660	2,660	0
Income	0	0	0
Community Boards	2,660	2,660	0
Expenditure	3,360	3,250	(110)
Income	(1,380)	(1,380)	0
Community Safety	1,980	1,870	(110)
Expenditure	5,630	5,530	(100)
Income	(4,890)	(4,800)	90
Localities & Strategic Partnerships	740	730	(10)
Expenditure	310	310	0
Resilience Services	310	310	0
Expenditure	1,840	1,800	(40)
Income	(470)	(430)	40
Special Expenses	1,370	1,370	0
Communities	7,060	6,940	(120)

- a) Communities Revenue is reporting broadly to budget, with a favourable variance of £0.1m.
- b) Community Safety is currently showing a favourable variance of £0.1m related to staffing.

1.5 **Culture and Leisure Revenue:** Budget £4.6m, Var £0.0m

	Budget	Y/E Outturn	Variance
	£000	£000	£000
Expenditure	8,620	8,580	(40)
Income	(4,010)	(3,950)	60
Culture & Leisure	4,610	4,630	20
Culture & Leisure	4,610	4,630	20

- a) Culture and Leisure Revenue is reporting broadly to budget, with a minor variance.

1.6 Education & Children’s Services Revenue: Budget £102.6m, Outturn £106.5m,
Var £3.9m Adverse

	Budget	Y/E Outturn	Variance
	£000	£000	£000
Expenditure	95,370	98,510	3,140
Income	(7,720)	(7,260)	460
Children's Social Care	87,650	91,250	3,600
Expenditure	22,560	23,080	520
Income	(7,570)	(7,820)	(250)
Education	14,990	15,260	270
Expenditure	572,010	572,010	0
Income	(572,010)	(572,010)	0
Education - Dedicated Schools Grant	0	0	0
Education & Childrens Services	102,640	106,510	3,870

- a) Education & Children’s Services Revenue is reporting an adverse variance of **£3.9m**.
- b) An adverse variance of **£3.6m** is reported against the budgets for Children’s Social Care with Education budgets reporting an overspend of **£0.3m**.
- c) The key pressures identified to date include:
 - i. Placements for children looked after **£3.5m** – this forecast is based on current activity, and known forward activity, and includes adoption and SGO allowances. As yet no forecast of future activity through the year has been included in the forecast and therefore there is significant risk that this overspend will increase further. The projected overspend relates to placement mix rather than placement volume. Projected numbers of unregulated placements are higher than budget and the projected number of foster care and residential placements are lower than budget
 - ii. Client costs **£0.9m** – this reflects increased spend to support young people with complex needs within the community. Further work is required to confirm this forecast.
 - iii. OT Equipment **£0.2m**

- iv. Aftercare costs **£0.8m** – high numbers of young people turning 18 during the financial year. The forecast takes into account potential shortages of suitable accommodation for care leavers.
 - v. Social Care Staffing costs underspend **£1.9m**
 - vi. Education budgets **£0.3m** overspent – includes costs for Capita system, Premature Retirement Costs for schools, SEND mediation costs.
- d) There is a significant risk that expenditure on placement costs for children looked after will increase during the year if the numbers of unregistered placements continue to increase. Mitigations include the release of existing capital budget in the current year for the development of further in house residential capacity and urgent work to review and accelerate priority actions within the Sufficiency Strategy to focus on reducing the number of unregistered placements.

1.8 **Health & Wellbeing Revenue:** Budget £183.6m, Outturn £187.5m, **Var £3.9m**
Adverse

	Budget	Y/E Outturn	Variance
	£000	£000	£000
Expenditure	246,610	255,030	8,420
Income	(63,020)	(67,520)	(4,500)
Adult Social Care	183,590	187,510	3,920
Expenditure	22,980	22,980	0
Income	(22,980)	(22,980)	0
Public Health	0	0	0
Health & Wellbeing	183,590	187,510	3,920

