



## Finance & Resources Select Committee Agenda

Date: Thursday 22 February 2024

Time: 1.00 pm

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

### Membership:

R Bagge (Chairman), M Walsh (Vice-Chairman), K Ashman, M Ayub, S Bowles, M Bracken, S Chhokar, P Cooper, D Dhillon, T Dixon, G Harris, I Macpherson, R Newcombe, C Oliver and S Wilson

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Agenda Item	Time	Page No
<b>1 Apologies for absence / Changes in membership</b>		
<b>2 Declarations of Interest</b>		
<b>3 Minutes</b>		<b>7 - 12</b>
The minutes of the meeting held on 30 November 2023 be		

confirmed as a correct record.

#### **4 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.

Further information on how to register can be found here: <https://www.buckinghamshire.gov.uk/your-council/get-involved-with-council-decisions/select-committees/>

#### **5 Budget Inquiry 2023 Recommendations: 12-month review** **13:10** **13 - 26**

To receive an update on the progress of the budget scrutiny recommendations made in January 2023.

##### **Contributors:**

Councillor Martin Tett, Leader

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

##### **Papers:**

12 Month Budget Recommendations Update

#### **6 Q3 Budget Monitoring Report 2023-24** **13:20** **27 - 68**

To consider the Budget Monitoring Q3 papers as reported to Cabinet on 13 February 2024.

##### **Contributors:**

Councillor John Chilver, Cabinet Member for Accessible Housing & Resources

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

##### **Papers:**

Quarter 3 Budget Monitoring Report 2023-24

Appendix 1 – Further detail

Appendix 2 – Capital Approve Programme

Appendix 3 – Q3 Capital Budget Adjustments and Reprofiling

#### **7 Work Programme** **13:40** **69 - 70**

The Committee will discuss the work programme and note the items for the next meeting.

**Contributors:**

All Committee Members

**Papers:**

Work Programme

**8 Date and time of the next meeting**

The next meeting will take place on 18<sup>th</sup> April at 2pm.

**9 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 for the following item(s) of business on the grounds that it involves 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 holding that information)*

**10 External Property Companies**

**13:45**

**71 - 122**

The Committee will receive a report providing an update on the Company activities and the work undertaken by the Councils Shareholder Committee in overseeing the activities.

**Contributors:**

Councillor John Chilver, Cabinet Member for Accessible Housing & Resources

Steve Bambrick, Corporate Director for Planning Growth & Sustainability

Sarah Murphy-Brookman, Corporate Director for Resources

Richard Ambrose, Service Director Major Projects

John Reed, Service Director for Property and Assets

Mark Preston (AVE & London Road)

David Pearce & Nigel Dicker (Consilio)

Richard Harrington & Lisa Michelson (BA)

**Papers:**

Covering Report

Appendix 1

- Buckinghamshire Shareholder Committee Terms of

## Reference

### Appendix 2

- Best Practice Review (Governance)

### Appendix 3

- Buckinghamshire Shareholder Committee Annual Report 2022-23

### Appendix 4

- Aylesbury Vale Estates Business Plan (confidential)
- Financial statements of Aylesbury Vale Estates LLP
- Financial statements of Hale Leys LLP (confidential)
- AVE Performance Update

### Appendix 5

- Buckinghamshire Advantage Plan 2023/24 (confidential)
- Financial Statements of Buckinghamshire Advantage (confidential)
- Buckinghamshire Advantage Performance Update

### Appendix 6

- Consilio Property Limited Business Plan 2023-25 (confidential)
- Financial Statement of Consilio Property Limited (confidential)
- Consilio Performance Update

### Appendix 7

- Financial Statement London Road Business Park Management Company (confidential)

**11**      **Estates Strategy**      **14:30**      **123 - 188**

The Committee will receive an update on the Estates Strategy.

#### **Contributors:**

Councillor John Chilver, Cabinet Member for Accessible Housing & Resources

Sarah Murphy-Brookman, Corporate Director for Resources

Steve Bambrick, Corporate Director for Planning Growth & Sustainability

John Reed, Service Director for Property and Assets

#### **Papers:**



**Work Smart Estates Strategy Cabinet report 5<sup>th</sup> January 2023;**

- Appendix 1 Financial implications (confidential)
- Appendix 2 EqIA

**King George V House, Amersham Cabinet Report 12<sup>th</sup> December 2023;**

- Appendix 1 King George V Amersham Future Customer Access point CAP Provision
- Appendix 2 King George V Amersham Future Customer Access point CAP Provision
- Appendix 3 for Estate Strategy KGVH Implementation Costs (confidential)
- Appendix 4 King George V Amersham Future Customer Access point CAP Provision
- Appendix 5 King George V Amersham Future Customer Access point CAP Provision

<b>12</b>	<b>Confidential Appendices - External Property Companies</b>	<b>189 - 300</b>
<b>13</b>	<b>Confidential Appendices - Estates Strategy</b>	<b>301 - 306</b>

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For further information please contact: Chris Ward [democracy@buckinghamshire.gov.uk](mailto:democracy@buckinghamshire.gov.uk)  
01296 585807

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Agenda Item 3  
**Buckinghamshire Council**  
**Finance & Resources Select**  
**Committee**

## Minutes

**MINUTES OF THE MEETING OF THE FINANCE & RESOURCES SELECT COMMITTEE HELD ON THURSDAY 30 NOVEMBER 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, M Walsh, M Ayub, M Bracken, D Dhillon, G Harris, I Macpherson, R Newcombe, C Oliver and S Wilson

### OTHERS IN ATTENDANCE

T Ellis, S Keyes, S Murphy-Brookman, R Shovell, D Skinner and C Ward

### Agenda Item

#### 1 APOLOGIES FOR ABSENCE / CHANGES IN MEMBERSHIP

Apologies were received from Cllrs Butcher, Chhokar, Dixon and Fayyaz.

The Chairman noted that Cllr Anthony had resigned from the Council and expressed his thanks for Cllr Anthony's diligent contribution to the committee.

#### 2 DECLARATIONS OF INTEREST

There were none

#### 3 MINUTES

The minutes of the meeting held on 5<sup>th</sup> October 2023 were confirmed as an accurate record.

#### 4 PUBLIC QUESTIONS

There were none.

#### 5 BUDGET MONITORING Q2 2023/24

The Chairman welcomed Cllr Martin Tett, Leader, Cllr John Chilver, Cabinet Member for Accessible Housing and Resources and David Skinner, Director of Finance to the meeting.

The Leader introduced the report, making the following key points:

- The Council had taken finances very seriously and when the 2023-24 Budget had come before the Full Council, it had taken account areas of risk.
- There was an adverse variance of £15.2 million across all portfolios with a net overspend of £8.6m after taking account of corporate items.

- The main areas of spend were Children’s Services, Adult Social Care, temporary accommodation and transport for children with Special Educational Needs and Disabilities (SEND). Every council of a similar size had been struggling to find the budget for statutory services. The Leader had written to Government Ministers to raise his concerns about cost pressures.
- Action plans had been implemented across all portfolios.

Questions from Select Committee Members were invited. During the discussion, the following points were noted:

- Proposals on the redevelopment of the King George V office in Amersham would be presented to Cabinet shortly and a formal decision would be made. Savings had also been made by consolidating office accommodation, considering the termination of the Capswood office lease and moving out of the Old Library at High Wycombe and the Easton Street offices.
- The reduction of the Climate Change budget from £35 million to £30 million had been due to several factors, including the variability of the income from the Energy from Waste (EfW) plant.
- Members may want to interrogate further the Community Safety variance during the Budget Scrutiny session with the Cabinet Member for Communities in January. Budget reconciliation had been an ongoing exercise and the debt collection process standardised, leading to synergies being realised. For Section 106 and Community Infrastructure Levy (CIL) payments, bills had been raised once everything had been agreed. The trigger point for debt recovery action had been the enforcement date. Dates had sometimes moved as housing projects were completed.
- Out of county placements for children with special needs had provoked discussion and interest from the media and the general public. In some cases, Local Authorities had been bidding against each other for places. Providers of specialist children’s services had been able to command high fees. The Council had been developing in-house provision, three places had been provided and another ten places were planned. Each of the facilities accommodated a small number of children.
- The budgets for the last two years had been very challenging but income from investments and income generated from the EfW site had helped balance the budget. £4.8 million had been drawn down from the EfW reserve with around £10 million remaining at the start of the year. The EfW income may help balance the budget in future however this reserve was finite and subject to the volatility of energy prices. Cabinet would continue to monitor this situation.
- Members noted the positive results achieved by the Heath & Wellbeing portfolio and encouraged best practice be shared. In such a huge portfolio, small percentage savings had resulted in a significant positive impact on the budget.
- Details of additions and re-profiling of £24 million into future years were given on page 47 of the Cabinet paper. Additional projects had been funded by Government grants and section 106 payments. Some projects had experienced significant delays such as the South East Aylesbury Link Road (SEALR) and the Future High Streets programme. For the SEALR, approval had been sought from HS2 and Homes England. This approval had been given and the project was able to progress. All the Government-funded spend on the Future High Streets programme in High Wycombe had needed to be profiled for March 2024. The project had been re-shaped as some of the planned work had been funded by the private sector. A project was underway to use the remaining government funding.

- The Aylesbury Grid replacement project had been delayed whilst a suitable location was sought. The work would now be completed by UK Power Networks rather than the Council. Most of the funding would be re-allocated.
- To provide temporary accommodation for homeless residents, leases had been extended on Saunderton Lodge and Bridge Court in High Wycombe. Two additional properties had been acquired – one in Aylesbury and another in High Wycombe. The Council was actively seeking new properties to provide more accommodation.
- Where children needed specialist care, there was competition to secure it from providers. Each case would be carefully assessed to identify potential savings.
- There was an increasing challenge with elderly residents living in care homes who had been funding their own care but had depleted their funds. In these cases, families had put pressure on the Council to fund the resident to remain in the same care home. Rising costs in this area would pose a future risk to the Council.
- The Council provided a number of statutory services which were subject to inspection by Government agencies. The agencies were disregarded Council budgets, deciding what should be provided to residents irrespective of the costs involved.

## **6 ICT ONE PROGRAMME AND AURA**

The Chairman welcomed Sarah Murphy-Brookman, Corporate Director for Resources, Tony Ellis, IT Service Director and Rachel Shovell, Aura Programme Director to the meeting.

### **ICT ONE Programme**

The Cabinet Member for Resources gave a short introduction to the ICT ONE report, making the following points:

- Consolidating all the Council's IT systems would bring savings and provide a single, modern platform for the Council.
- The programme would be completed in 2025.
- Project AURA aimed to integrate core finance and HR processes with estimated savings of £2.6 million.

The IT Service Director summarised the project, noting the following:

- The unitary Council had inherited four legacy IT environments, all using different technologies.
- The One programme aimed to provide all staff with the same laptop and login.
- The programme had been delayed by the pandemic which in turn had led to a shortage in transistor chips. IT had needed to provide for the new way of working brought on by the pandemic.
- Six old data systems would be decommissioned.
- A majority of the Council's IT applications had been rationalised and all applications would be rationalised by 2025.

During the Member discussion, the following points were made:

- The IT department had gained experience in moving network links from King George V House in Amersham. If the Walton Street Office were to close in the future, it would be possible to relocate IT Services.
- The most complex part of the IT One Programme was still ahead however it was not possible to provide a definitive month in 2025 when the project would be finished. Flexibility had been built into the new system and the plan which was constantly being

revised.

- One Member congratulated the IT team on the progress made so far and another Member highlighted the importance of cyber training to Councillors. The IT Service Director fully supported working with the Member Development Working Group on this issue.
- A Member asked if the IT Service had encountered any resistance to standardising IT Applications. The IT Service Director confirmed there was none and that if a service requested a new IT function, there was a vetting process to check whether the requested function was already being provided thereby saving costs.
- The Microsoft platform had been maximised and this had reduced the number of customised packages that services used. If a service requested a new IT function, there was a vetting process to check whether the requested function was already being provided thereby saving costs.

The Chairman thanked the IT Service Director for the report.

## **AURA**

The Corporate Director for Resources made the following points about project AURA:

- AURA has focussed on the Council's use of SAP, a system which was implemented in 2005 and had undergone significant customisation.
- SAP had been used for the unitary Council's financial processes making it more complex. The system was old but stable and reliable.
- There had been a need to investigate the maintenance and possible future replacement of SAP. Also, SAP needed to be made more user-friendly and better able to produce reports.
- The AURA programme had taken into account learning from other councils. For the near future, a decision had been made to continue to use SAP to keep costs low.
- It would be possible to turn on further tools to make more use of SAP's functionality.

It was noted during the Member discussion that SAP was hosted by Microsoft Azure which was cloud based and therefore not subject to slowdown during high usage.

The Chairman thanked the Corporate Director for Resources for the paper.

## **7 ABSENCE IN THE WORKPLACE AND ABSENCE MANAGEMENT - UPDATE REPORT**

The Chairman welcomed Sarah Keyes, Service Director for Resources to the meeting.

The Cabinet Member for Resources gave a short introduction to the update report on Absence in the Workplace, noting:

- The Key Performance Indicator (KPI) for sickness days had reduced from 9.0 days per FTE to 8.5 days per FTE for 2023-24. Staff sickness absence had reduced whilst still slightly above the KPI.
- The highest level of sickness absence was in the Adults and Health and Communities directorates but this had reduced. Absence levels in the Deputy Chief Executive and Resources directorates were comparable to absence in the private sector.
- Buckinghamshire Council compared well to other authorities for staff sickness absence.
- In September 2023, 93% of staff had no sickness absence.

The Service Director for Resources made the following points:

- The Council had completed work on reducing sickness absence with other local authorities of comparable size and some levels of sickness absence at the Council had compared favourably with private sector benchmarks.
- There had been a positive impact from HR and Organisational Development (OD) working alongside managers to put in early interventions to lower levels of sickness absence.
- The Council had received awards for its efforts to help employees stay at work.

During the following discussion, the following points were made:

- A number of Members complimented the report and the progress made.
- Some Members stated that the Council should aspire to sickness absence levels more comparable with the private sector.
- There were no specific targets for sickness absence in each directorate however Corporate Directors reviewed absence within their directorates. Once the report was completed, work could be done to compare sickness absence with vacancy levels in each directorate.
- The Resources team was working to make the reasons for absence as clear as possible. Fewer staff were taking time off for mental health reasons and shorter times were being taken.
- There had been more illnesses such as colds and covid during the winter months but this was the only effect of seasonality on short-term absence.

## **8 BUDGET SCRUTINY INQUIRY GROUP SCOPING PAPER**

It was explained that a core group of members from the committee would need to take part in the Budget Scrutiny sessions in January 2024.

Lunch would be provided and any dietary requirements should be given to the Scrutiny Officer.

**Action:** Members/Chris Ward

There was a short discussion which made the following points:

- In keeping with last year's arrangement, the Scrutiny Officer had invited Corporate Directors and the Head of Finance.
- The timetable for Cabinet papers would be tight but consistent with previous years.
- An assumption should be made that Members of the budget scrutiny committee had read the papers in advance and that Cabinet Member introductions should be as streamlined as possible to maximise questioning.
- Members agreed the budget scrutiny scoping paper.

## **9 WORK PROGRAMME**

The Chairman noted that further topics for the work programme may emerge from the budget scrutiny process.

## **10 DATE AND TIME OF THE NEXT MEETING**

Thursday, 22<sup>nd</sup> February at 2.00pm in The Oculus

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## Report to Finance & Resources Select Committee

<b>Date:</b>	22 February 2024
<b>Reference number:</b>	
<b>Title:</b>	<b>Twelve Month Budget Scrutiny Update</b>
<b>Cabinet Member(s):</b>	Martin Tett, Leader
<b>Contact officer:</b>	David Skinner, s151 officer
<b>Ward(s) affected:</b>	None specific
<b>Recommendations:</b>	<b>The Committee is asked to note and comment on the content of the report</b>

### 1. Executive summary

1.1 In January 2023 the Budget Scrutiny Inquiry Group produced a report containing nine recommendations. The report was received and responded to by Cabinet on 14 February 2023. This report details the twelve-month update to each of the recommendations.

### 2. Content of the report

2.1 Attached at Appendix 1 is a table which provides updates against each of the recommendations made by the Budget Scrutiny Inquiry Group in January 2023.

### 3. Other options considered

3.1 Not applicable.

### 4. Legal and financial implications

4.1 Set out in the responses below.

### 5. Corporate implications

5.1 Not applicable.

### 6. Local councillors & community boards consultation & views

6.1 Not applicable.

**7. Communication, engagement & further consultation**

7.1 Not applicable.

**8. Next steps and review**

8.1 Not applicable.

**9. Background papers**

9.1 Not applicable.

**10. Your questions and views (for key decisions)**

10.1 Not applicable.

## Appendix 1

### Budget Scrutiny 2023 – Recommendations from the Budget Scrutiny Inquiry Group

Chairman – Cllr Ralph Bagge

Response from Cabinet – Cllr Martin Tett, Leader

Recommendation	Cabinet’s response – Y/N & comments	Six Month Update	Twelve Month Update	Lead Member / Officer & Timelines
<p>1. The presentation of Capital Schemes should be divided into two sections: a programme which includes those schemes fully funded with an approved business case and a further section outlining projects which are realistic, but do not yet have an ascertained source of funding or a finally approved business case in order to give Members and residents a clearer understanding of the Council’s ambition for its capital investment programme in the longer term (Note that similar recommendations were made in 2020 and 2021). At</p>	<p><b>Agreed in part.</b></p> <p>The capital programme includes those schemes that are fully funded within the 4-year period. In future budgets, we will identify the pipeline of schemes that have passed a gateway assessment in terms of viability and deliverability but remain dependant on a final business case and the identification of funding.</p>	<p><b>In progress.</b> The pipeline of schemes is being considered as part of the MTFP Capital programme and will include schemes that have passed the gateway assessment.</p> <p>This will be included as part of the Draft Budget papers published in January 2024.</p>	<p><b>In progress.</b></p> <p>The Final Budget will be updated to provide further information showing those schemes where the budget has been ‘released’ (approved business case in place); and ‘unreleased’ (further report or final business case required).</p> <p>The pipeline of schemes was considered as part of the MTFP Capital programme but is not sufficiently developed at this stage.</p>	<p>Martin Tett</p> <p>David Skinner</p>

<p>present there is inconsistency across portfolios, and it is often not possible to achieve the tighter criteria over the whole of a four-year programme.</p>				
<p>2. Cabinet should give serious consideration to more Capital investment projects which potentially reduce significant revenue pressures in the medium to long-term.</p>	<p><b>Agreed. This is already the approach taken by Cabinet.</b></p> <p>A number of business cases for future capital investment are currently under development in portfolios linked to reducing existing and future revenue pressures. We will continue to review these on a case-by-case basis and consider investing where we are confident about the delivery of realistic and achievable ongoing revenue savings.</p>	<p><b>Complete.</b> This approach has been agreed by Cabinet. Examples of capital investment opportunities that have been supported include:</p> <ul style="list-style-type: none"> <li>• Children’s Homes</li> <li>• Temporary Accommodation</li> </ul>	<p><b>Complete</b> as per 6-month update.</p>	<p>Martin Tett David Skinner</p>
<p>3. The Council and individual portfolio Risks and Opportunities Schedule should quantify the potential financial impact and probability so that risks and opportunities can be fully assessed against the relevant Contingency</p>	<p><b>Agreed in Part.</b></p> <p>Key financial risks are identified as part of the routine risk management processes, and mitigating actions are monitored through Directorate Boards and the Council’s</p>	<p><b>In progress.</b></p> <p>Quantified risk &amp; opportunities schedules are already reported at Directorate Boards and Corporate Management Team; and the established process for release of contingencies</p>	<p><b>Complete.</b></p> <p>In addition to the 6-month update, a quantified risk schedule has also been included within the Draft Budget.</p>	<p>Martin Tett David Skinner</p>

<p>schedules. Year-to-year management of contingency, reserves and releases should also be taken into account for risk management. Financial risk registers for each portfolio should reflect the quantum of financial risk identified in the Budget. A new strategic risk on the overall finances of the Council should be added to the Risk Register to reflect the Budget position and updated to reflect any material deviations throughout the financial year.</p>	<p>Corporate Management Team which is attended on a regular basis by the Head of Audit.</p> <p>Cabinet already considers the adequacy of contingencies and reserves as part of considerations about the medium-term financial plan. There is an established process for the release of contingencies and reserves requiring member approval. It is difficult to be precise in quantifying financial risks but Cabinet will ensure that a schedule of quantified risks is shared with the Audit and Governance Committee in confidence (due to potential commercial sensitivities).</p> <p>Opportunities are dynamic and will be kept under review by portfolios on an ongoing basis.</p> <p>The strategic risk CMT-08 will be updated to include the overall risk to delivering a balanced Budget position for the Council and will reflect the quarterly reports to Cabinet on the forecast position.</p>	<p>and reserves already includes consideration of risk.</p> <p>A schedule of quantified risks has been shared with Risk Management Group and then Audit and Governance Committee at their next meetings.</p> <p>The strategy risk CMT-08 has been updated to include the overall risk to delivering a balanced Budget position for the Council and will be updated in line with the quarterly budget monitoring reports to Cabinet.</p>		
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<p>4. The current delivery of Community Boards needs re-examination as the ratio of administration costs to the expenditure value delivered does not yet appear cost effective for Council Taxpayers. This may be addressed through a combination of a review of the cost base required for their operation and more proactive leveraging of external funding for local projects.</p>	<p><b>Agreed in Part</b></p> <p>The administration overhead is not solely linked to the expenditure of the boards but is an important aspect of the engagement that the Council undertakes with different settlements across the county. This interface on a local level was an important aspect of the business case for a unitary council and it remain important to understand and respond to issues at a local level.</p> <p>In response to scrutiny last year, and the work of a member task and finish group, the structure of staffing support was remodelled to deliver £190k annual revenue saving and the new staffing model went live in June 2022. We also set a minimum requirement on contributory funding of 55p for every £1 of Council funding which has been delivered and is currently running at an average of 87p. Some boards have been able to achieve an average level</p>	<p><b>In progress</b></p> <p>In 2022/23 each £1 of Community Board funding secured an average of £1.03 in contributory funding.</p> <p>In 2023/24 the Boards have a target to achieve £1 in contributory funding for every £1 of funding allocated by a Board. As of 9 August, each £1 of Community Board funding has secured an average of £1.72 in contributory funding.</p> <p>The review of the community boards will commence during October 2023 with recommendations made by March 2024, ready for implementation in May 2025. This review will look at the financial arrangements of the boards, benefits delivered and whether the boundaries need to change to reflect the reduction in ward councillors and changes to councillor ward boundaries which come into</p>	<p><b>On track</b></p> <p>The review has commenced as planned and members have been engaged in considering the future boundaries for the boards etc. In view of the additional budget reductions proposed in the new MTFP, and the need to reflect this in the review, the timescale for reporting on the recommendations has been extended to Autumn 2024.</p>	<p>Arif Hussain</p> <p>Sarah Ashmead</p>
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	<p>of contributory funding over £2 and the learning from these Boards will be used to support other Boards as we seek to maximise the levels of funding available for local priorities.</p> <p>This year, we have committed to a review of the Boards including the geography of the existing arrangements. Cost effectiveness of the Boards should not solely be judged on the allocation of grant funding, and as part of the review, we will develop a clear framework for evaluating the success of the boards, including in relation to their critical place shaping role. We will also develop a 2–3-year roadmap for Community Boards to allow for their ongoing development, linked to the Council’s overall model for locality working.</p>	<p>effect from the next election in May 2025.</p> <p>The review will include engagement with key stakeholders such as town &amp; parish councils, VCS sector, police, health, Community Board Chairmen and board members and Community Board staff.</p>		
5. A strategic business case should be put together in consultation with local partners and stakeholders to support the development of a	<p><b>Agreed. This work is already in progress.</b></p> <p>A strategic Business case is currently being developed in conjunction with Thames Valley</p>	<p><b>In progress.</b></p> <p>Having consulted with Thames Valley Police, and the Office of the Police and Crime Commissioner a draft outline</p>	<p><b>In Progress</b></p> <p>The Strategic Business case is still in development. Initial consultation with members and Town and Parish</p>	<p>Arif Hussain</p> <p>Craig McArdle</p>