- a) Health & Wellbeing Revenue is reporting an adverse variance of **£3.9m**.
- b) This adverse variance mainly relates to care packages carried forward from 22/23. There were 252 more clients at the start of the year at an average weekly cost of £667. However, this variance has been partly offset by additional income associated with these clients. In April demand for services continued to outstrip budget however, the following mitigations have been put in place and data from May suggests that spend is reducing:
 - i. Weekly monitoring of spend – reports are sent to Service Directors and Heads of Service to show how the number of clients and the cost of packages is changing week on week. This enables managers to identify emerging issues and take appropriate management action.
 - ii. Biweekly tracking of management action – Service Directors meet with the Corporate Director to review management actions to deliver savings and identify further mitigations. Mitigations include reviews of clients with two carers, clients with multiple services and the highest cost clients.
 - iii. Scheme of Delegation – thresholds for authorisation have been lowered to provide greater management oversight when agreeing packages of care.
 - iv. Other budget scrutiny – all budgets are being scrutinised by managers to identify any additional savings.
 - v. Further work on funding sources for staffing should release additional underspends going forward.

1.9 **Housing & Homelessness & Regulatory Revenue:** Budget £9.7m, Outturn £11.3m,
Var £1.6m Adverse

	Budget	Y/E Outturn	Variance
	£000	£000	£000
Expenditure	11,560	12,990	1,430
Income	(4,910)	(4,780)	130
Housing & Homelessness	6,650	8,210	1,560
Expenditure	10,520	10,560	40
Income	(7,460)	(7,500)	(40)
Regulatory Services	3,060	3,060	0
Housing & Homelessness & Regulatory Serv	9,710	11,270	1,560

- a) Housing & Homelessness & Regulatory Revenue is reporting an adverse variance of **£1.6m** due to increased pressures on temporary accommodation. Demand has increased from the budgeted 179 households in nightly paid accommodation to 218 households, as at the end of May. There has been a steady increase in households presenting as homeless throughout the winter and early spring and, whilst the trend is starting to plateau as we enter the summer, the underlying lack of cheaper, Council-owned temporary accommodation units, and short supply of affordable housing units to move clients on to, means we are not seeing households leave expensive nightly paid accommodation as quickly as expected. The forecast variance includes the savings from mitigating actions to move the most expensive households into cheaper accommodation, and improving our processes around preventing homelessness.

1.10 **Planning & Regeneration Revenue:** Budget £6.9m, Outturn £6.8m, Var £0.1m Favourable

	Budget	Y/E Outturn	Variance
	£000	£000	£000
Expenditure	1,130	970	(160)
Income	(170)	(130)	40
Economic Growth & Regeneration	960	840	(120)
Expenditure	15,080	15,090	10
Income	(9,110)	(9,110)	0
Planning	5,970	5,980	10
Planning & Regeneration	6,930	6,820	(110)

- a) Planning & Regeneration Revenue is reporting broadly to budget, with a favourable variance of £0.1m on staffing in the Regeneration team. Planning income levels are being monitored as a risk, in case the current economic factors result in a drop in application numbers and income levels.

1.11 **Transport Revenue:** Budget £61.3m, Outturn £64.5m, **Variance £3.1m Adverse**

	Budget	Y/E Outturn	Variance
	£000	£000	£000
Expenditure	37,680	37,900	220
Income	(15,980)	(13,870)	2,110
Highways & Technical Services	21,700	24,030	2,330
Expenditure	1,640	1,640	0
Income	(960)	(960)	0
HS2	680	680	0
Expenditure	40,020	41,020	1,000
Income	(1,980)	(2,150)	(170)
Transport Services	38,040	38,870	830
Expenditure	1,600	1,600	0
Income	(670)	(670)	0
Transport Strategy	930	930	0
Transport	61,350	64,510	3,160

- a) Transport Revenue is reporting an adverse variance of **£3.1m**.
- b) Highways & Technical Services - adverse variance of **£2.3m**:
 - i. **£1.8m** reduced income forecast within Parking Operations due to increased income targets following Covid recovery (however public behaviours are expected to remain the same) and a reduction in PCN income due to reduced enforcement officers for Quarter 1 with vacancies not filled;
 - ii. Increased energy costs forecast for Highways and Parking Operations.
- c) Transport Services - adverse variance of **£0.8m**:
 - i. **£0.8m** adverse variance for Home to School Transport due to an increase on contract costs. There is an estimated £2m risk declared which is dependent on the outcome of Summer operations ahead of the new academic year and the rate at which contracts continue to be handed back.
 - ii. **£0.2m** adverse variance due to staff pressures within Client Transport to meet service demand.
 - iii. **£0.2m** favourable variance due to funding within Public Transport to cover service pressures where grant conditions allow.

1.12 **Corporate & Funding Revenue:** Budget -£454.8m, Outturn -£460.5m, **Var £5.7m Favourable**

	Budget	Y/E Out- turn	Variance	%
	£m	£m	£m	
Capital Financing	31.0	30.2	(0.8)	(3%)
Corporate Costs	31.0	30.7	(0.3)	(1%)
Reserves	(8.7)	(8.7)	-	-
Treasury Management	(4.8)	(9.2)	(4.4)	92%
Corporate Total	48.5	43.0	(5.5)	(11%)
Business Rates	(66.1)	(66.1)	-	-
Council Tax	(403.2)	(403.2)	-	-
Council Tax Surplus	(3.5)	(3.5)	-	-
New Homes Bonus	(3.6)	(3.6)	-	-
Unringfenced Grants	(26.3)	(26.5)	(0.2)	1%
Revenue Support Grant	(0.6)	(0.6)	-	-
Funding Total	(503.3)	(503.5)	(0.2)	0%
Total	(454.8)	(460.5)	(5.7)	1%

- a) The **£5.7m** favourable variance comprises:
- i. **£4.3m** favourable variance relating to Interest on Revenue Balances. This reflects further increases in the Bank of England base rate.
 - ii. **£0.8m** favourable variance on interest payable budgets, due to recalculation of loan repayments.
 - iii. A minor surplus of **£0.2m** in grant income due to the budget being set prudently.
 - iv. A favourable variance of **£0.3m** arising predominantly from contribution from grants towards central overheads.
 - v. Corporate Contingencies are being retained to address the ongoing risk of further pressures within the year.
- b) Available reserve balances: in addition to the Corporate Contingencies, the “Mitigating Future Financial Risks” reserve contains £11.5m. After known commitments of £2.2m, a balance of £9.3m remains which could be called upon if required.

Corporate Contingencies & Mitigating Future Financial Risks Reserve

2023-24 Revenue Contingencies	Budget	Released	Current Budget	Favourable Variances - mitigating pressures	Remaining to cover pressures that may arise in remainder of
	£'000	£'000	£'000	£'000	£'000
Pay, Pension and Redundancy Contingency					
Pay Inflation	9,695	0	9,695	-	9,695
Pay - Bonus Contingency	1,000	0	1,000	-	1,000
Pay conversion	710	0	710	-	710
Redundancy Fund	500	0	500	-	500
Total Pay, Pension and Redundancy	11,905	0	11,905	-	11,905
Service Risk Contingency					
General Contingency	8,446	0	8,446	-	8,446
National Living Wage	1,750	0	1,750	-	1,750
Social Care Pressures	1,936	0	1,936	-	1,936
Adult Social Care Provider Market	300	0	300	-	300
Adults Demography	1,799	0	1,799	-	1,799
Children's Services Demography	800	0	800	-	800
High Cost Children's Placements	500	0	500	-	500
Total Service Risk	15,531	0	15,531	-	15,531
Total Contingency	27,436	0	27,436	-	27,436
Total Variation on Contingencies				0	
Available balance from "Mitigating Future Financial Risks" reserve	11,465				
Further £0.15m approved by SAPC to support staff hardship fund	(150)				
Committed to Helping Hand scheme: £1m in 2023/24 and £1m in 2024/25	(2,000)				9,315
Total resources earmarked to mitigate further pressures					36,751