<p>sustainable CCTV framework. It is recognised that its implementation would then require capital funding.</p>	<p>Police, the Office of the Police and Crime Commissioner and other stakeholders which will set out options for the future development of the CCTV network in Buckinghamshire. A review of the public space cameras in the county, the transmission network and the control room based in Wycombe has been undertaken. Work is ongoing to identify a number of costed options for a staged upgrade of the current network which will need to incorporate an ongoing maintenance and replacement contract.</p> <p>A member's task and finish group led by Cabinet Member has been overseeing the review project, providing wider scrutiny from members. It is important to note however that given the financial pressures on the Council and that this is not a statutory responsibility of the Council, decisions about the future funding of CCTV will need to be taken in the context of the</p>	<p>Buckinghamshire CCTV strategy has been developed. There is now a need for further consultation with Members and Town and Parish Councils to seek their view on how the policy should be developed to meet their needs in relation to CCTV.</p> <p>A central pillar of the strategy is to form a CCTV Advisory Group which will be Chaired by the Cabinet Member for Communities with members from across the county, police and other stakeholders. The group will oversee all CCTV development work and performance monitoring. This will provide complete transparency on the installation and use of overt which had CCTV cameras in Buckinghamshire and ensures that camera deployments are proportionate, legal,</p>	<p>Councillors has taken place in January, with further consultation planned.</p> <p>Due to the financial position of the Council and the need to ensure Best Value further work is being completed to explore available options to stabilise the current network as an interim position and then investigate what level of upgrade to the existing system would be possible if the £868,000 of capital budget is approved.</p> <p>Following the MTFP scrutiny Board which took place on Monday 8th January we are now in a position to undertake further consultation with members based on the available funding.</p> <p>An interim solution utilising second hand equipment is being progressed in order to ensure that the CCTV system remains functional for the next 12 months.</p>	
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	wider budget pressures on the capital and revenue programme.	<p>accountable and necessary.</p> <p>The costed options for this project were considered at Informal Cabinet, who have agreed in principle to fund the upgrade of the CCTV control room and network.</p> <p>£600,000 of capital has been set aside for the first phase of this upgrade and I am exploring procurement options to deliver this first phase of work.</p>		
6. The Finance & Resources Select Committee should receive a deep dive report on agency staffing costs across the Council and the steps being taken to mitigate this spend, as well as a deep dive on the agency spend (Per temps) of £22m.	<p><b>Agreed.</b></p> <p>The Council has robust mechanisms in place for monitoring agency staffing and detailed reporting is in place. An explanatory report will be brought to the Select Committee meeting in June 2023 about the Council's expenditure on Agency staff and the steps taken to mitigate this spend.</p>	<p><b>Complete</b></p> <p>A comprehensive report was taken to Finance and Resources Select Committee on 20<sup>th</sup> July 2023. This set out how Agency workers are a key part of the council's resourcing and attraction plans: Agency workers provide a flexible workforce with the capacity and capability to deliver services, sometimes at short notice. It was noted that the</p>	<b>Complete</b> as per 6-month update.	<p>John Chilver</p> <p>Sarah Murphy-Brookman</p>

		<p>use of agency staff is a strategic approach to recruitment for a number of entry level roles in the Council including the Depot and Corporate Business Support. Agency staff also provide project and temporary support for project-based roles such as HS2. Agency usage and premium costs are scrutinised monthly by CMT Budget Board and Directorate Budget Boards, and appropriate actions taken where required including exit plans to cease use. The cost of Agency workers is funded from the relevant Service Pay and Agency budget to ensure visibility and cost control.</p>		
<p>7. Cabinet should seek to identify a permanent home for the Buckinghamshire Archives as part of the Accommodation Strategy or Town Centre regeneration plans.</p>	<p><b>Agreed. Work is already underway in relation to this recommendation.</b></p> <p>Securing a sustainable long-term home for the Archives is a requirement of Accreditation from the National Archives, to continue as a designated place</p>	<p><b>In progress</b> - on track. A suitable site has been identified and detailed feasibility work is underway to bring back to Cabinet for decision.</p>	<p><b>In progress</b> – A Cabinet paper is proposed for February 2024 seeking authority to progress a scheme on a net neutral capital cost to the Council using Future High Street Funding.</p>	<p>John Chilver Steve Bambrick</p>

	<p>of deposit for Public Records and the unique collections held. The Property team have already undertaken a review, with the Culture &amp; Leisure Service Area (who have responsibility for Archives Provision) to identify possible sites, including as part of the wider accommodation strategy and town centre regen plans in Aylesbury.</p>			
<p>8. In light of rising demand and the increased costs associated with housing people in temporary bed and breakfast accommodation, the Council should develop alternative Temporary Accommodation solutions as a matter of urgency.</p>	<p><b>Agreed. This work is already in progress.</b></p> <p>The Property and Housing team have already begun a major programme to acquire additional units for Temporary Accommodation. Sites have been identified and are in the process of being acquired and approved via the Key Decision process and include it in the Council's Capital Programme. A Project Board is in the process of being established to drive this work forward at pace.</p>	<p><b>In progress</b></p> <p>A savings action plan is in place for Temporary Accommodation, focussing on providing additional council-owned temporary accommodation as well as targeting better prevention. This is overseen by the newly established Housing Improvement Board. A dedicated, experienced Housing Asset and Development manager is in post, with 1 site already acquired and further sites in the pipeline to deliver Council</p>	<p><b>Complete.</b></p> <p>Several actions to tackle temporary accommodation demand and provision have been developed and implemented as part of the TA Recovery Plan. These include:</p> <ul style="list-style-type: none"> <li>• Purchase of Holmers House and Jasmine Court (new TA properties)</li> <li>• Opening and full occupation of Bridge Court, a new council run TA facility with 58 units</li> <li>• Weekly assessment and actions taken to resolve</li> </ul>	<p>Mark Winn Ian Thompson</p>

		owned Temporary Accommodation.	<p>the highest cost TA placements into other more cost effective ones</p> <ul style="list-style-type: none"> <li>• New arrangements for 'block-booking' with hotels/B&amp;Bs for lower cost volume placements</li> </ul> <p>These actions have been successful to reduce the number of places at the more expensive 'nightly-paid' rate. The average cost per night for 'nightly paid' has reduced from a high at £120 per night in Q4 of 2022/23 down to a recent average cost of £93 in Q3 2023/24.</p>	
<p>9. Cabinet should ensure that the emerging Visitor Economy Strategy will have clear Cabinet Member ownership and direction and an appropriate budget commitment to support its implementation.</p>	<p><b>Agreed in part.</b></p> <p>Portfolio responsibility for the Visitor Economy Strategy sits with the Leader, due to its ties to Economic Development. The Strategy, which is under development, will set out the vision and aspiration for the visitor economy in Bucks. It is anticipated that the private sector will play a key role in its delivery. The Council will also</p>	<p><b>In progress.</b></p> <p>The Visitor Economy Strategy is in the final stages of development. This will include discussions at the Growth, Infrastructure &amp; Housing Select Committee with input from some members of the Communities &amp; Localism Select Committee on 7 September, at which point the portfolio holder will share the</p>	<p><b>Complete</b> – a decision has been made to pause the development of the Visitor Economy Strategy in light of the current economic climate. Portfolio responsibility lies with the Leader of the Council due to its ties with Economic Development.</p>	<p>Martin Tett</p> <p>Steve Bambrick</p>

	<p>contribute through its service delivery, including for example town centre development, transport infrastructure and country parks. There is no commitment to additional funding at this stage, and any potential budget requirement would need to be considered against other priority areas for the Council, and as part of the overall financial landscape of the MTFP.</p>	<p>data and research gathered during the development process as well as an outline of some of the priorities set out in the Strategy. Ahead of Member sign off and publication, further engagement work is required with partners and key stakeholders. This is due to take place in the Autumn.</p>		
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## Report to Cabinet

<b>Date:</b>	13 February 2024
<b>Title:</b>	<b>Quarter 3 Budget Monitoring Report 2023-24</b>
<b>Relevant councillor(s):</b>	John Chilver, Cabinet Member for Accessible Housing and Resources
<b>Author and/or contact officer:</b>	David Skinner, Service Director – Finance & S151 Officer
<b>Ward(s) affected:</b>	none specific
<b>Recommendations:</b>	<b>Cabinet is asked to:</b> <ul style="list-style-type: none"><li><b>i. Note the report and the risks and opportunities contained within it.</b></li><li><b>ii. Note the actions being taken to mitigate pressures as set out in para 1.3.</b></li></ul>
<b>Reason for decision:</b>	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 3.
- 1.2 The Council is continuing to experience significant financial pressures due to continued increase in demand and complexity of need in key services, such as Adults Social Care and Children’s Social Care. The forecast revenue outturn position at Quarter 3 is an adverse variance of **£4.5m**, (1% of Portfolio budgets), a reduction of £4.1m from the Quarter 2 reported position of **£8.6m**. The adverse variance remains primarily due to pressures in Health and Wellbeing and Education and Children’s Services from demand and market insufficiency issues, coupled with pressures in Housing & Homelessness & Regulatory Services in Temporary Accommodation budgets and Transport budgets.

- 1.3 At Quarter 1, an adverse variance of £8.3m was reported, and action plans were formulated in order to contain pressures as much as possible. The Quarter 2 budget monitoring report provided an update on these measures and reflected positive movements across several Portfolios linked to the delivery of action plans. The overall forecast at Quarter 2 deteriorated due to increasing pressures within Education and Children’s Services. Between Quarter 2 and Quarter 3 the Council has additionally developed enhanced spending and vacancy controls to further contain the overall budget pressure and are detailed below.

Action Plan End of December Monitoring	Planned	Total included in forecasts
	£m	£m
Portfolio Action Plans agreed in July and reported in Q2	4.85	4.93
Additional Measures including enhanced spend and targeted actions	5.81	4.54
<b>Total</b>	<b>10.65</b>	<b>9.47</b>

- 1.4 Within the overall position there is an adverse variance of £13.6m (3%) in Portfolios (£15.2m last quarter) offset by a £9.1m (£6.6m last quarter) favourable variance in Corporate & Funding.
- 1.5 The Capital Programme has been updated for proposed Quarter 3 Budget Adjustments, subject to Cabinet approval (section 4.1). Capital spending is forecast to be 99.0% of the updated budget, a variance of (£1.2m). Figure 5 shows the summary Capital Budgets by portfolio and Appendix 2 shows a breakdown of the programme in detail.
- 1.6 Spend to date is £66.9m (56.3% of budget). There are five key projects with £14.7m of budget as yet unspent, where the majority of the budget is expected to be spent in the final quarter. Section 4.2 outlines these projects.

## 2. Revenue

- 2.1 The forecast revenue outturn for 2023/24 is an adverse variance of £4.5m (1%).
- 2.2 Within the overall position the main variances are:
- a) The £13.6m (£15.2m last quarter) adverse variance in Portfolios includes:
  - b) £3.8m pressure (£3.4m last quarter) in Health and Wellbeing. The demand for services since April continues to outstrip the budget for growth. Action plan initiatives are supporting the position against a challenging background of



client growth and have, for example resulted in lower numbers of over 65s being allocated to Residential and Nursing and more people receiving Direct Payments.

- c) £7.9m pressure (£9.8m last quarter) 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 pressure is due to shifts in the mix of placements from fostering to residential with an increase in number of bed nights in residential and high cost placements. The forecast has reduced due to delivery of mitigating actions to contain this pressure as much as possible.
- d) £1.4m adverse variance (£1.3m last quarter) 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, but significant mitigations have been implemented to contain the pressure, such as moving larger households from expensive B&B accommodation into the new Council-owned Bridge Court accommodation in High Wycombe.
- e) £2.7m adverse variance (£1.3m last quarter) in Transport Services. This is predominantly in Home to School transport costs - £3.4m adverse variance due to increased SEN and PRU referrals linked to Education Health and Care Plan (EHCP) growth and growth in demand for alternative education provision, as well as contractual pressures. Highways & Technical Services have a £0.6m favourable variance which includes a pressure within Parking Operations of £0.6m due to an income shortfall; this is offset by favourable variances in expenditure from implementation of in-year action plans within Highways & Technical Services.
- f) £1.2m adverse variance (£0.6m last quarter) in Planning and Regeneration, due to income targets not being met due to a decrease in Planning applications.
- g) The position also reflects a forecast shortfall on Energy from Waste income of £4.8m 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.

2.3 The £9.1m of favourable variances (£6.6m last quarter) in corporate budgets include:

- a) £5.7m favourable variance relating to Interest on Revenue Balances. This reflects increases in the Bank of England base rate and higher cash balances due to timing differences in capital expenditure.

- b) £1.8m favourable variance on capital financing. The variance includes £0.9m following refinement of MRP (Minimum Revenue Provision) forecasts as part of the budget setting exercise for 2024/25 and £0.8m favourable variance on interest payable budgets, due to recalculation of loan repayments.
- c) A minor surplus of £0.3m in grant income due to the budget being set prudently.
- d) A favourable variance of £0.6m arising from contribution from grants towards central overheads.
- e) A favourable variance of £0.5m in corporate costs, offsetting pay conversion cost pressures already being reported within Portfolios.

2.4 Corporate Contingencies of £15.5m are retained to address the ongoing risk of further pressures within the year.

2.5 Available reserve balances: in addition to the Corporate Contingencies, the “Mitigating Future Financial Risks” reserve contains £11.5m. After known commitments of £2.3m, a balance of £9.2m 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
<b>Pay, Pension and Redundancy Contingency</b>					
Pay Inflation	9,695	(9,695)	-	-	-
Pay - Bonus Contingency	1,000	(1,000)	-	-	-
Pay Conversion	710	(195)	515	515	0
Redundancy Fund	500	0	500	-	500
<b>Total Pay, Pension and Redundancy</b>	<b>11,905</b>	<b>(10,890)</b>	<b>1,015</b>	<b>515</b>	<b>500</b>
<b>Service Risk Contingency</b>					
General Contingency	8,446	0	8,446	-	8,446
National Living Wage	1,750	0	1,750	-	1,750
Social Care Pressures	1,936	-	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
<b>Total Service Risk</b>	<b>15,531</b>	<b>0</b>	<b>15,531</b>	<b>-</b>	<b>15,531</b>
<b>Total Contingency</b>	<b>27,436</b>	<b>(10,890)</b>	<b>16,546</b>	<b>515</b>	<b>16,031</b>
<b>Total Variation on Contingencies</b>				<b>515</b>	
Available balance from "Mitigating Future Financial Risks" reserve	11,465				
Further £0.15m approved by SAPC to support staff hardship fund	(150)				
Minor existing commitments on the reserve	(109)				
Committed to Helping Hand scheme: £1m in 2023/24 and £1m in 2024/25	(2,000)				9,206
<b>Total resources earmarked to mitigate further pressures</b>					<b>24,737</b>

2.6 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		Change in Variance (from Q2)
	£m	£m	£m	%	£m
<b>Revenue</b>					
Expenditure	6.2	6.3	0.1		
Income	(0.6)	(0.6)	(0.0)		
<b>Leader</b>	<b>5.5</b>	<b>5.6</b>	<b>0.1</b>	<b>2%</b>	<b>0.0</b> ↑
Expenditure	191.2	190.6	(0.7)		
Income	(131.2)	(132.4)	(1.3)		
<b>Accessible Housing &amp; Resources</b>	<b>60.1</b>	<b>58.1</b>	<b>(1.9)</b>	<b>-3%</b>	<b>(1.3)</b> ↓
Expenditure	41.7	37.2	(4.5)		
Income	(24.1)	(20.5)	3.6		
<b>Climate Change &amp; Environment</b>	<b>17.6</b>	<b>16.7</b>	<b>(0.9)</b>	<b>-5%</b>	<b>(0.5)</b> ↓
Expenditure	14.5	13.9	(0.5)		
Income	(6.6)	(6.7)	(0.0)		
<b>Communities</b>	<b>7.8</b>	<b>7.3</b>	<b>(0.6)</b>	<b>-7%</b>	<b>(0.5)</b> ↓
Expenditure	8.9	9.2	0.3		
Income	(3.9)	(4.3)	(0.4)		
<b>Culture &amp; Leisure</b>	<b>4.9</b>	<b>4.9</b>	<b>(0.1)</b>	<b>-2%</b>	<b>(0.1)</b> ↓
Expenditure	452.7	461.3	8.6		
Income	(347.8)	(348.6)	(0.7)		
<b>Education &amp; Childrens Services</b>	<b>104.9</b>	<b>112.7</b>	<b>7.9</b>	<b>7%</b>	<b>(1.9)</b> ↓
Expenditure	277.5	286.5	9.0		
Income	(92.5)	(97.7)	(5.2)		
<b>Health &amp; Wellbeing</b>	<b>184.9</b>	<b>188.8</b>	<b>3.8</b>	<b>2%</b>	<b>0.4</b> ↑
Expenditure	22.8	24.9	2.1		
Income	(12.5)	(13.2)	(0.7)		
<b>Housing &amp; Homelessness &amp; Regulatory Serv</b>	<b>10.3</b>	<b>11.7</b>	<b>1.4</b>	<b>14%</b>	<b>0.1</b> ↑
Expenditure	18.5	19.6	1.1		
Income	(10.8)	(10.6)	0.2		
<b>Planning &amp; Regeneration</b>	<b>7.7</b>	<b>9.0</b>	<b>1.2</b>	<b>16%</b>	<b>0.6</b> ↑
Expenditure	81.3	83.4	2.1		
Income	(19.5)	(18.9)	0.6		
<b>Transport</b>	<b>61.8</b>	<b>64.6</b>	<b>2.7</b>	<b>4%</b>	<b>1.5</b> ↑
<b>Portfolios</b>	<b>465.7</b>	<b>479.3</b>	<b>13.6</b>	<b>3%</b>	<b>(1.6)</b> ↓
Corporate	37.6	28.8	(8.8)		
Funding	(503.3)	(503.6)	(0.3)		
<b>Corporate &amp; Funding</b>	<b>(465.7)</b>	<b>(474.8)</b>	<b>(9.1)</b>	<b>-2%</b>	<b>(2.5)</b> ↓
<b>Revenue Total</b>	<b>0.0</b>	<b>4.5</b>	<b>4.5</b>		<b>(4.1)</b> ↓

2.7 Appendix 1 provides further detail for each Portfolio and information about performance relating to overdue debts and late payments of commercial debt.

### 3. Achievement of Savings and Additional Income

3.1 The forecasts within this report take full account of the delivery in the current year of MTFP savings and income targets, Better Buckinghamshire / Service Improvement Savings. This section provides further information about each of these.

**Figure 3: Achievement of MTFP Savings & Additional Income**

Portfolio	Target £m	Forecast £m	Shortfall £m
Accessible Housing and Resources	3.5	3.5	0.0
Climate Change & Environment	13.8	8.8	5.0
Communities	0.5	0.5	0.0
Culture & Leisure	0.7	0.7	0.0
Education & Childrens Services	3.1	2.9	0.2
Health & Wellbeing	4.6	6.0	-1.4
Homelessness & Regulatory Services	0.1	0.1	0.0
Leader	0.7	0.7	0.0
Planning & Regeneration	0.1	0.1	0.0
Transport	3.3	2.1	1.2
<b>Total</b>	<b>30.4</b>	<b>25.4</b>	<b>5.0</b>

3.2 £30.4m of savings and income targets were incorporated into the approved 2023-24 Revenue budgets. Achievement of the £10.1m savings targets and £20.3m additional income targets is summarised in the table above. Overall, there is forecast shortfall of £5.0m which is taken into account in Portfolio forecasts. Of this £5.0m, £5.7m is a shortfall in income and £0.6m is a shortfall in savings, whilst Adults transformation savings are overachieving their target by £1.37m.

3.3 The principal shortfalls are:

- a) £4.8m Energy from Waste Income due to the reduction in market energy prices. This is being offset by a drawdown from the waste reserve.
- b) £0.7m off-street parking income shortfall
- c) £0.3m Streetworks Income – permit scheme income is not expected to increase from 2022/23 as had been assumed. This shortfall is being met from reserves in year.
- d) £0.2m external contract savings in Waste services - volatility in market price fluctuations relating to dry mixed recycling materials.
- e) £0.15m grass cutting (rural & urban) and vegetation clearing due to Health and Safety requirements. This shortfall is being met from reserves in year.
- f) £0.06m efficiency savings in SEND Transport provision.

- g) £0.2m Partner Contributions for Child and Adolescent Mental Health Services (new this month) – partly delivered in current year and on track to be fully delivered next year.

#### **Better Buckinghamshire Programme / Service Improvement Savings**

- 3.4 The Better Buckinghamshire Programme had an original savings target of £18m for savings enabled by formation of the new unitary authority. These are managed through the council's Service Improvement Board. £11.9m has already been delivered, £1.8m on track to be delivered in 2023/24, and the remaining £4.3m of future savings are planned for delivery from 2024/25 onwards.
- 3.5 The board are also overseeing a wider programme including major transformation projects across the council, and these savings have been added to the programme to give a revised target of £27m.

## 4. Capital

Figure 5: Capital Budgets

Portfolio	Current Year Budget			Actual	Forecast	Variance
	Released	UnRel'd	Total			
	£m	£m	£m			
Leader	3.8	0.2	<b>4.0</b>	3.2	<b>3.8</b>	(0.2)
Accessible Housing & Resources	4.9	0.1	<b>5.0</b>	1.4	<b>4.5</b>	(0.6)
Climate Change & Environment	5.8	0.4	<b>6.2</b>	1.5	<b>6.2</b>	(0.1)
Communities	-	-	-	-	-	-
Culture & Leisure	6.3	-	<b>6.3</b>	2.7	<b>4.6</b>	(1.7)
Education & Children's Services	16.3	0.5	<b>16.8</b>	11.4	<b>17.2</b>	0.4
Homelessness & Regulatory Services	19.9	-	<b>19.9</b>	14.7	<b>19.9</b>	0.0
Planning & Regeneration	11.1	0.1	<b>11.1</b>	6.2	<b>13.2</b>	2.1
Transport	49.5	-	<b>49.5</b>	25.7	<b>48.4</b>	(1.1)
<b>Grand Total</b>	<b>117.6</b>	<b>1.3</b>	<b>118.9</b>	<b>66.9</b>	<b>117.7</b>	<b>(1.2)</b>
				56.3%		(1.0%)

- 4.1 The Capital Programme has been updated, subject to Cabinet approval of the Q3 Capital Budget Adjustments and Reprofileing report, to reflect the following proposed budget changes:
- Additions of £4.602m to the programme in the current year 2023/24 for new externally funded ringfenced grants, S106 developer contributions, or ringfenced capital receipts.
  - Reprofile of £9.3m from 2023/24 into future years.
  - Reallocation of £4.653m from projects budgets to reinvest in priority projects, which are reflected in the revised Capital Programme in the MTFP.
  - Increase the Capital Contingency by £0.638m from underspend released on the Ashwells project, which will be reflected in the revised Capital Programme in the MTFP.
  - Removal of £0.185m from the Capital Programme, where borrowing requirements no longer apply.
  - Release of £5.56m the Schools Secondary Schools places and SEN budgets
- 4.2 Spend to date is £66.9m, 56% of the budget, with a number of key projects, currently with low year- to- date spend expecting to spend the majority of their budget in the final quarter. This includes the use of £7.57m grant for accommodation for Ukraine and Afghan refugees, the anticipated final payment for £3.0m High Street Funds project in March 2024. The Biowaste works is in progress with £1.0m spend forecast in Q4 and the Device Refresh programme is expected to be spend £1m as a new contract has recently been signed.