2. Capital by Portfolio

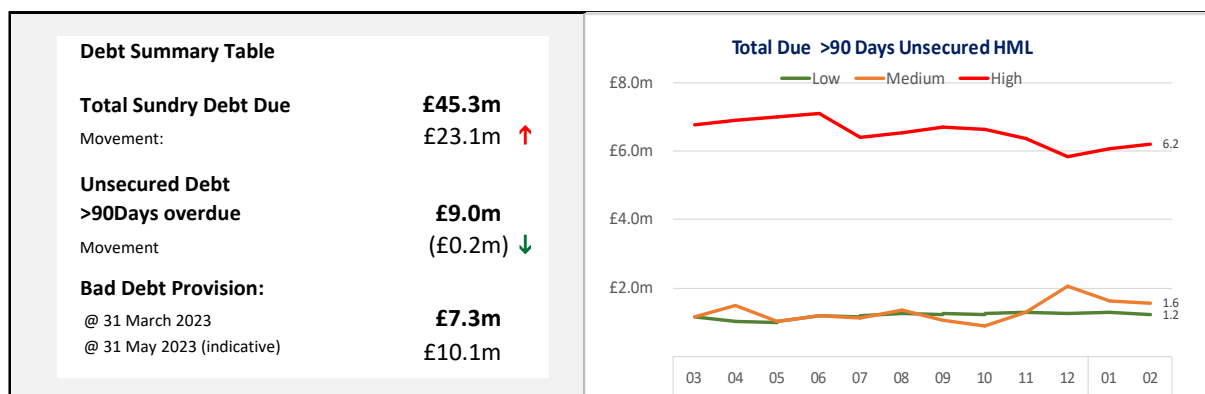
2.1 All portfolios are currently reporting a breakeven position, following the reprofile of the capital programme in 2023/24. The table below sets out the budgets and main programme areas for each portfolio.

Portfolio/Programme	Current Year Budget			Actual	Forecast	Variance		Fut Yrs Budget
	Released	Unreleased	Total			Released Budget	Total Budget	
	£m	£m	£m			£m	£m	
Economic Growth	0.3		0.3		0.3			
Strategic Infrastructure (HIF)	1.6	17.5	19.1	0.7	19.1	17.5		74.0
Leader Total	1.9	17.5	19.4	0.7	19.4	17.5	-	74.0
ICT	2.1		2.1	0.0	2.1			4.4
Property & Assets	2.8	1.5	4.3	(0.1)	4.3	1.5		12.3
Accessible Housing & Resources Total	4.9	1.5	6.4	(0.1)	6.4	1.5	-	16.7
Climate Change & Air Quality	0.9		0.9	0.0	0.9			3.4
Flood Management	0.5	0.9	1.5	(0.0)	1.5	0.9		11.0
Waste - Depots	0.8		0.8	0.0	0.8			
Waste - HRC	0.3	0.2	0.5	0.0	0.5	0.2		8.5
Waste - Vehicles & Containers	0.8	3.1	3.9	(0.3)	3.9	3.1		8.8
Waste - Biowaste	0.1		0.1	(0.0)	0.1			
Climate Change & Environment Total	3.3	4.2	7.6	(0.3)	7.6	4.2	-	31.7
Community Safety			-					0.3
Communities Total			-				-	0.3
Country Parks	1.5	1.0	2.5	0.1	2.5	1.0		
Leisure Centres	1.0		1.0	0.0	1.0			1.3
Libraries	0.1	0.4	0.4	0.0	0.4	0.4		0.3
Parks & Play Areas	0.6		0.6		0.6			0.4
Sport & Leisure Projects	1.9		1.9	0.4	1.9			3.7
Culture & Leisure Total	5.0	1.4	6.4	0.5	6.4	1.4	-	5.7
Children's Social Care		0.5	0.5		0.5	0.5		
Primary School Places	2.0	2.0	4.0	0.0	4.0	2.0		64.2
Secondary School Places	5.2	0.5	5.7	(0.6)	5.7	0.5		10.3
Provision for Special Educational Need	1.7	1.0	2.7	0.3	2.7	1.0		30.6
Programme Inflation			-					14.1
S106 Unallocated Budget			-		0.0	0.0		