- 4.3 The reported forecast variance is (£1.2m). Please refer to Appendix 1 for explanation of the key variances.
- 4.4 The main in-year financial risks on capital are currently:
- a) Forecast cost on Highlands project exceeds budget (£0.5m) which may require use of Capital Contingency.
  - b) There is a risk of a need for additional funding for Great Missenden Junior Expansion as share of final costs are currently being negotiated and arbitrators findings have been complete; if this risk materialises it will be met from existing Schools Capital budgets.
  - c) Future High Streets - Committing the remaining grant funding on a proposed final project; the final project being developed will require a decision to proceed before 31 March in order to meet grant conditions.
- 4.5 Funding
- a) Community Infrastructure Levy (CIL) income is projected to exceed the budgeted estimate of £4m with year to date receipts standing at over £4.5m. This extra CIL will be factored into the workings for next year's Capital MTFP funding envelope.
  - b) The forecast capital receipt for this year is £3.4m compared to a target of £8.0m. Heads of Terms are anticipated to be finalised and signed for 2 other projects this year with the receipts coming in next year. The MTFP target for Capital Receipts remains on track.
- 4.6 A breakdown of the programme for each portfolio may be found in **Appendix 2**.

## **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.

### **6a Director of Legal & Democratic Services comment**

- 6.3 To follow.

### **6b Section 151 Officer comment**

- 6.4 The financial implications are set out in detail within 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 Q4 position, will be brought to Cabinet in June.

## **11. Background papers**

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

11.2 Appendix 2 – Capital Programme detail

## **12. Your questions and views (for key decisions)**

Not applicable – report is for information only



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

**Contents**

1. Revenue by Portfolio .....	2
2. Capital by Portfolio .....	16
3. Outstanding Sundry Debts .....	20
4. Payment Performance .....	22

*Please note that the rounding of numbers may give 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 £5.5m, Outturn £5.6m,  
**Variance £0.09m Adverse**

	Budget	Y/E Outturn	Variance	Change in Variance (from Q2 Cab) £000
	£000	£000	£000	
Expenditure	544	508	(36)	
Income	0	0	0	
<b>Chief Executives Office</b>	<b>544</b>	<b>508</b>	<b>(36)</b>	<b>(33) ↓</b>
Expenditure	2,335	2,463	128	
Income	(502)	(504)	(2)	
<b>Economic Growth &amp; Regeneration</b>	<b>1,833</b>	<b>1,959</b>	<b>125</b>	<b>(50) ↓</b>
Expenditure	2,923	2,972	49	
Income	(134)	(144)	(10)	
<b>Policy &amp; Communications</b>	<b>2,789</b>	<b>2,828</b>	<b>39</b>	<b>5 ↑</b>
Expenditure	363	326	(37)	
Income	0	0	0	
<b>Strategic Infrastructure</b>	<b>363</b>	<b>326</b>	<b>(37)</b>	<b>124 ↑</b>
<b>Leader</b>	<b>5,528</b>	<b>5,621</b>	<b>92</b>	<b>46 ↑</b>

- Leader Revenue is reporting a minor variance of £0.1m adverse variance overall.
- Economic Growth and Regeneration are reporting a **£0.1m** adverse variance on staffing, with a slight improvement on last quarter from spending controls and action plans.
- Chief Executive's Office and Strategic Infrastructure are both reporting minor underspends, while Policy & Communications is forecasting a minor overspend.

1.2 **Accessible Housing and Resources Revenue: Budget £59.8m, Outturn £58.4m, Variance £1.45m**

	Budget	Y/E Outturn	Variance	Change in Variance (from Q1 Cab)
	£000	£000	£000	£000
Expenditure	12,780	12,719	(60)	
Income	(427)	(499)	(72)	
<b>Business Operations</b>	<b>12,353</b>	<b>12,220</b>	<b>(133)</b>	<b>(128) ↓</b>
Expenditure	95,943	96,068	125	
Income	(86,263)	(86,619)	(355)	
<b>Finance</b>	<b>9,680</b>	<b>9,450</b>	<b>(230)</b>	<b>(230) ↓</b>
Expenditure	5,543	5,304	(238)	
Income	(767)	(765)	3	
<b>Human Resources &amp; Organisational Development</b>	<b>4,775</b>	<b>4,540</b>	<b>(236)</b>	<b>(236) ↓</b>
Expenditure	14,222	13,846	(376)	
Income	(656)	(695)	(39)	
<b>ICT</b>	<b>13,566</b>	<b>13,151</b>	<b>(415)</b>	<b>(272) ↓</b>
Expenditure	18,567	18,431	(135)	
Income	(1,544)	(1,616)	(72)	
<b>Legal &amp; Democratic Services</b>	<b>17,022</b>	<b>16,815</b>	<b>(207)</b>	<b>(91) ↓</b>
Expenditure	23,438	23,694	255	
Income	(26,082)	(26,769)	(687)	
<b>Property &amp; Assets</b>	<b>(2,644)</b>	<b>(3,076)</b>	<b>(432)</b>	<b>(510) ↓</b>
Expenditure	1,563	1,359	(204)	
Income	0	0	0	
<b>Resources Director and Bus Mngmnt</b>	<b>1,563</b>	<b>1,359</b>	<b>(204)</b>	<b>96 ↑</b>
Expenditure	1,497	1,497	0	
<b>Service Improvement</b>	<b>1,497</b>	<b>1,497</b>	<b>0</b>	<b>46 ↑</b>
Expenditure	17,690	17,667	(23)	
Income	(15,446)	(15,485)	(39)	
<b>BI &amp; Community Support</b>	<b>2,244</b>	<b>2,182</b>	<b>(62)</b>	<b>28 ↑</b>
<b>Accessible Housing &amp; Resources</b>	<b>60,056</b>	<b>58,138</b>	<b>(1,918)</b>	<b>(1,297) ↓</b>

- Accessible Housing and Resources is reporting a favourable variance of **£1.9m**, main variances and movements are detailed as follows:
- Business Operations have a net favourable variance and movement of £0.13m, being £0.07m additional income, £0.04m non-pay spend controls and £0.02m from vacancy control.
- Finance has a net favourable variance and movement of £0.23m mainly from £0.19m vacancies held ahead of next year's planned service review implementation and £0.04m slippage on agreed staff recruitment.
- HR has a £0.24m favourable variance and movement from Q2, mainly £0.11m from pay where staff have been seconded to the AURA project but not backfilled, £0.06m variances on HR budgets supporting the rest of the organisation and £0.07m increase in 'Pay as Used' income.

- e) ICT have a £0.415m net favourable variance mostly in pay of which £0.14m relates to vacancies held ahead of next year's planned service review implementation, £0.19m slippage on agreed staff recruitment, and £0.08m from vacancy controls. A favourable movement of £0.27m from Q2 is from reductions in one-off in-year licence costs.
- f) Legal & Democratic Services have a favourable variance of £0.2m due to vacancies on staffing and reforecast on non-pay budget lines. However, there is an £0.1m adverse variance on Land Charges receipts due to a downturn in the housing market. A favourable movement of £0.09m from Q2 on various lines in Legal and Democratic Services with the main variance on member allowances.
- g) Property & Assets have a favourable variance of £0.4m, which is a £0.5m improvement since last quarter due to reductions in energy prices. Property Rental voids and bad debts are £1.5m higher than budgeted and a drawdown from the Investment Property reserve is forecast to cover this.
- h) Resources Director and Business Management has a net favourable variance of £0.2m, being £0.3m savings linked to Portfolio action plans offset by £0.1m increase in Resources Directorate's impairment loss allowance following reassessment of bad debt provision. The movement from Q2 relates to the increase in impairment loss provision.
- i) BI & Community Support is reporting a favourable variance of £0.1m due to staff vacancies. An adverse movement of £0.03m from Q2 on staffing costs.

1.3 **Climate Change and Environment Revenue: Budget £17.7m, Outturn £16.4m**  
**Variance £1.4m Favourable**

	Budget	Y/E Outturn	Variance	Change in Variance (from Q1 Cab)
	£000	£000	£000	£000
Expenditure	2,632	2,677	45	
Income	(1,133)	(1,475)	(342)	
<b>Environment</b>	<b>1,499</b>	<b>1,202</b>	<b>(297)</b>	<b>(137) ↓</b>
Expenditure	3,779	3,853	74	
Income	(1,081)	(1,080)	1	
<b>Street Cleaning</b>	<b>2,698</b>	<b>2,773</b>	<b>75</b>	<b>(25) ↓</b>
Expenditure	35,316	30,674	(4,643)	
Income	(21,885)	(17,966)	3,919	
<b>Waste</b>	<b>13,432</b>	<b>12,708</b>	<b>(724)</b>	<b>(340) ↓</b>
<b>Climate Change &amp; Environment</b>	<b>17,629</b>	<b>16,683</b>	<b>(946)</b>	<b>(502) ↓</b>

- Climate Change and Environment Revenue is reporting a favourable variance of **£0.9m**.
- There is an £0.7m favourable variance in Waste and Street Cleaning. There is a pressure in income budgets due to market volatility in dry mixed recycling, but since Quarter 1, mitigations of £1.3m have been identified linked to additional electricity income from the EfW plant, relating to a prudent estimate of income projections relating to 2022/23 financial year. The movement from Q2 to Q3 of £0.6m is mainly due to an adjustment on legally disputed Third Party Waste income from prior year expected to be received and spend control savings on staffing.
- Electricity income is forecast to be £4.8m less than budgeted income target due to the reduction in market energy prices. This will be offset with a proposed £4.8m waste reserve drawdown in order to balance to budget.
- The income budget for EfW was temporarily increased to £13.3m 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.
- The government has announced that it will abolish charging for household DIY waste at Household Recycling Centres. This will be effective from 1<sup>st</sup> January 2024 and the future impact has also been incorporated into the MTFP.

£0.3m variance in Environment from the Energy contract (contract rebate) and vacancy savings.

1.4 **Communities Revenue: Budget £7.8m, Outturn £7.3m,  
Variance £0.6m Favourable**

	Budget	Y/E Outturn	Variance	Change in Variance (from Q2 Cab) £000
	£000	£000	£000	
Expenditure	3,224	2,990	(234)	
Income	(67)	(52)	16	
<b>Community Boards</b>	<b>3,157</b>	<b>2,938</b>	<b>(219)</b>	<b>(157) ↓</b>
Expenditure	3,431	3,104	(327)	
Income	(1,383)	(1,416)	(33)	
<b>Community Safety</b>	<b>2,048</b>	<b>1,688</b>	<b>(360)</b>	<b>(298) ↓</b>
Expenditure	329	330	1	
<b>Resilience Services</b>	<b>329</b>	<b>330</b>	<b>1</b>	
Expenditure	1,932	1,910	(22)	(16) ↓
Income	(400)	(382)	19	
<b>Special Expenses</b>	<b>1,532</b>	<b>1,528</b>	<b>(4)</b>	<b>(2) ↓</b>
Expenditure	5,563	5,602	39	
Income	(4,798)	(4,834)	(36)	
<b>Community Support</b>	<b>765</b>	<b>769</b>	<b>4</b>	<b>4 ↑</b>
<b>Communities</b>	<b>7,832</b>	<b>7,254</b>	<b>(578)</b>	<b>(469) ↓</b>

- Communities Revenue is reporting a favourable variance of **£0.6m**.
- Community Safety is currently showing a favourable variance of **£0.3m** related to staffing underspend on Street Wardens and Community Safety and one-off contract savings this year.
- Community Boards is reporting a favourable variance of **£0.2m** from the community board budget underspends.

1.5 **Culture and Leisure Revenue: Budget £4.9m, Outturn £4.9m, Variance £0.1m**

	Budget	Y/E Outturn	Variance	Change in Variance (from Q2 Cab)
	£000	£000	£000	£000
Expenditure	8,865	9,152	287	
Income	(3,920)	(4,301)	(380)	
Culture & Leisure	4,945	4,851	(94)	(62) ↓
Culture & Leisure	4,945	4,851	(94)	(62) ↓

- a) Culture and Leisure Revenue is reporting a minor £0.1m favourable variance, mainly due to Country Parks filming rights and permits income offset by cost pressures within that area.

**1.6 Education & Children’s Services Revenue: Budget £104.9m, Outturn £112.7m, Variance £7.9m Adverse**

	Budget	Y/E Outturn	Variance	Change in Variance (from Q2 Cab) £000
	£000	£000	£000	
Expenditure	97,240	105,135	7,895	
Income	(8,347)	(8,746)	(398)	
Children's Social Care	88,893	96,390	7,497	(1,426) ↓
Expenditure	23,770	24,462	692	
Income	(7,785)	(8,117)	(331)	
Education	15,984	16,345	361	(496) ↓
Expenditure	331,711	331,691	(21)	
Income	(331,711)	(331,691)	21	
Education - Dedicated Schools Grant	0	0	0	0
Education & Children's Services	104,877	112,735	7,858	(1,922) ↓

- a) £7.9m pressure in Education & Children’s Services (£9.8m last quarter) predominantly due a reduction in foster carer places and national insufficiency of placements for looked after children. The position has improved due to a revised mitigation plan implemented by the directorate. This has included deep dives into specific areas to identify areas where spending can cease or be reduced.
- b) The forecast adverse variance for Looked After Children has reduced by £0.7m. There are a number of movements in this area including release of a £1.1m provision for increased costs following OFSTED registration for a number of providers in October, a £0.6m contribution from DSG for the education costs of young people with EHC plans in cross regional placements. Spend on placements remains volatile and is a key risk.
- c) Client costs £1.2m – this reflects increased spend to support young people with complex needs within the community.
- d) Occupational Therapy Equipment £0.4m - opportunity to maximise the use of disabled facilities grant is being explored to mitigate revenue pressures.
- e) Transport £0.5m linked to increased costs due to underlying demand.
- f) Aftercare costs £0.7m – due to high numbers of young people turning 18 during the financial year and shortages of suitable accommodation for care leavers.
- g) Social Care Staffing costs underspend £1.5m.



- h) Education budgets £0.4m overspent, a reduction of £0.5m from Quarter 2. This includes additional system costs, early retirement costs, SEND mediation costs and project team overspend.

1.7 **Children's Services – DSG: Var +£0.0m, Movt £0.0m managed via reserve**

	Budget	Y/E Out-	Variance		Change in
	£000	turn	£000	%	Variance
		£000			£000
Central Block	4,935	5,097	163	3%	(4,949)
Early Years Block	39,568	39,568	0	0%	(37,070)
High Needs Block	114,594	116,188	1,594	1%	(114,753)
Schools Block	171,678	171,678	0	0%	(174,217)
Funding Block	(330,775)	(332,531)	(1,757)	(1%)	330,988
<b>Education - DSG Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>.</b>	<b>0</b>

- a) Dedicated Schools Budgets are currently projected to have an overspend of £1.8m.
- b) The overspend has held steady from Quarter 1. The largest variances are:
- Integrated Therapies favourable variance of £0.9m due to staff recruitment delays.
  - Education Health and Care Plans (EHCP) and High Needs Block Funding (HNBF) adverse variance £2.8m due to increased demand and increased hours of support.
- c) The DSG deficit at the start of the 2023-24 financial year was £1.7m which is currently forecast to increase to £3.5m as a result of the forecast overspend.

1.9 **Health & Wellbeing Revenue: Budget £184.9m, Outturn £188.8m,  
Variance £3.8m Adverse**

	Budget	Y/E Outturn	Variance	Change in Variance (from Q2 Cab) £000
	£000	£000	£000	
Expenditure	253,594	262,543	8,949	
Income	(68,653)	(73,772)	(5,119)	
<b>Adult Social Care</b>	<b>184,942</b>	<b>188,771</b>	<b>3,830</b>	<b>434 ↑</b>
Expenditure	23,875	23,975	100	
Income	(23,875)	(23,975)	(100)	
<b>Public Health</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Health &amp; Wellbeing</b>	<b>184,942</b>	<b>188,771</b>	<b>3,830</b>	<b>434 ↑</b>

- a) Health & Wellbeing Revenue is reporting an adverse variance of **£3.8m**.
- b) This adverse variance mainly relates to care packages carried forward from 22/23 and the demand for services since April continuing to outstrip the budget for growth. The forecast for growth in care packages has been reduced by £0.3m as greater management oversight has resulted in lower numbers of over 65s being allocated to Residential and Nursing and more people receiving Direct Payments. However, both the demand for (37 additional journeys) and the cost of transport has increased since Q2 by £0.3m.
- c) The position on debt risk has deteriorated, which is a national trend. This has resulted in an increased pressure of £0.2m.
- d) Increased pressure in equipment due to increased demand, including telecare, has been partly offset by an increase in disabled facilities grant, leaving a £0.1m pressure.
- e) Provision has been made in the MTFP to address these baseline pressures.
- f) Further mitigations include:
  - i. Quality Assurance meetings to give further senior management oversight, especially in relation to transport for day care services and high cost packages.
  - ii. Enhanced spend control measures to ensure that value for money is always achieved.
- g) Although progress is being made, there are still significant risks associated with this budget. Risks include further increases in demand, provider failure and inflationary pressures.

1.10 **Housing & Homelessness & Regulatory Revenue: Budget £10.3m, Outturn £11.7m, Variance £1.4m Adverse**

	Budget	Y/E Outturn	Variance	Change in Variance (from Q2 Cab) £000
	£000	£000	£000	
Expenditure	12,107	14,132	2,025	
Income	(5,115)	(5,983)	(868)	
<b>Housing &amp; Homelessness</b>	<b>6,992</b>	<b>8,149</b>	<b>1,156</b>	<b>(31) ↓</b>
Expenditure	10,733	10,802	69	
Income	(7,419)	(7,219)	199	
<b>Regulatory Services</b>	<b>3,315</b>	<b>3,583</b>	<b>268</b>	<b>133 ↑</b>
<b>Housing &amp; Homelessness &amp; Regulatory Serv</b>	<b>10,307</b>	<b>11,732</b>	<b>1,425</b>	<b>103 ↑</b>

- a) Housing & Homelessness & Regulatory Revenue is reporting an adverse variance of **£1.4m**.
- b) Housing & Homelessness Temporary Accommodation:
- i. There continues to be a significant adverse variance of **£1.2m**, however significant mitigating savings have been made by moving larger households from expensive B&B accommodation to the new Council-owned Bridge Court accommodation in High Wycombe.
  - ii. The demand for temporary accommodation has reduced from 400 to 392 households, largely through increased prevention work, but with an increase in the number of larger households entering temporary accommodation. The net effect of this is a small reduction of **£0.03m** in temporary accommodation forecasts since Quarter 2.
- c) Regulatory Services is reporting an adverse variance of **£0.3m**. The Coroners Service has an adverse variance of **£0.1m** from an increase in complex cases. Licensing **£0.1m** adverse variance is due to underachievement of income for gambling, premises and miscellaneous licenses offset by licensing overhead underspend. Registrars have an adverse variance of **£0.05m** due to reductions in the number of larger ceremony bookings, and Trading Standards has an adverse variance of **£0.05m** in relation to pay.

1.11 **Planning & Regeneration Revenue: Budget £7.7m, Outturn £9.0m,  
Variance £1.2m Adverse**

	Budget	Y/E Outturn	Variance	Change in Variance (from Q2 Cab) £000
	£000	£000	£000	
Expenditure	1,081	1,011	(70)	
Income	0	0	0	
<b>Economic Growth &amp; Regeneration</b>	<b>1,081</b>	<b>1,011</b>	<b>(70)</b>	<b>(55) ↓</b>
Expenditure	17,429	18,565	1,137	
Income	(10,786)	(10,607)	178	
<b>Planning</b>	<b>6,643</b>	<b>7,958</b>	<b>1,315</b>	<b>699 ↑</b>
<b>Planning &amp; Regeneration</b>	<b>7,724</b>	<b>8,970</b>	<b>1,245</b>	<b>644 ↑</b>

- a) Planning & Regeneration is reporting an adverse variance of **£1.2m**.
- b) Economic Growth & Regeneration – £0.1m favourable variance, an improvement of £0.1m since Quarter 2 due to staffing vacancies being held as part of the spending controls.
- c) Planning – adverse variance of **£1.3m**. As reported last quarter, income levels have dropped by £1.3m since last year due to reductions in Planning Application numbers. Mitigations to reduce the number of interim staff and increase income are in progress; £0.3m of this mitigation is in the Environment service. Further reductions in interim staff have been delayed due to the need to manage and complete the current Planning Application workload, resulting in the increase of £0.7m to the forecast since Quarter 2. This pressure is not expected to carry forward into next year as the mitigations are made and Planning fees increase following the Autumn Statement, however Planning Income remain a key financial risk.

1.12 **Transport Revenue:** Budget £61.8m, Outturn £64.6m,  
**Variance £2.7m Adverse**

	Budget	Y/E Outturn	Variance	Change in Variance (from Q2 Cab) £000
	£000	£000	£000	
Expenditure	37,981	36,504	(1,478)	
Income	(15,937)	(14,995)	943	
<b>Highways &amp; Technical Services</b>	<b>22,044</b>	<b>21,509</b>	<b>(535)</b>	<b>(337) ↓</b>
Expenditure	1,673	1,673	0	
Income	(960)	(960)	0	
<b>HS2</b>	<b>712</b>	<b>712</b>	<b>0</b>	<b>(120) ↓</b>
Expenditure	40,181	43,687	3,506	
Income	(1,978)	(2,126)	(148)	
<b>Transport Services</b>	<b>38,203</b>	<b>41,562</b>	<b>3,359</b>	<b>2,018 ↑</b>
Expenditure	1,500	1,569	69	
Income	(617)	(781)	(164)	
<b>Transport Strategy</b>	<b>883</b>	<b>788</b>	<b>(96)</b>	<b>(106) ↓</b>
<b>Transport</b>	<b>61,843</b>	<b>64,571</b>	<b>2,728</b>	<b>1,455 ↑</b>

- a) Transport Revenue is reporting an adverse variance of **£2.7m**.
- b) Highways & Technical Services - favourable variance of **£0.5m**:
  - i. **£0.6m** reduced income forecast within Parking Operations due to a shortfall against increased income targets following Covid.
  - ii. Expenditure forecasts across the services have decreased due to mitigating actions including deferring planned contribution to reserves and increasing contributions from reserves where feasible.
- c) Transport Services - adverse variance of **£3.4m**:
  - i. **£3.4m** adverse variance for Home to School Transport due to increased Special Educational Needs (SEN) and Pupil Referral Unit (PRU) referrals linked to Education and Health and Care Plan (EHCP) growth and growth in demand for alternative education provision, as well as contractual pressures with hand-backs and retendering at higher costs and impacts of Summer Operations route and contract updates for the new school year. There is a risk of further pressures emerging mainly from recent SEN referrals and increased costs of transport related to additional required retendering to the market.
  - ii. **£0.1m** adverse variance due to staff pressures within Client Transport to meet service demand.
  - iii. **£0.1m** favourable variance due to funding within Public Transport to cover service pressures where grant conditions allow.
- d) Transport Strategy – favourable variance of **£0.1m**:

- i. £0.1m favourable variance, an improvement of £0.1m since last quarter due to higher-than-budgeted s.106 monitoring income, which is taken from developers to fund the oversight of s.106 agreements.

1.13 **Corporate & Funding Revenue:** Budget £465.7m, Outturn £474.8m,  
**Variance £9.1m Favourable**

	Budget £m	Y/E Out- turn £m	Variance £m	%	Change in Variance £m
Capital Financing	31.0	29.2	(1.8)	(6%)	
Corporate Costs	20.0	18.9	(1.2)	(6%)	
Reserves	(8.6)	(8.7)	(0.1)	1%	
Treasury Management	(4.9)	(10.6)	(5.7)	...	
<b>Corporate Total</b>	<b>37.6</b>	<b>28.8</b>	<b>(8.8)</b>	<b>(23%)</b>	<b>(2.5)</b>
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)	(26.6)	(0.3)	1%	
Revenue Support Grant	(0.6)	(0.6)	-	-	
<b>Funding Total</b>	<b>(503.3)</b>	<b>(503.6)</b>	<b>(0.3)</b>	<b>0%</b>	<b>(0.1)</b>
<b>Total</b>	<b>(465.7)</b>	<b>(474.8)</b>	<b>(9.1)</b>	<b>2%</b>	<b>(2.6)</b>

- a) The **£9.1m** favourable variance represents an improvement of £2.6m since last month, predominantly related to changes in interest rates and cash flow assumptions. It comprises:
- i. £5.7m favourable variance relating to Interest on Revenue Balances. This reflects increases in the Bank of England base rate and higher cash balances due to timing differences in capital expenditure.
  - ii. £1.8m favourable variance on capital financing. The variance includes £0.9m following refinement of MRP (Minimum Revenue Provision) forecasts as part of the budget setting exercise for 2024/25 and £0.8m favourable variance on interest payable budgets, due to recalculation of loan repayments.
  - iii. A minor surplus of £0.3m in grant income due to the budget being set prudently.
  - iv. A favourable variance of £0.6m arising from contribution from grants towards central overheads.
  - v. A favourable variance of £0.5m in corporate costs, offsetting pay conversion cost pressures already being reported within Portfolios.

- b) Corporate Contingencies of £15.5m are retained to address the ongoing risk of further pressures within the year.
- c) Available reserve balances: in addition to the Corporate Contingencies, the “Mitigating Future Financial Risks” reserve contains £11.5m. After known commitments of £2.3m, a balance of £9.2m 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
<b>Pay, Pension and Redundancy Contingency</b>					
Pay Inflation	9,695	(9,695)	-	-	-
Pay - Bonus Contingency	1,000	(1,000)	-	-	-
Pay Conversion	710	(195)	515	515	0
Redundancy Fund	500	0	500	-	500
<b>Total Pay, Pension and Redundancy</b>	<b>11,905</b>	<b>(10,890)</b>	<b>1,015</b>	<b>515</b>	<b>500</b>
<b>Service Risk Contingency</b>					
General Contingency	8,446	0	8,446	-	8,446
National Living Wage	1,750	0	1,750	-	1,750
Social Care Pressures	1,936	-	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
<b>Total Service Risk</b>	<b>15,531</b>	<b>0</b>	<b>15,531</b>	<b>-</b>	<b>15,531</b>
<b>Total Contingency</b>	<b>27,436</b>	<b>(10,890)</b>	<b>16,546</b>	<b>515</b>	<b>16,031</b>
<b>Total Variation on Contingencies</b>				<b>515</b>	
Available balance from "Mitigating Future Financial Risks" reserve	11,465				
Further £0.15m approved by SAPC to support staff hardship fund	(150)				
Minor existing commitments on the reserve	(109)				
Committed to Helping Hand scheme: £1m in 2023/24 and £1m in 2024/25	(2,000)				9,206
<b>Total resources earmarked to mitigate further pressures</b>					<b>24,737</b>



## 2. Capital by Portfolio

2.1 The Capital Programme has been updated, subject to Cabinet approval of the Q3 Capital Budget Adjustments and Reprofiting report, and the revised budget is shown below.

Portfolio	Current Year Budget			Actual	Forecast	Variance
	Released	UnRel'd	Total			
	£m	£m	£m			
Leader	3.8	0.2	4.0	3.2	3.8	(0.2)
Accessible Housing & Resources	4.9	0.1	5.0	1.4	4.5	(0.6)
Climate Change & Environment	5.8	0.4	6.2	1.5	6.2	(0.1)
Communities	-	-	-	-	-	-
Culture & Leisure	6.3	-	6.3	2.7	4.6	(1.7)
Education & Children's Services	16.3	0.5	16.8	11.4	17.2	0.4
Homelessness & Regulatory Services	19.9	-	19.9	14.7	19.9	0.0
Planning & Regeneration	11.1	0.1	11.1	6.2	13.2	2.1
Transport	49.5	-	49.5	25.7	48.4	(1.1)
<b>Grand Total</b>	<b>117.6</b>	<b>1.3</b>	<b>118.9</b>	<b>66.9</b>	<b>117.7</b>	<b>(1.2)</b>
				56.3%		(1.0%)

2.2 The overall variances of £1.2m (1.0%) have arisen as follows:

### Leader (£0.2m)

- £0.2m Land Claim Provisions for mainly Stocklake Road in Aylesbury

### Accessible Housing & Resources (£0.6m)

- £0.6m rephasing on King George V office move costs

### Culture & Leisure (£1.6m)

- £1.6m rephasing due to S106 funded projects that are now forecast for completion in 2024/25 due to the winter months. The key project that is being re-programmed is the Aylesbury Area Sports facility improvements which was recently added to the programme and is now currently going through the planning stage.

### Planning & Regeneration £2.1m

- £1.1m accelerated spend on future High St projects of which £1m on Chiltern Shopping Centre.
- £0.2m reported accelerated spend on White Hart St / Bull Lane Public Realm reported Initial design complete; Highways now undertaking detailed plan for implementation.
- £0.2m Kingsbury Market Square relating to revised project development consultancy costs and market square initial improvements

- £0.5m Rural England Prosperity Fund where the bidding process for external allocation to capital projects has commenced.
- <£0.1m overspend on road adoption works at Hughenden and Baker Street
- <£0.1m accelerated spend on Baker St Capital House project – phased implementation of scheme expected to be completed in 2024/25.

#### **Transport (£1.5m)**

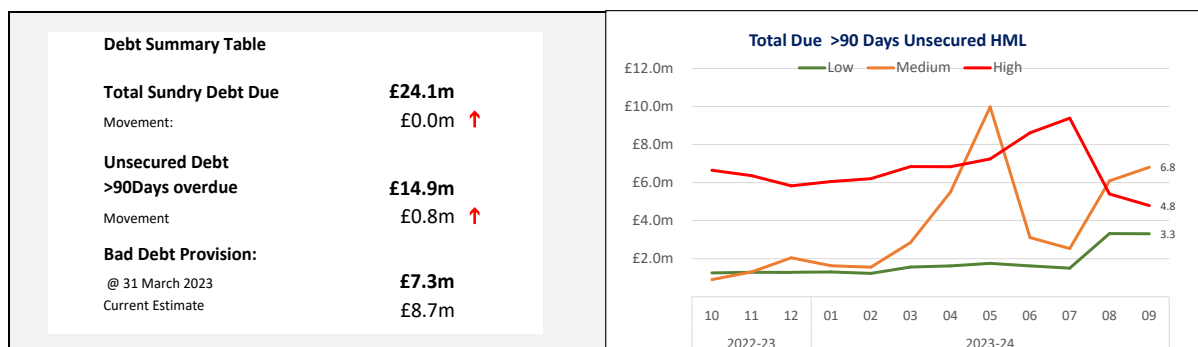
- Additional highways funding awarded to the Council in December will largely be spent on project delivery next year due to winter weather, however the design work has been progressed to ensure works can start in the Spring (new financial year). Included in this variance is £0.3m which relates to Berry Hill Footbridge which has been delayed due to lack of interest in the tender.

#### **Education & Children's Services £0.4m**

- Accelerated spends on eight projects totalling £0.5m
- Underspend of £0.1m for anticipated abnormal costs.

2.3 The table in Appendix 3 sets out the budgets and main programme areas for each portfolio.

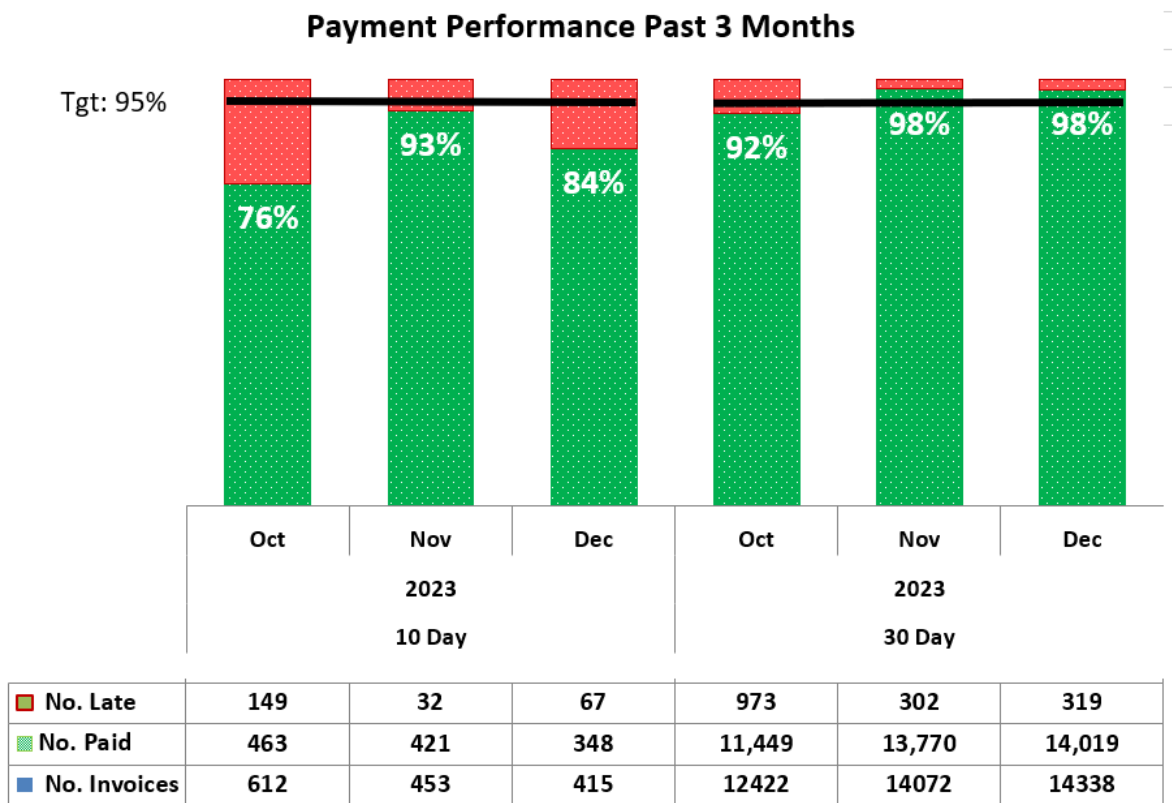
### 3. Outstanding Sundry Debts



Note: From December 2023 the reported debt figures are at 15th of each month apart from for Outturn.

- 3.1 Total sundry debt currently sits at £24.1m, a minor increase of £0.05m against Q2. Of the £24.1m, £20.4m is unsecured with an age profile of; less than 30 days £2.4m; 31-90 days £3.1m; and over 90 days £14.9m.
- 3.2 Unsecured debt over 90 days has seen an increase of £0.8m in comparison to Q2, rising from £14.1m to £14.9m in Q3. This debt is made up of:
  - a) 52% (£9.51m) of unsecured debt over 90 days relates to Adult Social Care. We are continuing to regularly monitor this debt and have been focused on the over 90 days ageing. We have improved our collection effectiveness for debts aged 0-30 days from 66% in May to 72% in December. We continue to meet monthly to address our top 20 debts under 90 days, but are experiencing delays with government departments, with waits of 9-12 months for the grant of probate, 6+ month waits for Land Registry charges to be logged and waits of 1-2 months for Court Orders relating to Deputyship.
  - b) 24% (£3.49m) of unsecured debt over 90 days relates to Assets and Estate Management. We are also beginning to see some larger debts roll over in to the >90 days category, but the Director of Property and Assets is aware and is progressing directly with the tenants.
  - c) 7% (£0.98m) of unsecured debt over 90 days relates to CIL/S106 and remains untriggered for payment. Payments will be chased once the payment is triggered, and instruction is received from the relevant team.
  - d) 3% (£0.42m) relates to High Needs Block, a reduction of £0.51m since Q2, but we are still experiencing delays regarding the receipt of income.
- 3.3 Process Improvements
  - a) A new process for automated debt reminders went live in November, with 7,118 automated reminders having been sent as of the end of Q3. This has improved customer engagement during this period and we have received in excess of £8m of receipts to date where a reminder has been issued.

## 4. Payment Performance



- 4.1 For Q3 our overall invoice payment performance is 95.6% of invoices paid on time (40,470 invoices), down 0.4% from Q2, but still well within the 95% target.
- 4.2 Our 30-day payment performance for Q3 is 96.1% (39,238 invoices) of invoices paid on time, down 1.1% from Q2.
- 4.3 Our 30-day payment performance currently exceeds our KPI of 95% paid on time, reaching upwards of 97% across November and December. During October we identified an issue with our payment process for property invoices (which has since been addressed) that led to 700 invoices being paid late. This dropped our 30-day payment performance to 92.2% during the month, but we have still exceeded our target of 95% across the whole quarter.
- 4.4 Our 10-day payment performance for Q3 is 83.2% (1,232 invoices) of invoices paid on time, up 8.9% from Q2.
- 4.5 Our 10-day payment performance currently falls below our KPI of 95% paid on time. Recurring issues were identified in October with some of our Energy invoices, but there is ongoing dialogue with the Energy Team and the supplier directly regarding invoice disputes. Apart from this issue there have been no significant supplier trends identified, and we continue to provide regular reminders internally around invoice approvals.

## APPENDIX 2 Capital Approved Programme

Portfolio/Programme	Current Year Budget			Actual	Forecast	Variance v Total Budget
	Released	Unreleased	Total			
	£m	£m	£m			
Economic Growth	0.050	-	0.050	-	0.050	-
A355 Improvement Scheme (Wilton Park)	0.025	-	0.025	0.056	0.025	-
Abbey Barn - HIF / S106	-	-	-	0.000	-	-
Aylesbury Eastern Link Road	0.250	-	0.250	0.423	0.250	-
Cycle Infrastructure	0.300	0.075	0.375	0.509	0.375	-
Grid Reinforcement Works	-	-	-	0.087	-	-
Princes Risborough Relief Road	-	0.100	0.100	0.068	0.074	(0.026)
SEALR (South East Aylesbury Link Road)	2.500	-	2.500	1.475	2.500	-
Stoke Mandeville Relief Road / SEALR II	0.500	-	0.500	0.623	0.500	-
Land Claim Provision	0.194	-	0.194	-	-	(0.194)
<b>Strategic Infrastructure (HIF) Total</b>	<b>3.769</b>	<b>0.175</b>	<b>3.944</b>	<b>3.242</b>	<b>3.724</b>	<b>(0.220)</b>
<b>Leader Total</b>	<b>3.819</b>	<b>0.175</b>	<b>3.994</b>	<b>3.242</b>	<b>3.774</b>	<b>(0.220)</b>
ICT	2.386	-	2.386	0.617	2.386	-
Property & Assets	2.553	0.100	2.653	0.825	2.088	(0.565)
<b>Accessible Housing &amp; Resources Total</b>	<b>4.939</b>	<b>0.100</b>	<b>5.039</b>	<b>1.441</b>	<b>4.474</b>	<b>(0.565)</b>
Climate Change & Air Quality	0.657	-	0.657	0.171	0.657	-
Flood Management	0.516	0.425	0.941	0.407	0.980	0.039
Waste - Biowaste	1.062	-	1.062	0.053	1.062	0.000
Waste - Depots	0.762	-	0.762	0.104	0.762	-
Waste - HRC	0.346	-	0.346	0.004	0.237	(0.109)
Waste - Vehicles & Containers	2.476	-	2.476	0.729	2.476	-
<b>Climate Change &amp; Environment Total</b>	<b>5.820</b>	<b>0.425</b>	<b>6.244</b>	<b>1.468</b>	<b>6.175</b>	<b>(0.070)</b>
Country Parks	0.425	-	0.425	0.141	0.425	-
Leisure Centres	1.030	-	1.030	0.675	1.030	-
Libraries	0.436	-	0.436	0.003	0.436	-
Parks & Play Areas	0.593	-	0.593	0.280	0.593	-
Sport & Leisure Projects	3.843	-	3.843	1.633	2.141	(1.701)
<b>Culture &amp; Leisure Total</b>	<b>6.327</b>	<b>-</b>	<b>6.327</b>	<b>2.732</b>	<b>4.625</b>	<b>(1.701)</b>
Children's Social Care	0.299	-	0.299	-	0.299	-
Schools						
Primary School Places	1.657	0.500	2.157	1.571	2.295	0.137
Provision for Special Educational Need	2.463	-	2.463	1.397	2.718	0.255
School Access Adaptations	0.209	-	0.209	0.239	0.250	0.041
School Property Maintenance	6.066	-	6.066	4.277	5.896	(0.170)
School Toilets	0.165	-	0.165	0.199	0.165	-
Secondary School Places	5.442	-	5.442	3.722	5.549	0.107
<b>Schools Total</b>	<b>16.003</b>	<b>0.500</b>	<b>16.503</b>	<b>11.406</b>	<b>16.872</b>	<b>0.370</b>
<b>Education &amp; Children's Services Total</b>	<b>16.302</b>	<b>0.500</b>	<b>16.802</b>	<b>11.406</b>	<b>17.171</b>	<b>0.370</b>
Homelessness	14.878	-	14.878	11.879	14.878	-
Housing	4.165	-	4.165	2.507	4.198	0.033
Cemeteries & Crematoria	0.812	-	0.812	0.323	0.824	0.012
<b>Homelessness &amp; Regulatory Services Total</b>	<b>19.855</b>	<b>-</b>	<b>19.855</b>	<b>14.709</b>	<b>19.900</b>	<b>0.045</b>

Portfolio/Programme	Current Year Budget			Actual	Forecast	Variance v Total Budget
	Released	Unreleased	Total			
	£m	£m	£m			
Regeneration	11.063	0.075	11.138	6.183	13.200	2.062
Car Parks	0.699	-	0.699	0.499	0.769	0.070
Highways & Cycleway Funded Schemes	0.897	-	0.897	0.530	0.877	(0.020)
Other Transport & Infrastructure	4.247	-	4.247	0.165	4.247	0.000
Rights of Way	0.263	-	0.263	0.099	0.282	0.019
Strategic Highway Maintenance						
Bridge Maintenance	1.406	-	1.406	0.226	0.691	(0.715)
Failed Roads Haunching & Reconstruction	2.882	-	2.882	1.832	2.878	(0.004)
Footway Structural Repairs	2.235	-	2.235	0.907	2.292	0.057
Maintenance Principal Rds - Drainage	2.065	-	2.065	0.885	2.225	0.160
Plane & Patch	9.535	-	9.535	7.439	10.049	0.513
Replacement Traffic Signals	0.572	-	0.572	0.133	0.568	(0.005)
Road Safety - Casualty Reduction	1.298	-	1.298	0.302	1.198	(0.099)
Street Lighting	3.029	-	3.029	1.940	3.316	0.286
Strategic Highway Maintenance Programme	19.321	-	19.321	9.992	17.682	(1.639)
<b>Strategic Highway Maintenance Total</b>	<b>42.344</b>	<b>-</b>	<b>42.344</b>	<b>23.656</b>	<b>40.899</b>	<b>(1.444)</b>
Transport Services	0.581	-	0.581	0.202	0.581	-
Highway Improvement Projects						
HS2 Funded Projects	-	-	-	0.075	0.068	0.068
HS2 Road Safety	0.423	-	0.423	0.463	0.642	0.219
<b>Transport Total</b>	<b>49.453</b>	<b>-</b>	<b>49.453</b>	<b>25.689</b>	<b>48.365</b>	<b>(1.088)</b>
<b>Grand Total</b>	<b>117.577</b>	<b>1.275</b>	<b>118.851</b>	<b>66.870</b>	<b>117.684</b>	<b>(1.167)</b>



## Report to Cabinet

<b>Date:</b>	13 <sup>th</sup> February 2024
<b>Title:</b>	<b>Q3 Capital Budget Adjustments &amp; Reprofiting</b>
<b>Cabinet Member(s):</b>	<b>Cllr. John Chilver, Cabinet Member for Accessible Housing and Resources</b>
<b>Contact officer:</b>	<b>David Skinner, Service Director Finance and S151 Officer</b>
<b>Ward(s) affected:</b>	None
<b>Recommendations:</b>	<p><b>That Cabinet APPROVES the following Budget adjustments to the Capital Programme:</b></p> <ol style="list-style-type: none"> <li><b>1. Addition of £4.602m to the programme in the current year 2023-24 for new externally funded ringfenced grants, S106 developer contributions, or ringfenced capital receipts (Table 1).</b></li> <li><b>2. The release of £5.56m the Schools Secondary Schools places and SEN budgets (Table 2).</b></li> <li><b>3. Removal of £0.185m from the Capital Programme, where borrowing requirements no longer apply (Table 3).</b></li> <li><b>4. Reallocation of £5.106m consisting of £4.653m from projects budgets recommended for reinvestment in priority projects within the Final Budget and Capital Programme 2024-25 to 2027-28; and £0.638m increase the Capital Contingency from underspend released on the Ashwells project (Table 3).</b></li> <li><b>5. Reprofile of £9.3m from 2023/24 into future years (Table 4).</b></li> </ol>
<b>Reason for decision:</b>	Changes to the Published Capital Programme require Cabinet approval, which are made via a quarterly update to Cabinet. The Capital Programme needs to be reprofiled to accurately reflect planned spend. There are also some additions and reductions to the programme which are recommended to accurately reflect the current status of projects.

## **1. Executive summary**

- 1.1 The Capital Programme for 2023-24 to 2026-27 was approved by Full Council in February 2023, with an expenditure budget of £505.9m. The programme was revised to £556.8m following additions agreed by Cabinet in July 2023 and to £582.6m by Cabinet in November 2023.
- 1.2 The Council often receives ringfenced funding in-year from Government and Developers which are added to the programme in a supplementary budget change. Additionally, the programme is reviewed quarterly to check that the profiled spend remains realistic.
- 1.3 This paper sets out the recommended additions and reprofiling for Quarter 3, and recommends the projects listed in Table 3 to be reduced or removed from the programme. These budget changes will ensure the programme remains realistic and deliverable, and releases budget for reinvestment.
- 1.4 The recommended changes will reduce the 2023-24 current year budget from £124.5m to £119.6m.