School Property Maintenance	4.6	1.5	6.1	0.1	6.1	1.5		18.0
School Access Adaptations	0.2		0.2	(0.0)	0.2			0.6
School Toilets	0.2		0.2	0.0	0.2			0.8
Schools Total	13.8	5.0	18.8	(0.2)	18.8	5.0	-	138.6
Education & Children's Services Total	13.8	5.5	19.3	(0.2)	19.3	5.5	-	138.6
Affordable Housing	0.3	0.5	0.7	(0.1)	0.7	0.5		3.3
Homelessness			-	(0.5)				0.2
Housing	4.2		4.2	(0.2)	4.2			14.7
Cemeteries & Crematoria	0.9		0.9	0.0	0.9			1.8
Homelessness & Regulatory Services Total	5.4	0.5	5.8	(0.7)	5.8	0.5	-	20.0
Regeneration	12.7	1.0	13.7	4.0	13.7	1.0		34.5
Planning & Regeneration Total	12.7	1.0	13.7	4.0	13.7	1.0	-	34.5
Car Parks	0.5		0.5	(0.3)	0.5			1.3
Highways & Cycleway Funded Schemes	1.1		1.1	0.0	1.1			2.2
Other Transport & Infrastructure	5.7		5.7	0.0	5.7			5.1
Rights of Way	0.5	0.3	0.7	0.0	0.7	0.3		0.3
Strategic Highway Maintenance								
Abbey Way Flyover High Wycombe		0.1	0.1		0.1	0.1		
Bridge Maintenance	1.3		1.3	0.0	1.3			3.1
Failed Roads Haunching & Reconstruction	2.9		2.9	0.0	2.9			9.0
Footway Structural Repairs	2.2		2.2	0.0	2.2			6.5
Maintenance Principal Rds - Drainage	2.1		2.1	0.1	2.1			6.0
Plane & Patch	9.5		9.5	1.4	9.5			13.3
Replacement Traffic Signals	0.6		0.6	0.0	0.6			1.0
Road Safety - Casualty Reduction	1.3		1.3	0.0	1.3			2.5
Strategic Highway Maintenance Program	17.7		17.7	0.3	17.7			47.6
Street Lighting	2.6		2.6	0.0	2.6			4.5
Old Highways Maintenance Codes			-	(0.1)				
Strategic Highway Maintenance Total	40.2	0.1	40.3	1.8	40.3	0.1	-	93.3
Transport Services	0.6		0.6	0.0	0.6			0.7
Highway Improvement Projects	0.5		0.5	0.0	0.5			2.0
Transport Total	49.0	0.4	49.4	1.7	49.4	0.4	-	105.0
Grand Total	96.1	32.0	128.0	5.6	128.0	32.0	-	426.5