## **2. Recommended Additions to the Capital Programme**

- 2.1 There are £4.602m of additions recommended to be added to the programme in this financial year 23-24 from new grants announced since the Qtr 2 report and ringfenced s.106 funding being utilised. The detail of the additions is set out in Table 1 below.
- 2.2 A further £2.741m of new grants for future years have been announced since Qtr 2, and there has been a release of £0.638m underspend on the Ashwells project which can be held in contingency. These budget additions, totalling £3.379m, are included in the Final Budget & Capital Programme 2024-25 to 2027-28 to be approved at Full Council, and are included in the table below for information.



**Table 1: Recommended Additions to Capital Programme**

Portfolio	Project Group	Project Name	23/24 Exp. £m	Fut Yrs Exp for MTFP £m	Explanation
<b>Projects funded from Government Grants</b>					
Education & Children's Services	Provision for Early Years	Provision for Early Years	1.000	-	DfE Grant to support the provision of new places to support childcare for working parents.
Transport	Car Parks	On-Street Residential ChargePoint Scheme	0.407	-	LEVI grant to install on-street charge points for local residents wishing to charge their plug-in electric vehicles.
Transport	Replacement Traffic Signals	Traffic Signals (Obsolescence Grant)	-	0.087	DfT funding to upgrade obsolete traffic signal systems and improve reliability.
Transport	Strategic Highway Maintenance Programme	Additional DfT Funding from	1.654	1.654	Additional funding for maintenance and pothole repairs – £1.7m for 2023-24 and £1.7m for 2024-25.
<b>Total Grants</b>			<b>2.061</b>	<b>2.741</b>	<b>4.802</b>
<b>Adding in new Projects funded from s.106 Developer Funding</b>					
Culture & Leisure	Sport & Leisure Projects	Various s106 Sports and Leisure projects	1.576	-	Adding new projects which are funded from ringfenced S106. The S106 was negotiated specifically for these projects.
<b>Total S106 Developer Contributions</b>			<b>1.576</b>	<b>-</b>	
<b>Total Additions (Externally Funded)</b>			<b>3.636</b>	<b>2.741</b>	
<b>Projects funded from Corporate Resources / Reserves</b>					
Accessible Housing & Resources	Property Management Programme	KGVH Office Move – inc. fit out of Chesham Library	0.966	-	Approved via Cabinet paper on closure of KGVH. Costs are funded from the capital receipt from KGVH. The net receipt after these costs is included as Capital Receipt target in the MTFP.
<b>Increase to Capital Contingency</b>					
Corporate	Corporate Capital Contingency	Capital Contingency	-	0.638	Underspend arising from reduced implementation costs for Ashwells underspend – to be added to Contingency to reallocation in next year's MTFP.
<b>Total Additions (Externally Funded)</b>			<b>3.636</b>	<b>2.741</b>	<b>4.802</b>
<b>Total Additions (Capital Receipts/ Reserves)</b>			<b>0.966</b>	<b>0.000</b>	<b>0.966</b>
<b>Total Increase to Capital Contingency</b>			<b>0.000</b>	<b>0.638</b>	<b>0.638</b>
<b>Total RECOMMENDED Additions</b>			<b>4.602</b>	<b>3.379</b>	<b>7.981</b>

### 3. Release of Project Budgets

- 3.1 Since the Quarter 2 update to Cabinet, £0.210m of projects have been released through the capital gateway process through separate Leader or Key Decisions and are included here for information.

3.2 A further £1.549m has been recommended by CCIB for release in-year and £4.011m in future years, for schools projects.

**Table 2 Release of capital budgets to allow spend**

Portfolio	Project Group	Project Name	23/24 Exp. £m	Fut Yrs Exp. £m	Explanation
<b>Agreed via Leader or Cabinet Decisions</b>					
<b>Climate Change &amp; Environment</b>	Buckingham HRC & Waste Transfer Station	Buckingham Waste	0.210		Release budget of £0.210m from Waste budget to commence land site and feasibility work on the New Buckingham Household Recycling Centre and transfer station project. Funded from borrowing.
<b>Total Leader or Cabinet Decisions Released</b>			<b>0.210</b>		
<b>Recommended by CCIB to be released</b>					
<b>Education &amp; Children's Services</b>	Secondary School Places	Secondary school places	0.957	2.900	Release budget for Kingsbrook Secondary School.
<b>Education &amp; Children's Services</b>	Provision for Special Educational Need	Provision for SEN	0.592	1.111	Release of budgets for Stony Dean, Pebble Brook and Juniper Hill
<b>Total Recommended through Property Board Released</b>			<b>1.549</b>	<b>4.011</b>	<b>5.560</b>
<b>Total Released</b>			<b>1.759</b>	<b>4.011</b>	<b>5.770</b>

## 4. Recommended Reallocations and Removals

4.1 £5.291m of project budgets are recommended to be reallocated or removed from the programme, as detailed in Table 3. £0.130m of this is in the current year 2023-24, and the remaining £5.161m is in future years and are included in the Final Budget & Capital Programme 2024-25 to 2027-18. In summary:

- 2 projects totalling £0.185m are recommended to be removed from the programme. These are for maintenance on assets purchased using borrowing, where the maintenance does not meet the criteria for borrowing, and the budgets are no longer required during this MTFP period. Any future maintenance required on these assets will be funded using other corporate resources via future MTFPs.
- 12 projects totalling £4.653m have been recommended by CCIB in November to have some or all of their budget reallocated as part of the funding envelope for the updated Capital Programme via the MTFP process. This is because the projects are either not happening, or are not priority projects, and therefore the funding can be reallocated to higher priority capital investment in future years.

- There is one additional recommended reallocation since November's CCIB, of £0.638m which is no longer required for the delivery of the Ashwells project, as the disposal of the site nears completion. It is recommended that this budget is reallocated to the Capital Contingency and can be considered for reinvestment via CCIB or next year's MTFP process.

**Table 3: Recommended Reallocations and Removals**

Portfolio	Project Group	Project Name	23/24	Fut Yrs	Explanation
			Exp.	Exp.	
			£m	£m	
<b>Recommended for Removal</b>					
<b>Accessible Housing &amp; Resources</b>	Corporate Investment Portfolio	Investment Prop - Lancaster House	(0.010)		Purchase of Lancaster House completed. Remaining budget no longer needed.
<b>Accessible Housing &amp; Resources</b>	Corporate Investment Portfolio	Regen Prop – Abbey Place		(0.175)	No longer meets the criteria for borrowing. Maintenance requirements will need to be funded either from existing Property Maintenance budgets or from the Investment Property Reserve (£4.7m current balance). To come forward for future decision as and when required (c2026-27).
<b>Total Recommended for Removal</b>			<b>(0.010)</b>	<b>(0.175)</b>	<b>(0.185)</b>
<b>Recommended Capital Programme for Reallocation which will be reflected in the MTFP– CCIB approved in November</b>					
<b>Accessible Housing &amp; Resources</b>	Enhancement of Strategic Assets	Asset Enhancement - Tilehouse		(0.222)	Funding no longer required to take forward this project.
<b>Accessible Housing &amp; Resources</b>	Property Management Programme	Community Centre Upgrades		(0.177)	For Aylesbury Community Centres; not currently committed; propose future works are funded via Special Expenses & s.106.
<b>Accessible Housing &amp; Resources</b>	Property Management Programme	Capswood Maintenance & Works		(0.162)	Dilapidations for Capswood proposed to be funded from receipt from Estates Strategy instead.
<b>Climate Change &amp; Environment</b>	Strategic Flood Management	Property Flood Resilience		(0.050)	Project only in feasibility stage and does not meet priority 1 criteria.
<b>Homelessness &amp; Regulatory Services</b>	Raynes Avenue Park Drainage Replacement	Raynes Avenue Mobile Home Pk Drainage	(0.020)	(1.032)	Alternative options for delivering this project are being explored, seeking to minimise cost to council.
<b>Planning &amp; Regeneration</b>	Amersham Regeneration (St John's Build)	St Johns Ambulance Building		(1.200)	Project not happening, legacy project from C&SB.

<b>Planning &amp; Regeneration</b>	Retasking of Winslow Centre	Reprovision of MUGA		(0.030)	Project not started; original plans superseded by evolving Winslow proposals.
<b>Planning &amp; Regeneration</b>	Retasking of Winslow Centre	Redevelopment of Winslow Centre		(0.296)	Project still in early feasibility (Revenue) stage and will not require this capital budget.
<b>Planning &amp; Regeneration</b>	Wycombe Air Park	WAP - Land Purchase		(0.420)	Not committed. Capital receipt not dependent on this.
<b>Planning &amp; Regeneration</b>	Employment & Regen. LED Opportunities	Brunel Shed	(0.100)		Project has been completed.
<b>Transport</b>	Car Parks	Unallocated Budget		(0.659)	Project not committed and has been held since Unitary for held for future capital work on Car Parks; projects not defined yet as will be informed by Parking Review.
<b>Transport</b>	Electric Vehicle Charging Points	Electric Vehicle Charging Points		(0.100)	Council originally made £0.8m commitment, however significant government grants are now available to support EV charging point delivery, therefore commitment reduced to £0.7m.
<b>Total Recommended Reallocation</b>			<b>(0.130)</b>	<b>(4.523)</b>	<b>(4.653)</b>
<b>New Items recommended for Recommended for Reallocation to Capital Contingency</b>					
<b>Planning &amp; Regeneration</b>	Ashwells	Ashwells		(0.638)	An implementation costs budget of £763k for Ashwells will underspend by £638k, and this funding will be made available for Members to reprioritise in the Capital Programme via the MTFP and Capital Governance processes.
<b>Total Recommended Contingency Reallocation</b>				<b>(0.638)</b>	<b>(0.638)</b>
<b>Total Removals</b>			<b>(0.010)</b>	<b>(0.175)</b>	<b>(0.185)</b>
<b>Total Reallocations</b>			<b>(0.120)</b>	<b>(4.986)</b>	<b>(5.106)</b>
<b>TOTAL Recommended Removals &amp; Reallocations</b>			<b>(0.130)</b>	<b>(5.161)</b>	<b>(5.291)</b>

## 5. Reprofileing the Programme

- 5.1 The Capital Programme profile is updated every quarter to accurately reflect planned spend to ensure that the programme remains realistic and reflects the latest project timelines, and to track funding requirements. The 23-24 budget before reprofiling is £128.9m.
- 5.2 It is recommended that £9.3m (7%) is reprofiled from the current year into future years, to match the latest project delivery projections and the Final Budget & Capital Programme 2024-25 to 2027-28 has been updated to reflect this. The reasons for reprofiling on each project are set out in Appendix 1. After reprofiling the 23-24 budget is £119.6m.
- 5.3 The table below summarises the reprofiling by Portfolio.

**Table 4 Summary: Reprofileing of 23/24 Budget by Portfolio**

Portfolio	Budget before Reprofileing			Reprofileing		Budget after Reprofileing		
	2023/24	Fut Yrs	Total	2023/24	Fut Yrs	2023/24	Fut Yrs	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Leader	6.0	87.4	<b>93.4</b>	(2.0)	2.0	4.0	89.4	<b>93.4</b>
Accessible Housing & Resources	5.3	18.0	<b>23.3</b>	(0.3)	0.3	5.0	18.3	<b>23.3</b>
Climate Change & Environment	8.9	32.0	<b>40.9</b>	(2.6)	2.6	6.2	34.6	<b>40.9</b>
Communities		0.9	<b>0.9</b>				0.9	<b>0.9</b>
Culture & Leisure	6.3	7.8	<b>14.2</b>			6.3	7.8	<b>14.2</b>
Education & Children's Services	17.9	141.0	<b>158.9</b>	(1.1)	1.1	16.8	142.1	<b>158.9</b>
Homelessness & Regulatory Services	21.2	22.9	<b>44.1</b>	(1.3)	1.3	19.9	24.2	<b>44.1</b>
Planning & Regeneration	11.2	37.0	<b>48.1</b>	(0.0)	0.0	11.1	37.0	<b>48.1</b>
Transport	51.4	107.1	<b>158.6</b>	(2.0)	2.0	49.5	109.1	<b>158.6</b>
Corporate Contingency	0.8	2.1	<b>2.9</b>			0.8	2.1	<b>2.9</b>
<b>Grand Total</b>	<b>128.9</b>	<b>456.3</b>	<b>585.2</b>	<b>(9.3)</b>	<b>9.3</b>	<b>119.6</b>	<b>465.6</b>	<b>585.2</b>

## 6. Corporate Contingency

There is currently £2.25m of Corporate Contingency with a proposed additional £0.638m, giving a revised contingency of £2.88m to meet unexpected inflationary pressures on priority projects, where no other corporate funding is available.

## 7. Other options considered

Not making these recommended budget changes will impact on budget monitoring and the Capital MTFP process and will affect the KPI for capital slippage.

## 8. Legal and financial implications

There are no Legal Implications.

The financial implications of these changes are set out in detail within the report.

### 8a Director of Legal & Democratic Services comment

The Director has read and noted the report.

### 8b Section 151 Officer comment

The Budget changes set out within the paper will be reflected in the 2023-24 Capital Budget and the 2024-25 to 2027-28 Final Capital Programme.

## **9. Corporate implications**

9.1 The Capital Programme supports the delivery of all of the Council's aims and priorities, which are set out in the 2020-25 Corporate Plan:

- i. increasing prosperity
- ii. strengthening our communities
- iii. improving our environment
- iv. protecting the vulnerable

9.2 There are no direct, wider corporate implications from these recommended budget changes.

## **10. Local councillors & community boards consultation & views**

10.1 As this is a technical budgeting exercise, no Local Councillor or Community Board consultation has been required.

## **11. Communication, engagement & further consultation**

11.1 No further communication, engagement or consultation is recommended from this paper.

## **12. Next steps and review**

12.1 None

## **13. Background papers**

13.1 Previous Approved Capital Programme, as agreed by Cabinet: [insert link]

## **14. Your questions and views (for key decisions)**

14.1 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 by 5pm on 9 February 2024. This can be done by email to [democracy@buckinghamshire.gov.uk](mailto:democracy@buckinghamshire.gov.uk). Approved Capital Programme, from Full Council: [insert link]

## Appendix 1: MTFP Reprofile Detail by Portfolio

Project Group by Portfolio	£m	Project & Reason for Re-profiling
Property Management Programme	0.075	Small delay in completion of capital works.
Rowley Farm	0.180	Planning consent has been obtained; tender will take place in Qtr 4, with works not due to start until 24-25.
<b>Accessible Housing &amp; Resources Total</b>	<b>0.255</b>	
Children's Homes	0.200	Two projects are experiencing planning delays and will slip into next year.
Primary School Places	0.100	Denham Green Bulge Class project has been completed underbudget and returned to the schools programme in future years.
Primary School Projects	0.251	Four school projects are experiencing planning delays and will slip into next year.
Secondary School Projects	0.256	Slight underspend on several projects which have returned to the Secondary Schools Places budget next year.
Provision for Special Educational Need	0.260	Two projects have slipped into next year due to planning and design delay.
<b>Education &amp; Children's Services Total</b>	<b>1.067</b>	
Cemeteries & Memorial Gardens	0.242	Delays facing 2 projects as awaiting Environmental Agency advice and results of archaeological dig due to take place in December 2023.
Chiltern & Berton Crematoria	0.045	Air conditioning installation delayed.
Temporary Accommodation	1.053	Fit out costs of LAHF-Grant Funded Ukrainian scheme at Holmers House & Jasmine Court to be completed by June 2024.
<b>Homelessness &amp; Regulatory Services Total</b>	<b>1.339</b>	
Waterside North Development	0.020	Old County Offices development. Options business case remains in development.
<b>Planning &amp; Regeneration Total</b>	<b>0.020</b>	

Project Group by Portfolio	£m	Project & Reason for Re-profiling
South East Aylesbury Link Road (SEALR)	1.500	Budget reprofile to align with programme of works, with target cost for main contract pending in Qtr 4 23-24.
Rural Broadband	0.261	Broadband voucher scheme ended and working with LEP to identify alternative use.
South Western Link Road South (SWLRS)	0.250	Delivery model of SWLR will now be developer-led, as per Cabinet Paper December 2022. Small budget retained to facilitate developer-led model, will be required in future years.
<b>Leader Total</b>	<b>2.011</b>	
Berryhill Footbridge Repair	0.173	Currently out to tender for a supplier to undertake construction in Q1 2024/25.
Car Parks & Vehicles	0.116	New vehicles to be purchased for Civil Enforcement Officers to be ordered in Q4 2023/24 or Q1 2024/25 and further works to car parks dependent on outcome of review.
Denham Bridleway Bridge Replacement	0.179	Adjustment to designs were required following which will go out to tender. Project to commence late 2023/24.
Electric Vehicle Charging Points	0.150	Project delays resulting in less forecast spend.
Highways & Cycleway Funded Schemes	0.369	Various project delays including procurement and procedural as adjustment to S106 needs to be agreed and signed.
Improvements to Rights Way	0.099	Seven small projects facing delays as they are still being scoped.
Freight Strategy	0.071	Contract issues are delaying the project.
LED Replacements	(0.172)	Project accelerated to delivery Energy savings.
East West Rail – Work in Kind	0.651	East West Rail Work in Kind (WiK) projects have been allocated via 2021 cabinet paper but are not yet at point of delivery.
A41 Bicester Road	0.350	Project is now complete, with final retention costs likely to be 2024/25
<b>Transport Total</b>	<b>1.987</b>	
Aylesbury Waste Vehicles Replacement	2.000	Procured contract is in the process of being terminated as the contractor is unable to fulfil order. New procurement exercise will commence next year.
Flood Defence Schemes	0.518	Project contingency budget will not be needed this year, to be reprofiled into future years.
Recycling Centres Drainage EA Compliance	0.132	Project is still at early feasibility stage.
<b>Climate Change &amp; Environment</b>	<b>2.650</b>	
<b>Grand Total</b>	<b>9.329</b>	



## 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
22 February 2024	Budget Inquiry 2023 Recommendations: 12-month review	To receive an update on the progress 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
	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.	Steve Bambrick Sarah Murphy-Brookman John Reed	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)	Steve Bambrick John Reed Mark Preston (AVE & London Road) David Pearce & Nigel Dicker (Consilio) Richard Harrington & Lisa Michelson (BA)	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 Tim Butcher





## Finance and Resources Select Committee

<b>Date:</b>	F&R 22 <sup>nd</sup> February
<b>Title:</b>	<b>External Property Portfolio Companies</b>
<b>Cabinet Member(s):</b>	Councillor John Chilver – Cabinet Member for Accessible Housing and Resources and Committee Chairman of the Shareholder Committee
<b>Contact officer:</b>	John Reed – Service Director of Property and Assets  Richard Ambrose – Service Director Major Projects
<b>Ward(s) affected:</b>	None specific
<b>Recommendations:</b>	<b>1. Committee to note updated Business Plans, audited accounts and update on progress of the Companies in which the Council is either a joint shareholder or sole shareholder.</b>
<b>Reason for recommendation:</b>	The Committee requested an update on the performance and activities of the Companies that are either partly or completely owned by the Council as shareholder. This report provides an update on the Company activities and the work undertaken by the Councils Shareholder Committee in overseeing the activities.

### 1. Executive summary

- 1.1 The Councils Shareholder Committee was set up as a subsidiary Committee to the Cabinet to oversee and receive reports from the Council Companies either partly owned or in a Joint Venture. The Companies involved include;
- Aylesbury Vale Estates
  - Consilio
  - Buckinghamshire Advantage
  - London Road Management Company

1.2 This paper provides an update on the work of the Committee as well as the performance of the Companies.

## **2. Work of Committee and Performance of Companies**

2.1 The first meeting of the Shareholder Committee was 19<sup>th</sup> July 2022, and since that time the Committee has;

- Finalised Terms of Reference. The terms of reference are included in Appendix A. The terms of reference are reviewed annually by the Committee.
- Undertaken a best practice review. A copy of the best practice review is attached at Appendix 2.
- Considered the Shareholder/Member Agreements with the Companies.
- Reviewed the financial standing (including outstanding loans) of each company, reviewed risk registers, produced conflicts of interest guidance and there has also recently been an internal audit review of the governance arrangements. Reviewed Business Plans, progress against Business Plans, and received Directors reports.
- Considered and undertaken training of Directors and Members/Officers of the Committee.
- Considered audited and where appropriate unaudited accounts.
- The Shareholder Committee produces an annual report that goes to Cabinet highlighting the work done over the year by the Committee. This report will go to the Shareholder Committee in March for approval and then onto Cabinet in May. A copy of last year's Cabinet report (22/23) is attached at Appendix 3.

2.2 The meeting is Chaired by Cllr John Chilver with support from Cllr Steve Broadbent, Cllr Anita Cranmer, Cllr Peter Strachan. The meetings are also supported by Officers from legal, finance and property.

2.3 Each meeting is minuted and includes a forward work plan. The minutes are published. Confidential commercial matters are discussed in private session.

### **2.4 Aylesbury Vale Estates (AVE)**

2.5 Aylesbury Vale Estates is a Limited Liability Company registered at Companies House with company number OC348364. A joint venture with the private sector on a 50/50 basis, the Company was incorporated on 3 September 2009 and the current Members agreement is due to end in 2029 unless an extension is agreed.

- 2.6 The Company is managed by Akeman Asset Management under the agreement and the Board meets monthly, with formal Board meetings taking place quarterly. The Council representatives on the Board are Cllr Mark Winn, Cllr David Thompson and they are supported by Mark Preston an Assistant Director of Finance for the Council. The purpose of the Company is to run and invest into the Commercial Assets of the Company and support the economic, housing and regeneration aims of the Council.
- 2.7 A report on the update of the performance of Aylesbury Vale Estates is included in the confidential appendices including business plan, performance against the business plan and audited accounts, ready for presentation by the Members representative to the LLP.
- 2.8 **Hale Leys LLP**
- 2.9 Hale Leys is a Limited Liability Company registered at Companies House with company number OC374038. A joint venture with the private sector on a 50/50 basis, the Company was incorporated on 3<sup>rd</sup> April 2012 and the current Members agreement is due to end in 2029 unless an extension is agreed. It is a single asset vehicle which was used to acquire Hale Leys shopping centre in Aylesbury and is a subsidiary to AVE.
- 2.10 The Company is managed by Akeman Asset Management under the agreement and the Board meets monthly, with formal Board meetings taking place quarterly.
- 2.11 A report on the update of the performance of Hale Leys LLP is included in the confidential appendices.
- 2.12 **Buckinghamshire Advantage**
- 2.13 Buckinghamshire Advantage is a company Limited by guarantee and numbered 05271232. BA was incorporated on 27 October 2004. As a Company that is constituted as a Limited Liability Company it has Members representatives. The current representatives are Cllr Steve Bowles, Richard Harrington, and Lisa Michelson the Councils Service Director for Housing.
- 2.14 The company is managed by the Members representatives and in particular Richard Harrington. The Company is seeking to deliver Woodlands, a strategic site on the outskirts of Aylesbury comprising approximately 1,000,000 sq ft of business space (mixed B1, B2 and B8 plus ancillary), plus approximately 1100 houses. BA has been successful in securing outline Planning approval and is now seeking to progress reserved matters applications and progress marketing of the site to the development community to deliver the wider development of the site plus the Eastern Link Road a key strategic road around the periphery of Aylesbury.

- 2.15 A report on the update of the performance of BA is included in the confidential appendices including business plan, performance against business plan and audited accounts, ready for presentation to the Select Committee by the Members representatives to the Company.
- 2.16 **Consilio**
- 2.17 Consilio Property Limited was incorporated on 15<sup>th</sup> September 2017 and numbered 10964980. It is a company limited by shares. The original company proposal was to acquire investment property to facilitate the development of affordable housing. Since inception it has acquired two commercial assets and developed a mixed tenure residential development. However there has been a change in the funding landscape in relation to the Councils ability to seek funding from Public Works Loan Board to facilitate development. Consilio has bid on opportunities the Council has in its portfolio but has not been successful to date when compared with market offers for 100% affordable housing that the Council has received.
- 2.18 The Company is managed by two Officers of the Council, David Pearce and Nigel Dicker (Part time). The Company is undergoing wider review which will be presented to Cabinet in the Spring 2024.
- 2.19 A report on the update of the performance of Consilio is included in the confidential appendices including business plan, performance against business plan and audited accounts, ready for presentation to the Select Committee by the Members representatives to the Company.
- 2.20 **London Road Business Park Management Company**
- 2.21 London Road Business Park Management Company Limited was incorporated on 6<sup>th</sup> March 2012 under company number 07977974. The Company is a small Company and not for profit that operates as a holding account for shared site expenses at the Business Park and that are recharged to Landlord and Tenants of the site in the manner of service charge management.
- 2.22 A report on the accounts is in the confidential appendices.

### **3. Other options considered**

- 3.1 The other options are;
- 3.2 Do nothing and provide no oversight. This is not recommended, as it is not in accordance with good practice as identified in the best practice review considered by the Committee.

- 3.3 Provide oversight in another way. This is not the recommended option. The Shareholder Committee provides oversight and Members receive training. In addition, reports will come forward to Cabinet with an update on the performance of the Companies.

#### **4. Legal and financial implications**

- 4.1 *Agreed by S151 and Head of Finance for PGS to follow.*

##### **4a Director of Legal & Democratic Services comment**

- 4.2 The Director of Legal has read and approved the report.

##### **4b Section 151 Officer comment**

- 4.3 *To follow.*

#### **5. Next steps and review**

- 5.1 The Shareholder Committee produces an annual report that goes to Cabinet highlighting the work done over the year by the Committee. This report will go to the Shareholder Committee in March for approval and then onto Cabinet in May.

## **Appendix 1**

Buckinghamshire Shareholder Committee Terms of Reference

## **Appendix 2**

Best Practice Review (Governance)

## **Appendix 3**

Buckinghamshire Shareholder Committee Annual Report 2022-23

## **Appendix 4**

4.0 Aylesbury Vale Estates Business Plan

4.1 Financial statements of Aylesbury Vale Estates LLP

4.2 Financial statements of Hale Leys LLP

4.3 AVE Performance Update

## **Appendix 5**

5.0 Buckinghamshire Advantage Plan 2023/24

5.1 Financial Statements of Buckinghamshire Advantage

5.2 Buckinghamshire Advantage Performance Update

## **Appendix 6**

6.0 Consilio Property Limited Business Plan 2023-25

6.1 Financial Statement of Consilio Property Limited

6.2 Consilio Performance Update

## **Appendix 7**

Financial Statement London Road Business Park Management Company



## BUCKINGHAMSHIRE SHAREHOLDER COMMITTEE

### TERMS OF REFERENCE

#### 1. OVERVIEW

- 1.1 The Shareholder Committee forms part of the overall governance arrangements for Buckinghamshire Council ("**the Council**") in relation to companies and other legal entities which are wholly or partly owned or controlled by the Council (including where such control comes about indirectly, such as via a loan agreement) (each a "**Subsidiary**" and together the "**Subsidiaries**").

#### 2. CONSTITUTION

- 2.1 The members of the Shareholder Committee will be set to 4 Cabinet Members consisting of:
- 2.1.1 Cabinet Member for Accessible Housing and Resources (as Chair);
  - 2.1.2 Cabinet Member for Planning and Regeneration
  - 2.1.3 Two other Cabinet Members to be determined by Cabinet
- 2.2 Each Shareholder Committee member may nominate an alternate Cabinet Member to attend a meeting in their place provided that said Member is not a Board Member of any of the subsidiaries and thus does not have a conflict of interest.
- 2.3 The Shareholder Committee will be supported by Council officers as advisors primarily consisting of
- 2.3.1 Section 151 officer
  - 2.3.2 Director of Property and Assets
  - 2.3.3 Director of Major Projects
  - 2.3.4 Chief Legal Officer or representative
  - 2.3.5 Other such officers as may be required including an officer/Member from the service the company or JV is supporting or suitably experienced non-Executive Director.
- 2.4 Committee advisory officer may nominate an alternate officer to attend a meeting in their place provided that said officer is not a Board Member of any of the subsidiaries and thus does not have a conflict of interest.
- 2.5 The Shareholder Committee will appoint the Cabinet Member for Accessible Housing and Resources as Chair of the Shareholder Committee. If the Chair is not present at the start of a meeting of the Shareholder Committee, those members present will appoint one of the members present to chair that meeting.
- 2.6 Additional advisors, who do not need to be officers or members of the Council, may be invited to attend the Shareholder Committee as required.
- 2.7 The Committee will need to follow and have regard to the rules set out in the Constitution including the finance procedure rules.

### 3. ROLE OF THE SHAREHOLDER COMMITTEE

- 3.1 The Shareholder Committee will have a role in ensuring proper governance of the Council's Subsidiaries, such role to include:
- 3.1.1 monitoring information from each Subsidiary, in particular on financial and other risks and escalating such risks within the Council as appropriate.
  - 3.1.2 exercising decisions relating to the Council's role as shareholder, member, owner, lender, or other position of significant control over the Subsidiary, where those decisions have been delegated to the Shareholder Committee;
  - 3.1.3 making reports and recommendations to the Cabinet on areas outside of the Shareholder Committee's delegated authority;
  - 3.1.4 Agreeing and entering into a Memorandum of Agreement (see 3.2below) with each of the Council's Subsidiaries;
  - 3.1.5 The necessary oversight, from a shareholder's perspective, that the parameters, policies, and boundaries, that the council has established are being adhered to including a regular review of whether the Subsidiary provides the most effective vehicle to deliver the outcomes it requires and whether there are viable alternative models which might offer a more effective means of delivering its priorities;
  - 3.1.6 An articulation of what success looks like in terms of delivery models to meet objectives such as achieving social outcomes and/or a return on investment;
  - 3.1.7 Agree a mechanism to communicate the shareholder's views to the Subsidiary by effecting systematic engagement between the Chair/CEO and shareholder role to assure effective performance against strategy and governance;
  - 3.1.8 Provide a holistic review of risk to the Council offered by all active Subsidiaries;
  - 3.1.9 Consider and advise on the duties and if any, the training needs of potential Directors to allow them to competently assume this role;
  - 3.1.10 Making representations to the Directors on the Business Plans of the Subsidiary Companies or other organisations set out in this report;
  - 3.1.11 Receiving reports from the Directors where appropriate, on the progress and conduct of business in accordance with the approved Business Plan;
  - 3.1.12 Reporting to the Cabinet on the performance of the Subsidiary Companies;
  - 3.1.13 Undertaking due diligence on the various Subsidiary Companies to ensure liabilities are known and accounted for within the Council;
  - 3.1.14 Deciding whether a particular Subsidiary needs to be under the oversight of a specific service area;
  - 3.1.15 In the case of forming a new Subsidiary, the Committee will first scrutinise the business case for forming the Subsidiary to clarify the service components to be delivered, outcomes sought and options for how these may be delivered and undergo an effective comparison of alternative delivery models to ensure that the objectives, timescales, and drivers of forming the Subsidiary is the optimum approach and; An advisory paper will be submitted to Cabinet for a decision.
  - 3.1.16 In the case of a recommendation to wind up an existing subsidiary, the Committee will review the current business case for the subsidiary and undergo an effective comparison of alternative delivery models to achieve the optimum approach (including the option of transferring the assets and liabilities into the Council), consider the components to be delivered, outcomes sought and financial implications of the different options. An advisory paper will be submitted to Cabinet for a decision.

- 3.2 It is expected that each Subsidiary will enter into a form of agreement with the Council (whether as owner, controller or lender) setting out the basis of the relationship between them (each a “**Memorandum of Agreement**”).
- 3.3 A detailed description of the Shareholder Committee's role in relation to each Subsidiary will be set out in the relevant Memorandum of Agreement.
- 3.4 Authority to make decisions on behalf of the Council is delegated to the Shareholder Committee for each Subsidiary as follows:

- 3.4.1 Oversight of any decisions that can only be made by the shareholder, (whether as “reserved matters” under the Memorandum of Agreement and Articles of Association or pursuant to the relevant legislation applicable to that Subsidiary) such as:

Approval of Memorandum of Agreement with each Subsidiary
Approval of annual Business Plan and deviations from Business Plan.
Approval of key appointments (including appointment, removal and or replacement of Directors)
Borrowing money, granting security and giving of guarantees
Winding up of Subsidiary (subject to 3.1.16 above and an advisory paper to Cabinet)
Altering in any respect the articles of association of a Subsidiary (or any other governing document such as the Rules of a Community Benefit Society)
Altering the rights attaching to any of the shares in a Subsidiary
Permitting the registration of any person as a shareholder or member of a Subsidiary
Ensuring that subsidiaries or the subsidiaries interests are not competing against or conflicting with, other subsidiaries or their interests
Ensure that the Council appointments to the board of a Subsidiary comply with the Council’s constitution
Establish proper arrangements to manage potential conflicts of interest in respect of Council Officers appointed to the board of a Subsidiary
Correctly approve pay and pension arrangements in respect of both key employees of the Subsidiary and Council Officers appointed to the board of a Subsidiary and ensure that decisions made to make termination payments are in line with the law and the Subsidiary’s controlling documents.
Amending the amount of a Subsidiary's issued share capital
Altering the name of any Subsidiary

3.4.2 Any Memorandum of Agreement entered into with a Subsidiary may identify additional decisions which are delegated by Cabinet to the Shareholder Committee in relation to that Subsidiary only.

3.5 Decisions which are not delegated to the Shareholder Committee in accordance with 3.4 above will be taken through the usual decision-making processes in accordance with the Council's governance and constitutional framework. This will include decisions relating to the issue of loan capital in relation to any Subsidiary and to any approvals relating to any intra-group loans.

#### **4. OPERATION OF THE SHAREHOLDER COMMITTEE**

4.1 The Shareholder Committee will meet three times per year, or more frequently if required.

4.2 The quorum for a meeting of the Shareholder Committee is a minimum of 2 members.

4.3 Meetings will be held in public or otherwise in line with the Council's democratic meeting protocol. There may be particular matters or agenda items which are required to be considered in private due to commercial confidentiality, and these will be handled in accordance with the Council's usual democratic protocol.

4.4 Minutes and agendas will be managed and published in accordance with the Council's usual democratic protocol.

4.5 The Shareholder Committee shall make its decisions as follows:

4.5.1 At meetings of its members by consensus of those present, unless any member of the Shareholder Committee requires a vote, in which event a majority decision will be taken with each member of the Shareholder Committee present having a single vote. Advisors and officers present to support the Shareholder Committee will not have a vote. The Chair of the meeting has a casting vote in the event that there is no clear majority; or

4.5.2 In cases of urgency, by a decision made by the Leader or by an alternate Cabinet Member nominated by the Leader.

4.6 After each meeting, the Chair shall approve the minutes and authorise the implementation of the Shareholder Committee's decisions, including where relevant the signature of any documents by appropriate Council signatories.

4.7 The Shareholder Committee will review the Terms of Reference annually and make any necessary recommendations to Cabinet.



# Report to Shareholder Committee

<b>Date:</b>	<b>18 October 2023</b>
<b>Title:</b>	<b>Best Practice Review - Governance</b>
<b>Relevant councillor(s):</b>	<b>All</b>
<b>Author and/or contact officer:</b>	Nick Graham, Service Director, Legal and Democratic Richard Ambrose, Director – Major Projects  Contact officer: Glenn Watson, Principal Governance Officer.
<b>Ward(s) affected:</b>	<b>All</b>

## Recommendations:

- 1) to consider and note the best practice review of company governance (Annex 1)
- 2) to incorporate actions marked 'Amber' and 'Red' into the Committee's action programme for further review.

## Reason for decision:

Since 2021, a body of best practice has developed for local authority company governance. This followed Government inspections at some local authorities. A resulting toolkit, *Local Authority Company Review Guidance* sets out a checklist for evidencing good governance for councils' commercial entities. This report assesses the Council's entity arrangements against this checklist highlighting compliance and areas for further action.

## 1. Background:

1.1 Ensuring good governance of the Council's commercial entities by both the Council and the entities themselves is a key part of the Committee's role. The Committee's action plan therefore included a review of these arrangements in the light of emerging best practice. This report takes the checklist within *Local Authority Company Review*

*Guidance (2021)* and assesses the degree of compliance. The Annex to this report summarises the outcomes for the Council (in the sections marked 'C') and the entities (E).

- 1.2 The importance of this exercise was recognised by the Lead Inspector for HM Government, Max Caller, who said in the forward to the guidance: "In the report of the rapid review of Nottingham City Council, which I led in 2020, it was recommended that guidance was commissioned to aid local authorities in this area. Following the approach set out in this guidance and toolkit will help us all avoid the obvious traps."

## **2. The scope of the review**

- 2.1 The best practice checklist within *Local Authority Company Review Guidance* is comprehensive and covers the following:

### The Council

- 1) Governance aims – culture, proportionality
- 2) The shareholder's role – clarity, training
- 3) Oversight, scrutiny and governance framework – performance, risk and audit
- 4) Business case for the entity – objectives
- 5) Agreements with the entity – documented
- 6) Avoiding/managing conflicts of interest
- 7) Appointments to the Board – process

### The entities

- 8) Articles of Association – documented
- 9) Business planning – up to date
- 10) Role and behaviours of the Board – meetings structure, culture
- 11) Role and behaviours of the Directors – skills, culture of compliance
- 12) Company board composition – diverse skills and membership
- 13) Risk management – Board's approach
- 14) Skills and development - Board members
- 15) Role of executive and non-executive Directors – clearly defined
- 16) Role of Board chair – quality of leadership
- 17) Financial management – business planning monitors financial performance

### 3. Key themes and outcomes

#### Themes

- 3.1 The creation and conduct of the Shareholder Committee since 2022 has greatly improved the Council's governance of its entities. Annex 1 clearly shows the extent of current compliance with best practice. This includes areas such as proactively reviewing company business plans, developing conflicts of interest guidance, arranging core training, and establishing processes for the appointment of directors. The scope of the Best Practice Checklist has been discussed with the Head of Business Assurance. An Internal Audit of entity governance is scheduled for Quarter 3. This will include many of the checklist points, enabling additional evidence to be collected and an opportunity for further review of our entities' compliance. The outcome and recommendations of the Quarter 3 audit review will be brought to the Committee for further consideration.
- 3.2 Each of the 17 areas above is assessed in Annex 1 via a RAG rating (Red, Amber, Green). Amber and Red indicate areas where the Committee can usefully target further work. Green indicates that the arrangements are currently deemed compliant. It is suggested that the Amber and Red items are included on the Committee's Action Plan with progress reports made at each subsequent meeting.
- 3.3 The areas for improvement can be grouped into several themes:
- a) **Purpose and efficacy of the entity:** the need, periodically, to check that the companies/entities are in alignment with Buckinghamshire Council's strategic objectives; and to evidence that they are still necessary and fit for purpose
  - b) **Sufficiency of key governance:** periodic checks on the quality and currency of the Council's agreements with entities; their articles of association
  - c) **Entities' culture, performance and behaviours:** evidence that the entities have, and are delivering upon, Key Performance Indicators and Risk Registers; reviewing the viability and health of the entities' internal workings and culture
  - d) **Embedding governance:** raising further awareness of the entities – and the shareholder role - within the Council, including: regularly reporting to the Cabinet; review of governance by the Audit & Governance Committee; appropriate Select Committee work programme; and ensuring that reviewing company governance also features in the work programmes of the Council's Business Assurance Team (e.g. internal audit and risk).

#### Outcomes and actions

- 3.4 These are the outcomes recommended for further action for the Shareholder Committee. The responsible person/body is indicated below – and owners for all actions are in Annex 1. The Committee will receive an action update at each meeting.

Red Rating	
C8	Establish clear Key Performance Indicators (KPIs) – to enable measurement of the entities’ alignment to the Council’s strategic objectives (Owner: Shareholder Committee, Company Directors)
C9	Undertake a review of each entity’s internal structure and performance mechanisms (Shareholder Committee, Company Directors)
Amber Rating	
C3 & C15	Potential for the Committee, as part of its annual review of each entity, to consider “whether the entity provides the most effective vehicle to deliver the outcomes it requires and whether there are suitable alternatives” (Cabinet, Shareholder Committee)
C4	Annual review of its own terms of reference. Annual report to Cabinet on terms of reference; and on entities’ health and alignment to Council’s strategic objectives. (Cabinet, Shareholder Committee)
C5	Further training arranged in October 2023 for the current director who missed the previous training and for potential future directors of companies. (Cabinet)
C7	Connections with the work programmes for the Audit & Governance Committee; and Select Committee. (Director of Legal and Democratic Services)
C10	Review of performance quality (including KPIs) to be reported (alongside financial performance). (Shareholder Committee)
C11 & C14	Further review of risks relating to both Consilio and Aylesbury Vale Estates to come to the next meeting and then on a six-monthly basis. (Shareholder Committee, Audit & Governance Committee, Chief Internal Auditor).  Review updated business case for Consilio that is due to come to the next Shareholder Committee meeting. (Cabinet, Shareholder Committee)
C13	Review audit findings following internal audit review of subsidiary bodies in Q3 2023/24. (Shareholder Committee, Audit & Governance Committee, Chief Internal Auditor).
E3	Review the internal governance and decision-making mechanisms of each company/entity (via internal audit review in Q3). (Shareholder Committee, Chief Internal Auditor).  Request each entity to complete answers to questions E3 to E7 for consideration by the Committee. (Entities)
E10	Committee to ask for information on the entity’s scheme of delegation and the extent of authorities under it. (Shareholder Committee)
E13 E14 E15 E19 E24	In the internal audit review in Q3, review the entities’ own means of: a) assessing and managing risk b) assessing skills in practice c) identifying, delivering, reviewing and recording training and the scope



	<p>d) role of the Chair of each Board</p> <p>e) financial procedures</p> <p>f) internal controls</p> <p>(Shareholder Committee, Chief Internal Auditor)</p>
E19 E20	<p>Authorise a Shareholder Committee representative to observe a meeting(s) of each entity's board to view the role in practice (re: culture and conduct of meetings. (Shareholder Committee)</p> <p>Undertake occasional review of Board reports (content, quality, topic). (Shareholder Committee)</p>

#### **4. Next steps**

4.1 It is recommended that the actions summarised under paragraph 3.4 are adopted into the Committee's ongoing work programme. These will then be timetabled for action and reporting, mindful of the priorities.

#### **5. Legal and financial implications**

5.1 The Council has shareholding interests and responsibilities in the Council's commercial entities. Cabinet has delegated this specific responsibility to the Shareholder Committee. The discretion to apply the actions recommended in this report lies with the Committee.

5.2 There are no financial implications arising from the recommendations in the report; their implementation would not, themselves, require additional resource.

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## Report to Cabinet

**Date:** 9 May 2023

**Title:** Buckinghamshire Shareholder Committee Annual Report 2022-23

**Relevant councillor(s):** John Chilver, Chairman of the Buckinghamshire Shareholder Committee

**Author/contact officer:** Richard Ambrose [Richard.ambrose@buckinghamshire.gov.uk](mailto:Richard.ambrose@buckinghamshire.gov.uk)  
Leslie Ashton [leslie.ashton@buckinghamshire.gov.uk](mailto:leslie.ashton@buckinghamshire.gov.uk)

**Ward(s) affected:** Not ward specific

**Recommendations:** Cabinet are asked to note the 2022-23 Annual Report of the Buckinghamshire Shareholder Committee and the work it has undertaken to date.

**Reason for decision:** As a sub-committee of Cabinet, it is good practice for the Shareholder Committee to report annually to Cabinet on the work it has undertaken over the previous financial year.

### Executive summary

- 1.1 The role of the Committee is to ensure that the Council's companies and limited liability partnerships act in the interests of the Council as shareholder and that best practice is being adhered to in delivering statutory arrangements. In doing so, the Committee contributes to the proper governance of the Council's subsidiaries. This added level of governance is more important than ever, following a number of other local authorities experiencing difficulties. Understanding the risks associated with wholly or jointly owned companies is a key task of the Committee.
- 1.2 This is the first year of the Shareholder Committee and producing an annual report to reflect the work and outcomes achieved by the Committee over the past year is considered good practice.
- 1.3 Members of the Shareholder Committee are not directors, and do not have any direct involvement, in any of the subsidiary bodies.

## **Background**

- 1.4 The creation of the Shareholder Committee was agreed by Cabinet in March 2022 to carry out the delegated shareholder responsibilities of the Council. The Shareholder Committee forms part of the overall governance arrangements for Buckinghamshire Council in relation to companies and other legal entities which are wholly or partly owned or controlled by the Council (including where such control comes about indirectly, such as via a loan agreement). Buckinghamshire Council has a number of mainly property based subsidiary companies and limited liability partnerships in place.
- 1.5 The Committee has met four times during the 2022-23 period as well as attending a training session, along with Company Directors, setting out the roles and responsibilities that their roles entail and the key risk areas that they are required to be aware of. The Committee has focused on and undertaken a number of key pieces of work. This includes reviewing business plans and the financial positions of each company/joint venture as well as producing Conflicts of Interest guidance for Members and Officers and undertaking a review of Directors to ensure consistency and resilience across companies/joint ventures.
- 1.6 In addition to maintaining an oversight of key risks and governance issues, the Committee's priorities for 2023-24 include creating a pool of trained potential future directors, strengthening risk management arrangements of the companies and reviewing best practice / learning from other local authority companies.
- 1.7 The 2022-23 Annual report is attached at Appendix 1.

## **Other options considered**

- 1.8 Not applicable

## **Legal and financial implications**

- 1.9 None specific, although understanding the financial position of each company has been a key part of the Committee's focus.

## **Corporate implications**

- 1.10 None. The formation of the Shareholder Committee was consistent with guidance issued by recognised bodies such as CIPFA and the best practice advice in the Local Authorities Companies Review Guidance led by Max Caller, Strategic Adviser and Lead Inspector for HM Government.

## **Consultation and communication**

1.11 The annual report was presented to the Shareholder Committee in its draft form on 28 March 2023. Comments and feedback from the Shareholder Committee have been incorporated in to the final version of the annual report which is attached at Appendix 1.

## **Next steps and review**

1.12 The Forward Plan of work for 2023-24 is currently being formalised, this work will include, amongst other things, a review of company risk registers, receiving 2022-23 financial statements, and reviewing 2024-25 Business Plans. The Committee has a minimum of four meetings planned for the ensuing Municipal Year and will produce a further Annual Report for Cabinet in May 2024, escalating anything as appropriate in the meantime.