Top 3 Capital projects by spend 2023/24

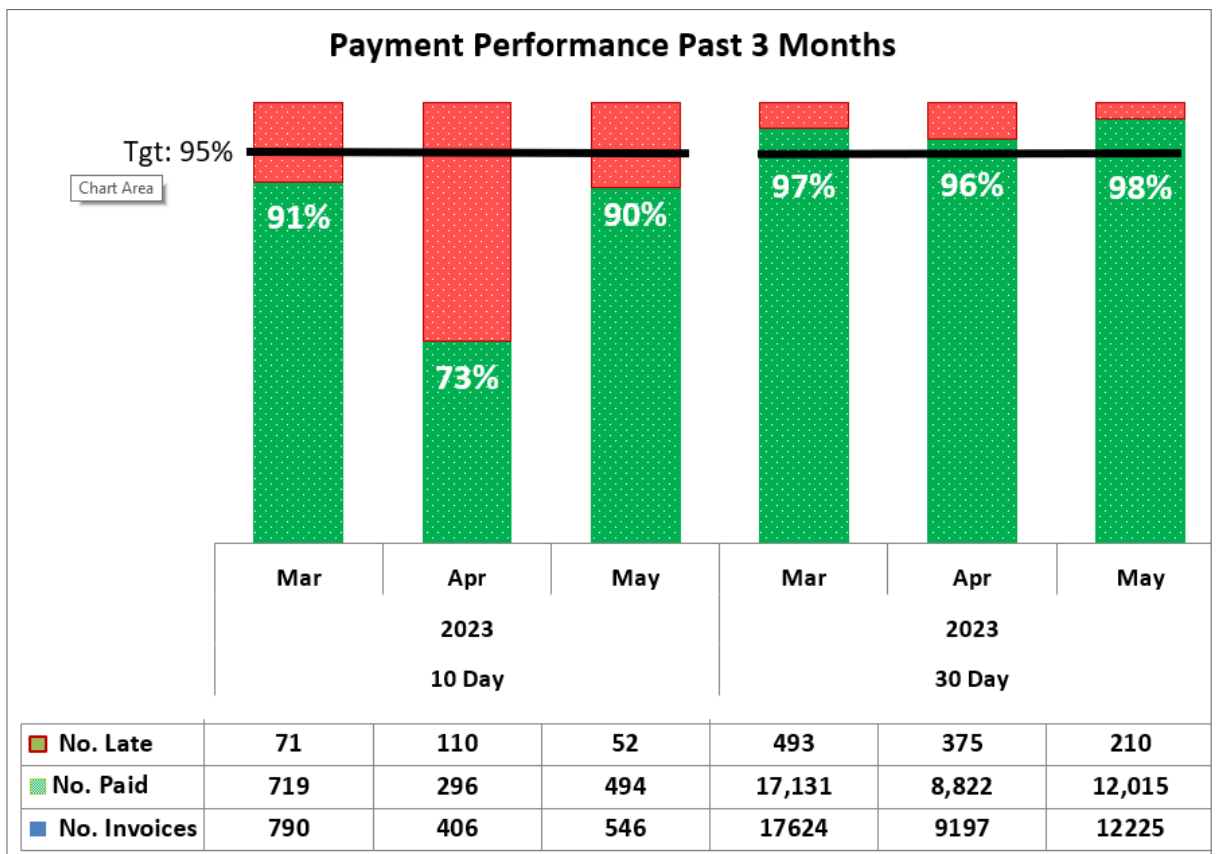
Portfolio	Project	£m
Leader	SEALR (South East Aylesbury Link Road)	15.8
	Cycle Infrastructure	1.3
	Stoke Mandeville Relief Road	0.8
Accessible Housing & Resources	Corporate Planned Work	1.0
	Device Refresh 2024/25	1.0
	Orchard House - SCAS	1.0
Climate Change & Environment	Aylesbury Waste Vehicle Fleet Replacement	2.5
	Marlow Surface Water Management Plan	0.6
	Pembroke Road Depot Offices Mess	0.8
Culture & Leisure	South Bucks Country Park	1.5
	Country Parks Visitor Centre	1.0
	Facilities for Young People	0.6
Education & Children's Services	Schools Planned Work	6.0
	Primary school places	2.0
	John Colet 1fe expansion	1.4
Homelessness & Regulatory Services	Disabled Facility Grants	4.1
	s106 Affordable Housing Schemes	0.5
	Stoke Poges Memorial Garden	0.3
Planning & Regeneration	Cressex Island Aldi	4.7
	Future High Streets	4.3
	22 Queen Square	0.5
Transport	Strategic Highway Maintenance	14.9
	Plane & Patch	9.5
	East West Rail Car Park	3.2
Grand Total		79.4

3. Outstanding Sundry Debts



- 3.1 Unsecured debt over 90 days has seen a decrease of £0.2m so far across Q1, falling from £9.2m to £9.0m, and well within the £10m KPI.
- 3.2 Total sundry debt currently sits at £45.3m, an increase of £23.0m from Q4. Of the £45.3m, £40.5m is unsecured with an age profile of: less than 30 days £23.9m (59%); 31-90 days £7.6m (19%); and over 90 days £9.0m (22%).
- b. HS2 Ltd are currently responsible for £22.0m of debt, which has been raised across Q1. HS2 have given assurance that invoices will be paid, and are being chased regularly at Corporate Director level.
- 3.3 Improvement Actions:
- a) Strategic and operational Adult Social Care Debt Task and Finish groups are continuing to meet monthly with service, finance, and legal representation. Processes and debt recovery performance are under close review to improve recoveries.
 - b) As part of the AURA programme, ongoing work is currently being undertaken between Finance and ICT to automate parts of the debt collection process. The automations are currently progressing, and implementation is expected in the next couple of months as they currently move through testing and into the live system.