## **Background papers**

[Buckinghamshire Shareholder Committee Papers](#)

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## **Aylesbury Vale Estates LLP**

### **Members' report and financial statements**

For the year ended 31 March 2023

Registered number: OC348364

**Aylesbury Vale Estates LLP**

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**Information**

<b>Designated members</b>	Buckinghamshire Council Akeman Partnership LLP
<b>LLP registered number</b>	OC348364
<b>Registered office</b>	128 Buckingham Palace Road London SW1W 9SA
<b>Independent auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL



**Aylesbury Vale Estates LLP**

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**Contents**

	Page
<b>Members' report</b>	1 - 2
<b>Independent auditor's report</b>	3 - 6
<b>Consolidated statement of comprehensive income</b>	7
<b>Consolidated statement of financial position</b>	8 - 9
<b>LLP statement of financial position</b>	10 - 11
<b>Consolidated reconciliation of members' interests</b>	12
<b>LLP reconciliation of members' interests</b>	
<b>Notes to the financial statements</b>	14 - 21

## Aylesbury Vale Estates LLP

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### Members' Report

For the year ended 31 March 2023

The members present their report and the financial statements of Aylesbury Vale Estates LLP ('the LLP') and its subsidiary (together 'the group') for the year ended 31 March 2023.

### Principal activities

The principal activity of Aylesbury Vale Estates LLP ('the LLP') and the group in the year under review was that of property investment and development.

### Designated members

Buckinghamshire Council and Akeman Partnership LLP were designated members of the LLP throughout the period.

### Members' capital and interests

Each member's subscription to the capital of the LLP is determined by their share of the profit and is repayable following retirement from the LLP.

### Members' responsibilities statement

The members are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and the Group and of the profit of the Group for that period.

In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the LLP and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of information to auditor

Each of the persons who are members at the time when this Members' Report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the Group's auditor is unaware, and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

**Aylesbury Vale Estates LLP**

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**Members' Report (continued)**

For the year ended 31 March 2023

This report was approved by the members and signed on their behalf by:

*Graham Cole*

Graham Cole (Dec 12, 2023 11:52 GMT)

.....  
**Akeman Partnership LLP**

Designated member

Date: 12 December 2023

12 December 2023

# Buzzacott

## Independent auditor's report to the members of Aylesbury Vale Estates LLP

For the year ended 31 March 2023

### Opinion

We have audited the financial statements of Aylesbury Vale Estates LLP (the 'parent LLP') and its subsidiaries (the 'Group') for the year ended 31 March 2023, which comprise the Group Statement of Comprehensive Income, the Group and LLP Statements of Financial Position, the Group Reconciliation of Members' Interests and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent LLP's affairs as at 31 March 2023 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent LLP's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's Report thereon. The members are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# Buzzacott

**Independent auditor's report to the members of Aylesbury Vale Estates LLP (continued)**  
For the year ended 31 March 2023

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, as applied to limited liability partnerships, requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent LLP, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent LLP financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the members were not entitled to prepare the financial statements in accordance with the small limited liability partnerships regime.

## **Responsibilities of members**

As explained more fully in the Members' Responsibilities Statement set out on page 1, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the Group's and the parent LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the Group or the parent LLP or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

*How the audit was considered capable of detecting irregularities including fraud:*

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we made enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual, suspected and alleged fraud;
- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements of the LLP through discussions with members and other management at the planning stage and during the audit; and
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect to fraud and non-compliance with laws and regulations.



**Independent auditor's report to the members of Aylesbury Vale Estates LLP (continued)**  
For the year ended 31 March 2023

**Auditor's responsibilities for the audit of the financial statements (continued)**

- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the LLP including the Companies Act 2006.

We assessed the extent of compliance with the laws and regulations identified above through:

- making enquiries of management;
- inspecting legal expenditure and correspondence throughout the year for any potential litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- determined the susceptibility of the LLP to management override of controls by checking the implementation of controls and enquiring of individuals involved in the financial reporting process;
- identified and challenged assumptions and judgements made by management in its significant accounting estimates;
- reviewed journal entries throughout the year to identify unusual transactions, particularly in relation to expenditure;
- performed analytical procedures to identify any large, unusual or unexpected transactions and investigated any large variances from the prior period;
- tested the completeness of income by reviewing rental agreements, recalculating income earned and investigating any material variances to expectations;
- reviewed the capabilities and independence of management experts;
- identified and challenged assumptions and judgements made by management in its significant accounting estimates, including valuation of the investment property; and
- carried out substantive testing, including random samples, to check the occurrence and cut-off of expenditure.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error as they may involve deliberate concealment or collusion. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

# Buzzacott

## Independent auditor's report to the members of Aylesbury Vale Estates LLP (continued)

For the year ended 31 March 2023

### Use of our report

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Wax (Senior statutory auditor)

for and on behalf of

**Buzzacott LLP**

Statutory Auditor

130 Wood Street

London

EC2V 6DL

12 December 2023

**Aylesbury Vale Estates LLP**


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**Consolidated Statement of Comprehensive Income**

For the year ended 31 March 2023

	<b>2023</b>	2022
	<b>£</b>	£
Turnover	<b>3,339,447</b>	3,336,379
Administrative expenses	<b>(1,662,957)</b>	(1,157,503)
Other operating income	<b>66,519</b>	63,026
Profit on sale of investment property	<b>14,000</b>	1,143,500
	<hr/>	<hr/>
<b>Operating profit</b>	<b>1,757,009</b>	3,385,402
Interest payable and expenses	<b>(1,666,993)</b>	(1,716,892)
	<hr/>	<hr/>
<b>Profit before members' remuneration and profit shares available for discretionary division among members</b>	<b>90,016</b>	1,668,510
	<hr/> <hr/>	<hr/> <hr/>
<b>Profit for the year attributable to:</b>		
Owners of the parent LLP	<b>90,016</b>	1,668,510
	<hr/> <hr/>	<hr/> <hr/>

There were no recognised gains and losses for 2023 or 2022 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2023(2022:£NIL).

The notes on pages 14 to 21 form part of these financial statements.



## Aylesbury Vale Estates LLP - Registered number: OC348364

## Consolidated Statement of Financial Position

As at 31 March 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investment property	6	38,339,589	40,910,500
<b>Current assets</b>			
Stocks	7	6,707,687	7,776,649
Debtors: amounts falling due within one year	8	123,128	870,765
Cash at bank and in hand	9	3,825,269	4,747,536
		<u>10,656,084</u>	<u>13,394,950</u>
Creditors: amounts falling due within one year	10	(784,488)	(725,175)
<b>Net current assets</b>		<u>9,871,596</u>	<u>12,669,775</u>
<b>Net assets</b>		<u><u>48,211,185</u></u>	<u><u>53,580,275</u></u>
<b>Capital and reserves</b>			
<b>Loans and other debts due to members within one year</b>			
Other amounts	11	33,655,513	34,589,211
<b>Members' other interests</b>			
Members' capital classified as equity		2,564,646	2,564,646
Revaluation reserve classified as equity		19,059,185	23,277,185
Other reserves classified as equity		(7,068,159)	(6,850,767)
		<u>14,555,672</u>	<u>18,991,064</u>
		<u><u>48,211,185</u></u>	<u><u>53,580,275</u></u>
<b>Total members' interests</b>			
Loans and other debts due to members	11	33,655,513	34,589,211
Members' other interests		14,555,672	18,991,064
		<u>48,211,185</u>	<u>53,580,275</u>

**Aylesbury Vale Estates LLP - Registered number: OC348364**

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**Consolidated Statement of Financial Position (continued)**

As at 31 March 2023

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 12 December 2023.

*Graham Cole*

Graham Cole (Dec 12, 2023 11:52 GMT)

.....  
**Akeman Partnership LLP**

Designated member

The notes on pages 14 to 21 form part of these financial statements.

## Aylesbury Vale Estates LLP - Registered number: OC348364

## LLP Statement of Financial Position

As at 31 March 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investments	5	2,000,000	2,000,000
Investment property		34,189,589	36,760,500
		<u>36,189,589</u>	<u>38,760,500</u>
<b>Current assets</b>			
Stocks	7	6,707,687	7,776,649
Debtors: amounts falling due within one year	8	2,609,043	2,742,441
Cash at bank and in hand	9	3,704,088	4,690,131
		<u>13,020,818</u>	<u>15,209,221</u>
Creditors: amounts falling due within one year	10	(654,577)	(603,469)
<b>Net current assets</b>		<u>12,366,241</u>	<u>14,605,752</u>
<b>Net assets</b>		<u>48,555,830</u>	<u>53,366,252</u>
<b>Capital and reserves</b>			
<b>Loans and other debts due to members within one year</b>			
Other amounts		28,943,013	29,526,711
<b>Members' other interests</b>			
Members' capital classified as equity		2,564,645	2,564,645
Revaluation reserve classified as equity		18,468,050	22,686,050
Other reserves classified as equity		(1,419,878)	(1,411,154)
		<u>19,612,817</u>	<u>23,839,541</u>
		<u>48,555,830</u>	<u>53,366,252</u>
<b>Total members' interests</b>			
Loans and other debts due to members		28,943,013	29,526,711
		<u>28,943,013</u>	<u>29,526,711</u>

**Aylesbury Vale Estates LLP - Registered number: OC348364**

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**LLP Statement of Financial Position (continued)**

As at 31 March 2023

The entity's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

The financial statements were approved and authorised for issue by the members on 12 December 2023, and were signed on their behalf by:

*Graham Cole*  
Graham Cole (Dec 12, 2023 11:52 GMT)

.....  
**Akeman Partnership LLP**  
Designated member

The notes on pages 14 to 21 form part of these financial statements.

## Aylesbury Vale Estates LLP

## Consolidated Reconciliation of Members' Interests

For the year ended 31 March 2023

	EQUITY			Total	DEBT	Total members' interests
	Members' other interests				Loans and other debts due to members less any amounts due from members in debtors	
	Members' capital (classified as equity)	Revaluation reserve	Other reserves	Total	Other amounts	Total
	£	£	£	£	£	£
Amounts due to members					35,489,162	
Amounts due from members					(600)	
<b>Balance at 1 April 2021</b>	<b>2,564,646</b>	<b>17,148,028</b>	<b>(8,489,277)</b>	<b>11,223,397</b>	<b>35,488,562</b>	<b>46,711,959</b>
Profit for the year available for discretionary division among members	-	-	1,668,510	1,668,510	-	1,668,510
<b>Members' interests after profit for the year</b>	<b>2,564,646</b>	<b>17,148,028</b>	<b>(6,820,767)</b>	<b>12,891,907</b>	<b>35,488,562</b>	<b>48,380,469</b>
Distributions	-	-	(680,000)	(680,000)	-	(680,000)
Movement in reserves	-	6,129,157	650,000	6,779,157	-	6,779,157
Amounts introduced by members	-	-	-	-	600	600
Repayment of debt	-	-	-	-	(899,951)	(899,951)
Amounts due to members					34,589,211	
<b>Balance at 31 March 2022</b>	<b>2,564,646</b>	<b>23,277,185</b>	<b>(6,850,767)</b>	<b>18,991,064</b>	<b>34,589,211</b>	<b>53,580,275</b>
Profit for the year available for discretionary division among members	-	-	90,015	90,015	-	90,015
<b>Members' interests after profit for the year</b>	<b>2,564,646</b>	<b>23,277,185</b>	<b>(6,760,752)</b>	<b>19,081,079</b>	<b>34,589,211</b>	<b>53,670,290</b>
Distributions	-	-	(600,000)	(600,000)	-	(600,000)
Movement in reserves	-	(4,218,000)	292,593	(3,925,407)	-	(3,925,407)
Repayment of debt	-	-	-	-	(933,698)	(933,698)
Amounts due to members					33,655,513	
<b>Balance at 31 March 2023</b>	<b>2,564,646</b>	<b>19,059,185</b>	<b>(7,068,159)</b>	<b>14,555,672</b>	<b>33,655,513</b>	<b>48,211,185</b>

The notes on pages 14 to 21 form part of these financial statements.

## Aylesbury Vale Estates LLP

## LLP reconciliation of members' interests

For the year ended 31 March 2023

	EQUITY			Total	DEBT	Total
	Members' other interests				Loans and other debts due to members less any amounts due from members in debtors	
	Members' capital (classified as equity) £	Revaluation reserve £	Other reserves £	Total £	Other amounts £	Total £
Amounts due to members					30,076,662	
Amounts due from members					(600)	
<b>Balance at 1 April 2021</b>	<b>2,564,645</b>	<b>17,148,028</b>	<b>(3,071,882)</b>	<b>16,640,791</b>	<b>30,076,062</b>	<b>46,716,853</b>
Profit for the year available for discretionary division among members	-	-	1,690,728	1,690,728	-	1,690,728
<b>Members' interests after profit for the year</b>	<b>2,564,645</b>	<b>17,148,028</b>	<b>(1,381,154)</b>	<b>18,331,519</b>	<b>30,076,062</b>	<b>48,407,581</b>
Distributions	-	-	(680,000)	(680,000)	-	(680,000)
Movement in reserves	-	5,538,022	650,000	6,188,022	-	6,188,022
Amounts introduced by members	-	-	-	-	600	600
Repayment of debt	-	-	-	-	(549,951)	(549,951)
Amounts due to members					29,526,711	
<b>Balance at 31 March 2022</b>	<b>2,564,645</b>	<b>22,686,050</b>	<b>(1,411,154)</b>	<b>23,839,541</b>	<b>29,526,711</b>	<b>53,366,252</b>
Profit for the year available for discretionary division among members	-	-	298,683	298,683	-	298,683
<b>Members' interests after profit for the year</b>	<b>2,564,645</b>	<b>22,686,050</b>	<b>(1,112,471)</b>	<b>24,138,224</b>	<b>29,526,711</b>	<b>53,664,935</b>
Distributions	-	-	(600,000)	(600,000)	-	(600,000)
Movement in reserves	-	(4,218,000)	292,593	(3,925,407)	-	(3,925,407)
Repayment of debt	-	-	-	-	(583,698)	(583,698)
Amounts due to members					28,943,013	
<b>Balance at 31 March 2023</b>	<b>2,564,645</b>	<b>18,468,050</b>	<b>(1,419,878)</b>	<b>19,612,817</b>	<b>28,943,013</b>	<b>48,555,830</b>

The notes on pages 14 to 21 form part of these financial statements.

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests.

## Aylesbury Vale Estates LLP

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### Notes to the Financial Statements

For the year ended 31 March 2023

#### 1. General information

Aylesbury Vale Estates LLP is a limited liability partnership incorporated in England & Wales. The registered office is 128 Buckingham Palace Road, London, SW1W 9SA. The registered number is OC348364.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and the Companies Act 2006 and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships'.

The LLP has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

##### 2.2 Going concern

The members have considered their expectations and intentions for the next twelve months and the availability of working capital, and believe that the LLP is a going concern. In reaching this conclusion, they have considered the property valuations obtained, the movements in the wider market, as well as rents recovered, and new leases agreed during the reporting period.

The members do not consider this to be cause for material uncertainty in respect of the LLP's ability to continue as a going concern. Therefore have prepared the financial statements on a going concern basis.

##### 2.3 Basis of consolidation

The consolidated financial statements present the results of the LLP and its own subsidiaries (the group') as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

**Aylesbury Vale Estates LLP**

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**Notes to the Financial Statements**

For the year ended 31 March 2023

**2. Accounting policies (continued)****2.4 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

**Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Other operating income represents the reimbursement of construction expenses recognised on an accruals basis.

**2.5 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.6 Borrowing costs**

All borrowing costs are recognised in the profit or loss in the year in which they are incurred.

**2.7 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.8 Division and distribution of profits**

A division of profits is the mechanism by which the profits of a Group become a debt due to members. A division may be automatic or discretionary, may relate to some or all of the profits for a financial period and may take place during or after the end of a financial period.

An automatic division of profits is one where the Group does not have an unconditional right to avoid making a division of an amount of profits based on the members' agreement in force at the time, whereas a discretionary division of profits requires a decision to be made by the Group, which it has the unconditional right to avoid making.

The Group divides profits automatically. Automatic divisions of profits are recognised as 'Members' remuneration charged as an expense' in the Consolidated Statement of Comprehensive Income.



## Aylesbury Vale Estates LLP

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### Notes to the Financial Statements

For the year ended 31 March 2023

## 2. Accounting policies (continued)

### 2.9 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

### 2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the profit or loss for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

### 2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

### 2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.13 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.14 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

## Aylesbury Vale Estates LLP

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### Notes to the Financial Statements

For the year ended 31 March 2023

#### 3. Employees

The average monthly number of employees, including directors, during the year was 0 (2022 - 0).

#### 4. Parent LLP profit for the year

The LLP has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent LLP for the year was £298,683 (2022 -£1,690,728).

#### 5. Fixed asset investments

##### LLP

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 April 2022	2,000,000
At 31 March 2023	<u>2,000,000</u>
<b>Net book value</b>	
At 31 March 2023	<u><u>2,000,000</u></u>
At 31 March 2022	<u><u>2,000,000</u></u>

##### Subsidiary undertaking

The following was a subsidiary undertaking of the LLP:

Name	Registered office	Principal activity	Holding
Hale Leys LLP	128 Buckingham Palace Road	This is a property investment of Hale Leys shopping centre	99%

The LLP is incorporated in England and Wales.

**Aylesbury Vale Estates LLP****Notes to the Financial Statements**

For the year ended 31 March 2023

**6. Investment property****Group**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 April 2022	40,910,500
Additions at cost	119,960
Disposals	(10,000)
Deficit on revaluation	(4,209,000)
Transfer from stock	1,528,129
<b>At 31 March 2023</b>	<b>38,339,589</b>

The 2023 valuations were made by Colliers International Valuation UK LLP, on an open market value for existing use basis.

**LLP**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 April 2022	36,760,500
Additions at cost	119,960
Disposals	(10,000)
Deficit on revaluation	(4,209,000)
Transfer from stock	1,528,129
<b>At 31 March 2023</b>	<b>34,189,589</b>

The 2023 valuations were made by Colliers International Valuation UK LLP, on an open market value for existing use basis.

## Aylesbury Vale Estates LLP

**Notes to the Financial Statements**  
 For the year ended 31 March 2023
**7. Stocks**

	<b>Group</b> <b>2023</b> £	Group 2022 £	<b>LLP</b> <b>2023</b> £	LLP 2022 £
Work in progress	<b>6,707,687</b>	7,776,649	<b>6,707,687</b>	7,776,649

**8. Debtors**

	<b>Group</b> <b>2023</b> £	Group 2022 £	<b>LLP</b> <b>2023</b> £	LLP 2022 £
Trade debtors	<b>45,100</b>	776,089	<b>(4,774)</b>	664,751
Amounts owed by group undertakings	-	-	<b>2,558,231</b>	2,063,243
Other debtors	<b>56,087</b>	75,732	<b>55,586</b>	14,447
Prepayments and accrued income	<b>21,942</b>	18,944	-	-
	<b>123,129</b>	870,765	<b>2,609,043</b>	2,742,441

**9. Cash and cash equivalents**

	<b>Group</b> <b>2023</b> £	Group 2022 £	<b>LLP</b> <b>2023</b> £	LLP 2022 £
Cash at bank and in hand	<b>3,825,269</b>	4,747,536	<b>3,704,088</b>	4,690,131
	<b>3,825,269</b>	4,747,536	<b>3,704,088</b>	4,690,131

**10. Creditors: amounts falling due within one year**

	<b>Group</b> <b>2023</b> £	Group 2022 £	<b>LLP</b> <b>2023</b> £	LLP 2022 £
Trade creditors	<b>98,717</b>	85,380	<b>87,873</b>	77,880
Other taxation and social security	<b>35,512</b>	23,047	<b>35,512</b>	23,047
Other creditors	<b>428,991</b>	326,907	<b>334,973</b>	285,801
Accruals and deferred income	<b>221,268</b>	289,841	<b>196,219</b>	216,741
	<b>784,488</b>	725,175	<b>654,577</b>	603,469

## Aylesbury Vale Estates LLP

## Notes to the Financial Statements

For the year ended 31 March 2023

## 11. Loans and other debts due to members

	Group 2023 £	Group 2022 £	LLP 2023 £	LLP 2022 £
Other amounts due to members	<b>33,655,513</b>	34,589,211	<b>28,943,013</b>	29,526,711

Loans and other debts due to members may be further analysed as follows:

	Group 2023 £	Group 2022 £	LLP 2023 £	LLP 2022 £
Current accounts	<b>386,300</b>	386,300	<b>386,300</b>	386,300
Falling due within one year	<b>8,254,516</b>	8,218,698	<b>6,004,516</b>	5,968,698
Falling due due within one and five years	<b>4,282,271</b>	4,115,631	<b>2,882,271</b>	2,715,631
Falling due after five years	<b>20,732,426</b>	21,868,582	<b>19,669,926</b>	20,456,082
	<b>33,655,513</b>	34,589,211	<b>28,943,013</b>	29,526,711

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

## 12. Secured debts within loans and other debts due to members

The following secured debts are included within members' interests:

	2023 £	2022 £
Deferred consideration debt loan notes	<b>23,171,988</b>	<b>22,712,990</b>
BC loan notes	<b>2,692,500</b>	<b>2,692,500</b>
BC mezzanine loan	<b>1,900,000</b>	<b>1,900,000</b>
BC refinancing loan	<b>3,512,500</b>	<b>3,512,500</b>
Deferred distribution loan	<b>1,042,421</b>	<b>1,042,421</b>
Akeman Partnership loan	<b>2,692,500</b>	<b>2,692,500</b>
	<b>35,011,909</b>	<b>34,552,911</b>

All loan notes issued by the LLP are secured by a first legal mortgage over all properties held by the LLP and a first fixed charge over all other assets held by the LLP.

## Aylesbury Vale Estates LLP

### Notes to the Financial Statements

For the year ended 31 March 2023

#### 13. Commitments receivable under operating leases

At 31 March 2023 the Group and the LLP had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2023</b>	Group 2022	<b>LLP 2023</b>	LLP 2022
	£	£	£	£
Not later than 1 year	<b>2,200,323</b>	2,720,538	<b>1,774,686</b>	2,113,962
Later than 1 year and not later than 5 years	<b>3,583,014</b>	4,985,900	<b>2,769,832</b>	3,442,612
Later than 5 years	<b>8,899,088</b>	9,715,198	<b>8,807,075</b>	9,288,945
	<b>14,682,425</b>	17,421,636	<b>13,351,593</b>	14,845,519

#### 14. Related party transactions

The purchase of the properties was partly funded by loan notes provided by Buckinghamshire Council, as detailed in the table below:

	<b>Balance at 31 March 2023</b>	<b>Interest charged 2023</b>	<b>Balance at 31 March 2022</b>	<b>Interest charged 2022</b>
	£	£	£	£
Deferred consideration debt loan notes	<b>22,129,567</b>	<b>1,350,101</b>	<b>22,712,990</b>	<b>1,383,573</b>
Short term loan	<b>1,042,421</b>	<b>62,545</b>	<b>1,042,421</b>	<b>62,545</b>
AVDC loan notes	<b>2,692,500</b>	-	<b>2,692,500</b>	-
	<b>25,864,488</b>	<b>1,412,646</b>	<b>26,447,911</b>	<b>1,446,118</b>

During the year, the group incurred rates of £68,185 (2022 - £27,623), which are considered to be at the open market value, from Buckinghamshire Council. During the year, the LLP also received rates refunds of £5,578 (2022 - £83,262).