4. Payment Performance



- 4.1 For Q1 our current overall invoice payment performance is 96.7% paid on-time (22,374 invoices), up 2.5% from Q4.
- 4.2 Our 30-day payment performance for Q1 is 97.1% (21,422) of invoices paid on time, up 1.6% from Q4.
- 4.3 Our 30-day payment performance currently exceeds our KPI of 95% paid on-time, reaching upwards of 98% across the quarter. We are continuing to identify solutions and improvements to the challenges we face with the payment of invoices and are working closely with our colleagues across various service areas providing further training and support to drive efficiencies across our invoice processing.
- 4.4 Our 10-day payment performance for Q1 is 81.7% (952 invoices) of invoices paid on time, down 7.4% from Q4.
- 4.5 Our 10-day payment performance currently falls below our KPI of 95% paid on-time, with 162 invoices paid late across the quarter. These late invoices represent just 0.4% of all invoices paid over Q4, but we are constantly trying to identify where there are themes or regular issues that arise so that we can assist in improving the payment performance.

Select Committee Work Programmes 2023/24

Finance and Resources Select Committee (Chairman: Ralph Bagge, Scrutiny officer: Chris Ward)

Date	Topic	Description & Purpose	Lead Officer	Contributors
20 July 2023	Budget Performance Monitoring Q4	To review the Quarter 4 Budget Monitoring Report	David Skinner	John Chilver
	Budget Performance Monitoring Q1	To review the Quarter 1 Budget Monitoring Report	David Skinner	John Chilver
	Agency Spend	During Budget Scrutiny in January 2023, Members recommended that F&R receive an in-depth report on agency staffing costs across the Council and steps being taken to mitigate it. (Item in confidential)	Sarah Murphy-Brookman Sarah Keyes	John Chilver Tim Butcher
	Work Programme	To consider the work programme for 2023/24	Chris Ward	Ralph Bagge
5 October 2023	Budget Inquiry 2023 Recommendations: 6-month review	To receive an update on the process of the budget scrutiny recommendations made in January 2023.	David Skinner	Martin Tett
	Energy from Waste Income	During Budget Scrutiny in January 2023, Members noted the importance of the EfW income to the budget and requested a report to include projected income, budgetary assumptions and budgetary impact on price fluctuation. (Item in confidential)	Martin Dickman Roger Seed	Gareth Williams John Chilver
	External Property Companies	Report on the performance and business plans of the Council's companies: AVE, Consilio, London Road Management Company and Buckinghamshire Advantage. (Item in confidential)	John Reed Mark Preston (AVE & London Road) David Pearce (Consilio)	John Chilver

30 November 2023	Budget Performance Monitoring Q2	To review the Quarter 2 Budget Monitoring Report	David Skinner	John Chilver
	Estates Programme	To receive a progress update on the Estates Strategy including plans for inherited assets and oversight on tenants/lessees' changes to council premises which require planning permission.	Sarah Murphy-Brookman John Reed	John Chilver
	IT ONE Programme	To consider an update report on the IT ONE Programme including an update on SAP.	Sarah Murphy-Brookman Tony Ellis	John Chilver Tim Butcher
	Budget Scrutiny Inquiry Group Scoping Paper	The Committee will consider the budget scrutiny inquiry group proposals.	Chris Ward	Ralph Bagge Martin Tett
8 – 12 January 2024	Budget Scrutiny Week		All Corporate and Finance Directors	Cabinet Members, Deputies, Corporate and Finance Directors
22 February 2024	Budget Inquiry 2023 Recommendations: 12-month review	To receive an update on the process of the budget scrutiny recommendations made in January 2023.	David Skinner	Martin Tett
	Budget Performance Monitoring Q3	To review the Quarter 3 Budget Monitoring Report	David Skinner	John Chilver
18 April 2024	Customer First	To consider a report following the year's activity on the Customer First programme.	Sarah Murphy-Brookman Lloyd Jefferies Andy Hallsworth	John Chilver Tm Butcher

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