Buckinghamshire Council is a related party by virtue of being a member of the group.

The purchase of the properties was additionally funded by Akeman Partnership LLP. At the balance sheet date, the group owed Akeman Partnership LLP £2,692,500 (2022 - £2,692,500) by way of loan notes. No interest charge was incurred on these loan notes during the year. At year end, a balance of £nil (2022 - £nil) is also due from Akeman Partnership LLP relating to expenses paid by the group.

During the year, the group incurred asset management fees of £447,455 (2022 - £437,801) from Akeman Asset Management LLP.

At the balance sheet date, the group owed £44,745 (2022 - £33,780) to Akeman Asset Management LLP as a trade creditor. Akeman Asset Management LLP, also held cash balances of £2,534 (2022 - £37,708) on behalf of the Aylesbury Vale Estates LLP.

Akeman Asset Management LLP is a joint venture between Guildhouse UK Limited and Ingman Capital Partners Limited; Guildhouse UK Limited is a related party by virtue of its influence over Guildhill Investor LLP. Guildhill Investor LLP wholly owns Akeman Partnership LLP.

### Aylesbury Vale Estates Performance against Business Plan 2023-4

Below is a summary of the key financial targets set out in the 2023 Business Plan as well as FY 2023/24 actuals/forecast.

	2023/24 Business Plan	Full Year 2023/24 Forecast		
		AVE	Hale Leys LLP	Total
Rent Invoiced	£2.79 m	£2.62 m	£0.63 m	£3.25 m
Rent Received	£2.79 m	£2.60 m	£0.58 m	£3.18 m
Capital Receipts	£10.00 m	£2.78 m	£0.00 m	£2.78 m
Void level of portfolio	10.2%	0%	13.7%	3.24%
Debt amortisation & repayment	£0.97 m	£0.62 m	£0.35 m	£0.97 m
Distribution to members	£0.60 m	£2.78 m	£0.00 m	£2.78 m

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## Implementation of BA Business Plan 2023/24

Member Director: John Chilver  
 Operational Directors: Steve Bowles  
 Lisa Michelson  
 Richard Harrington

## Progress 2022/23:

- Secured planning consent April 2022.
- Cleared judicial review May 2022
- Reached agreement with Taylor Wimpey to submit Reserved matters application
- Option Agreements (Evetts lawyer advice, Lear Agent request)
- Mitigation land Agreement
- Met with various interest development parties
- Awaited confirmation of future role of council.

**Priorities 2024:**

1. BA to secure a relevant planning permission by means of securing a reserved matters consent for Phase 1A.

Reserved Matters application submitted autumn 2023. Design Code approval anticipated February 2024, Reserved Matters approval expect July 2024.

2. BA to invite Taylor Wimpey to implement Phase 1A to protect the Woodlands planning consent.

Taylor Wimpey currently awaiting Reserved Matters approval. Latest forecast is commencement of Woodlands Roundabout (Phase 1A in Autumn 2024 with completion in 2025/26).

3. BA to agree a disposal strategy with the Evett family following grant of a relevant planning permission, to include determining the role that Buckinghamshire Council may wish to undertake going forward and to appoint a development partner to lead the implementation of the Woodlands project.

BA has agreed to the principle of deferral of their marketing and disposal obligations under the Evett Promotion Agreement in favour of Buckinghamshire Council leading and committing HIF funds to Woodlands infrastructure delivery. BA/Evetts agreement expected February 2024. Buckinghamshire Council commencement of marketing of the site to follow shortly after.

4. Once a development lead is agreed and appointed BA will meet to determine whether to continue or dissolve.

Development Partner expected to be appointed Autumn 2024 at which point BA to reconcile its finances and decide on future governance arrangements.

5. In parallel with BA activity Buckinghamshire Council will determine the cost of the ELR, agree upon its future role in respect of Woodlands delivery including its contractual commitment for the delivery of the ELR and assist BA in finding the appropriate development partner.

As above.

**Governance:**

The company continues on a single project (task and finish) basis.

Governance does require updating though all company resource is current focused towards project delivery.

**Finances:**

BA has sufficient finances to meet likely revenue costs of the year ahead see appendix 1. Additional funds will be required to meet option and mitigation land lease costs though these are scheme costs and BA is not contractually committed to bare them.

BA continue to have sufficient funds to discharge its core function but not to take on new obligations not to meet future costs relating to tax compliance unless a successful of Woodlands occurs and is enable to charge the land owner for services provided under the Promotion Agreement.

## Consilio Property Limited

### Review of the 21-23 Business plan activity.

- 1.0 The 21-23 business plan described three sites for viability investigations by Consilio, with a view to possible affordable residential development. Two additional sites were also considered. Only one site, the proposed development at Stoke Mandeville for which the Council has submitted an outline planning application, was considered viable as a development opportunity for Consilio. A summary of the site assessment work undertaken by Consilio is shown below.

**Stoke Mandeville former sports and social club** – A proposed mixed residential development with potential for 100 residential units with a high proportion of affordable and key-worker housing, including a potential for housing for vulnerable adults and children. Around 25% of the houses would be sold on the open market to help deliver affordable housing. The Council has submitted an outline planning application for this site, which is currently pending. Consilio has undertaken a viability assessment and has drafted a proposal for the company to act as master developer at this location, should planning consent be achieved. This draft proposal, or ‘offer’ for the site, which includes a financial business case, will be submitted to the Council’s property team for consideration, in February 2024. More information can be found in the 2023-29 draft Consilio Business plan.

**Horns Lane, High Wycombe** – A site in High Wycombe with outline planning permission for a mixed residential development of up to 50 dwellings. Consilio could not compete financially for this development that was in line with Consilio’s current business model to bring forward an affordable housing element at this location. The opportunity was therefore not considered further.

**The Courtyard, Cressex, High Wycombe.** Different viability assessments for this potential site showed that the site was not financially viable for Consilio to bring forward discounted market rent or affordable housing on without additional financial support in the form of government grants, which Consilio cannot access as it is not an RP. The opportunity was therefore not considered further.

**Wooburn Mead, Wooburn Green.** Viability assessments for this potential development site demonstrated that the return for Consilio would be minimal as the site was on a relatively small scale and it faced some challenges in respect of ecology and parking. The opportunity was therefore not considered further.

- 2.0 **Financial objective**

2.1 The 21-23 business plan also stated the intention to maintain a sustainable financial self-sufficiency, with the mid to long term objective to deliver a year-on-year net portfolio return, after interest payments but before tax and dividends, of at least 3% from investment activities. Progress is shown in table 1, below.

2.2 Table 1. Net portfolio return after interest, before tax and dividends.

		<i>Property Income</i>	<i>Direct property Expenses (incl. interest)</i>	<i>Net portfolio return</i>	<i>Year on year increase (target 3% per 2022 Business Plan)</i>
		£	£	£	£
<i>Actual</i>	Y/E March 2022	1616218	-	563,819	
<i>Actual</i>	Y/E March 2023	1704405	-	580,317	2.9%
<i>Forecast</i>	Y/E March 2024	1739559	-	640,457	10.4%

*Total increase from March 2022 to March 2024 forecasted net portfolio return is 13.6% over a 24-month period, in excess of the 3% year on year target in the 2022 Business Plan due in part to the rent review on Travelodge in 2023.*

### 3.0 **Obtaining Registered Provider (RP) status**

3.1 To achieve final planning compliance for the affordable housing at Tatling End, it has been agreed that the affordable units may be subject to a long-term management lease to an RP. This would bring planning compliance as the units would be subject to the same regulatory regime as other 'affordable housing' for the term of the management lease. However, upon expiry of the management lease, the property could return to Consilio, as the freeholder, as an asset. Some preparatory work has been done in this respect and an RP has been approached to gauge interest, with positive feedback.

3.2 However, this matter is currently in abeyance, until a further steer is obtained from the shareholder regarding the potential disposal of the units to an RP. This is likely to be in the near future. As well as delivering a capital receipt for Consilio, this route would also bring full planning compliance in respect of the affordable housing aspect.

3.3 Legal advice has been obtained on gaining future RP status, and it appears that the most advantageous status would be as a 'not for profit' RP. A new subsidiary of Consilio would need to be established, as the RP is required to have an independent board of directors. This new board could have Consilio directors in its membership, but they would have to be in a minority to ensure independence of the board. The independent board would have to approve all activity in respect of any property vested with the RP and unless minded otherwise, the board could retain the asset indefinitely.

- 3.4 However, a major advantage of the RP status is that grant funding may be accessed by Consilio to future subsidise the creation of affordable and socially rented housing. Establishing a new RP entails a considerable administrative burden, with the final cost likely to be in excess of £100k, as professional legal and property advice will be required. The anticipated timescale is 12 to 18 months to completion, provided all governance requirements can be met and formally demonstrated to the regulatory body.
- 3.5 Owing to the above resource and financial implications, the RP application process has not yet been started. The prospect of access to grant funding is a compelling reason to obtain RP status at a future date as this would enable the Consilio RP subsidiary to compete more effectively with other RPS and providers and deliver more units of affordable housing for Buckinghamshire. Once the direction of travel for the company is agreed by the shareholder, and if this involves preferential consideration for unused council owned sites, and an active role as an affordable housing delivery arm for the Council, the RP application status might be commenced.

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## Finance & Resources Select Committee

<b>Date:</b>	FRSC 22 <sup>ND</sup> Feb
<b>Title:</b>	<b>Estates Strategy Update</b>
<b>Cabinet Member(s):</b>	Cabinet Member for Accessible Housing and Resources
<b>Contact officer:</b>	Sarah Murphy Brookman and John Reed
<b>Ward(s) affected:</b>	Amersham, Aylesbury, and Wycombe
<b>Recommendations:</b>	<p>Note progress on the Estates Strategy set out in the report and in particular:</p> <ul style="list-style-type: none"><li>• Rationalisation achieved to date and savings achieved.</li><li>• Key milestones achieved concerning the progress of the closure of King George V House.</li><li>• The receipt of the Certificate of Immunity from Listing for New County Offices in Aylesbury.</li></ul>
<b>Reason for recommendation:</b>	The Estates Strategy has made significant progress as set out in the report and remains on target to achieve MTFP savings targets.

## **1. Executive summary**

- 1.1 The Council's Cabinet considered the Council's wider operational office requirement and approved the Estates Strategy at its meeting on 5th January 2023. This is attached in Appendix 1. A further report was approved at Cabinet on 12<sup>th</sup> December 2023 regarding the closure and sale of King George V House in Amersham. This is attached in Appendix 2.
- 1.2 This update report covers the following:
- The progress of the Council's estates strategy, which aims to reduce the Council's property portfolio and generate capital receipts and revenue savings reflecting organisational needs.
  - The impact of the Covid-19 pandemic on the council's office accommodation and working arrangements, and the current rollout of the Council's workplace strategy.
  - The challenges and risks associated with the delivery of the estate strategy, such as the uncertainty of the property market, the availability of funding, and the alignment with the Council's wider corporate objectives.
  - The update also highlights the achievements and benefits of the estates' strategy so far, such as the letting and proposed disposal of surplus properties, the generation of capital receipts, and the reduction in annual running costs together with carbon savings.
- 1.3 The Estates Strategy programme agreed by Cabinet sets out to achieve £2.4m in revenue savings pa and a minimum capital receipt of £6m to support the Council's wider capital programme.
- 1.4 This Estates Strategy programme remains on target to achieve the original financial and operational savings, these are set out in the Finance comment in this report and the original report which is included in Appendix 1.



## **2. Overview of Office Estates Strategy Update**

2.1 The Council's Cabinet considered the wider operational office and approved the Estates Strategy at its meeting on 5th January 2023 (Appendix 1).

2.2 The Estates Strategy update gives a summary of the achievements and results of the Council's estates strategy for the period from January 2020 to December 2023. The update includes the following topics:

- The aims and values of the estate's strategy, such as making the best use and benefit of the Council's property assets, delivering operational and financial savings, supporting service change and regeneration, and improving customer and staff satisfaction.
- The range and approach of the estate's strategy and the execution of a prioritised and phased delivery plan.
- The outputs and performance measures of the estate strategy, such as the total floor area, occupancy rate, carbon saving, accessibility, suitability, and customer feedback of the Council's operational property assets.
- The Estates Strategy update shows the council's approach to managing its property assets effectively and efficiently, in line with its corporate vision and values, and by the changing needs and expectations of its customers and stakeholders as well as organisational change post covid.

2.3 Post covid we have seen the impact of home working and the more general changes in the operation of the workplace. The Estates Strategy is being delivered and responding to those changes and the strategy is based on data collected through Service Now and direct headcounts undertaken over 18 months at each of the office locations. This has informed the Council's strategies. This collection of data has shown that the Council offices are no longer occupied or used in a way that reflects the working environment pre covid. The Council is also not seeing any dramatic changes to this landscape about our staff occupation of offices either corporately or more generally.

2.4 In the period of implementation to date the Council has achieved the following:

- Closure and letting of the Council offices at Easton Street in High Wycombe creating a revenue saving from reduction in costs and income from rent. This was a decision linked to the relocation of the County Children Services in Easton Street to new offices in the Old Library at Wycombe taken by the County Council. It was identified as surplus to requirements and a move to Wycombe Old Library was planned. Once Children's Services moved and after a short marketing campaign and through contacts realised by the Council One Public Estate programme, Oxfordshire Mental Health Teams moved into the Easton Street offices under the

terms of a lease creating both a revenue saving from the disposal of the operational estate and a rental income. Oxfordshire Mental Health Teams remain in occupation.

- Reviews of staff occupation in the period post covid showed that Wycombe Old Library was significantly underutilised. Given the immediate proximity of the adjacent Council Offices at Queen Victoria Road, a Cabinet decision was taken on 5<sup>th</sup> January 2023 to close the office, relocate staff across the road and offer the building to the market. As a result of the marketing, the building has been let to Patch a company providing neighbourhood space for work, community, and events. The nature of the business and services provided are described in more detail at [www.patch.work/high-wycombe](http://www.patch.work/high-wycombe).
- The data captured post covid through Service Now, and by direct counts of staff in the office quickly showed that several floors in the New County Offices in Aylesbury could be closed making in-year savings from cleaning, facilities costs, electricity, and other savings. Surplus floors have now been closed with no residual need to re-open. The floors closed were 12,11, 8 and 7.
- Closure of offices at Capswood. The lease ends in December 2026 and there is currently no intention to either open the office again or renew the lease. The Council has had some success in letting the offices short term to secure interim income to offset operational costs. These are in the order of £141,250. Officers have engaged with the landlord over a prolonged period to take an early surrender of the lease, but the landlord is not interested in progressing discussions.
- An application for a Certificate of Immunity from Listing for the New County Offices in Aylesbury was made and the Secretary of State has approved the Certificate which will enable the Council to consider its plans for the building and the wider site without the building becoming Listed. This will also support regeneration opportunities in Aylesbury town centre.
- The Gateway in Aylesbury has been confirmed as the Corporate Headquarters and a phase 1 fit-out of the second floor has been delivered. This reflects a new operating model with discreet booths, plenty of break-out space, improved tea and coffee-making facilities and a kitchen area to support hybrid working. This has generally been very well received. Further work will be done to support a Cabinet decision on the wider rollout of the refurbishment of the offices at the Gateway on both wings. This work is planned over the coming months.

- The Council closed most of its offices at King George V House in January 2024, as part of a transference of service provision to Queen Victoria Road Offices Wycombe and the first floor of Chesham Library. The project remains on target to close fully by June 2024, achieving the anticipated capital receipt and revenue savings set out in the original report which is included in Appendix 2.
- We have made amendments to the delivery of services including operationally regarding Customer Access Points. These are set out in the Appendices, particularly about King George V house.
- All KGV IT services including main corporate network links are being relocated to other locations. This work will be completed by December 2024.
- The savings achieved through the KGVH strategy are set out in the confidential appendix 3.

### **3. Other options considered.**

- 3.1 Other options have been considered throughout the programme; these are set in the two reports attached to this report.
- 3.2 Further reports will be developed for both the Gateway and NCO for Cabinet consideration.

## **4. Legal and financial implications**

### **4a Finance Comment**

- 4.1 The Estates Strategy has a £2.4m Revenue Savings target built into the Council's MTFP, to be delivered in full by 27-28.
- 4.2 To date the following savings have been delivered through estate rationalisation:
- Closure of KGVH - £1.0m pa, will be fully realised by 2025-26 following disposal.
  - Old Wycombe Library sub-letting – £0.2m pa
- 4.3 The remaining savings £1.2m of savings will come from the closure and planned disposal of the New County Offices and exiting the lease from Capswood office (lease expiry: December 2026).

Linked to the Estates Strategy, we have also:

- Sub-let the Easton Street Office in High Wycombe, which has generated income and savings on rates and utilities totalling £0.575m pa comprising £300k pa revenue savings and £275k pa rental income, contributing to Property's general rental MTFP income targets.
- Hired out our Capswood offices for Filming, with the income helping to temporarily offset void costs on empty sub-let space. To date, the letting has generated £141,250 of income.

4.4 In addition, the Capital Medium Term Financial Plan includes a Capital Receipts income target of £6m of net receipt from the sale of the KGVH site, to be delivered by 2026-27. This value is net of costs, including the costs to fit out Chesham Library with alternative office space. The Capital budget does not yet include any assumptions around NCO disposal and the cost of re-providing office space in Aylesbury, as those options are still in the early stages of development.

#### **4b Director of Legal & Democratic Services comment**

4.1 Submitted for review, awaiting feedback.

#### **4c Section 151 Officer comment**

4.1 The Council's MTFP Budget has recently been updated to reflect the timescale of delivery of Revenue savings from the closure of offices. The full savings of £2.4m will be delivered following the NCO disposal and exit of the Capswood lease. The Council's Capital Programme includes a budget for the fit-out of Chesham Library and receipts from the sale of KGVH in Amersham. Any decisions relating to the future use of NCO will be added to the Capital Programme as the closure and disposal are taken forward for a formal decision.

## **5. Corporate implications**

5.1 This section will need to include the relevant [corporate plan](#) priority relating to this report and make reference to any other implication that needs to be taken into account including, but not limited to:

- a) Property – These are set out in this report and appendices.
- b) HR – These are set out in this report and appendices.
- c) Climate change – These are set out in this report and appendices. The carbon saving from a reduction in the operational footprint of the estate is a contribution towards the Council’s overall aims and ambitions.
- d) Sustainability – These are set out in the appendices.
- e) Equality (does this decision require an equality impact assessment) – These are set out in the appendices.
- f) Data (does this decision require a data protection impact assessment) – These are set out in the appendices.
- g) Value for money – These are set out in the appendices.
- h) Health & Safety – These are set out in the appendices.

## **6. Local councillors & community boards consultation & views**

6.1 Local Member and all member briefings have been held and have been a key part of the delivery of the programme.

6.2 Member consultation will continue about the ongoing delivery of the programme and the new initiatives such as New Council Offices and the potential sale of King George V House.

## **7. Communication, engagement & further consultation**

- 7.1 Communication and consultation with Members, Unions, Employee Reps and Staff has been a significant part of the programme.
- 7.2 Union and Employee Representatives have been kept updated on any proposed changes to allow them to best support council colleagues, also allowing for consultation where appropriate, to be completed as required.
- 7.3 Face-to-face and virtual meetings with staff impacted by any office closures or moves have been held providing an opportunity for questions to be raised and answered and to bring staff on the journey with us.
- 7.4 A regular drumbeat of messaging has been included within our corporate communications, keeping staff informed and updated, and has been a key part of the programme.

## **8. Next steps and review**

- 8.1 The next steps will be the delivery of a strategy for New County Offices Aylesbury to either re-purpose, taking into account operational need or potentially for redevelopment and reprovision of operational space, taking into account how this site can also contribute to the regeneration strategy for Aylesbury.
- 8.2 Additionally the Council will seek to market the site at King George V House Amersham and complete the closure and movement of operational services to High Wycombe and Chesham Library using existing Council facilities.

## **9. Background papers**

- 9.1 The reports are attached.

## **10. Your questions and views (for key decisions)**

- 10.1 If you have any questions about the matters contained in this report, please contact 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 to [democracy@buckinghamshire.gov.uk](mailto:democracy@buckinghamshire.gov.uk).

## **Appendix 1**

### [Work Smart Estates Strategy](#)

Appendix 1 Financial implications

Appendix 2 EqIA

## **Appendix 2**

### [King George V House, Amersham](#)

Appendix 1 King George V Amersham Future Customer Access point CAP Provision

Appendix 2 King George V Amersham Future Customer Access point CAP Provision

Appendix 4 King George V Amersham Future Customer Access point CAP Provision

Appendix 5 King George V Amersham Future Customer Access point CAP Provision

## **Appendix 3**

Appendix 3 for Estate Strategy KGVH Implementation Costs- Confidential

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## Report to Cabinet

<b>Date:</b>	5 January 2023
<b>Title:</b>	<b>Work Smart Estates Strategy</b>
<b>Cabinet Member(s):</b>	John Chilver – Cabinet Member for Accessible Housing and Resources
<b>Contact officer:</b>	John Reed – Service Director for Property and Assets
<b>Ward(s) affected:</b>	Abbey, Amersham and Chesham Bois, Aylesbury North, Aylesbury North West
<b>Recommendations:</b>	

**This strategy sets out for consideration a range of Officer recommendations which consolidates the Councils office accommodation to meet the £2.4m per annum revenue savings in the Councils Medium Term Financial Plan.**

### **Council Offices at Wycombe Old Library, Wycombe**

1. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing is authorised to make necessary arrangements to move staff from the Wycombe Old Library to the main Council Offices in Wycombe at Queen Victoria Road.
2. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing is authorised to appoint necessary consultants, agree heads of terms, and terms for a leasehold contract, exchange and complete on the letting of all or part of the Council Offices at Wycombe Old Library, in accordance with the financial implications and proposed revenue savings set out in the appendix.

### **Council Offices at Queen Victoria Road, Wycombe**

3. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to reduce operational accommodation as needed to reduce operational overhead in accordance with the provisions set out in the appendix to this report.
4. The property will be kept in the existing use for the interim period pending the conclusion of the series of actions set out in this report and the appendix and known as phase 1. At the conclusion of Phase 1 a further review of the accommodation need at the Wycombe Offices will be undertaken.

### **Council Offices at King George V House, Amersham**

5. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to appoint necessary consultants to masterplan the site for re development, realising the opportunity for much needed housing in the Town Centre including affordable housing. As part of the re development, consideration will be given for a future Council presence in the town to facilitate Officer operational desk space, ancillary space, meeting space including space for Planning committee meetings, Environmental Health meetings, and Community Board meetings and Community access where they are not undertaken online or virtually.
6. It is noted that for a period of time it might be the case that operations will need to be re located and temporary accommodation arranged for Council meetings and potentially interim office space for staff members. Alternatively, and where there is no obvious local need, Officers would be asked to re locate temporarily to either Wycombe or Aylesbury. The Director of Property and Assets is authorised to make such operational changes and agree associated costs. It is further noted that the disposal is at least 18 months into the future and the project will involve staff consultation regarding continued operations and

potential impact on staff that are based at the Amersham office.

7. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to appoint necessary consultants to progress the masterplan of the site and make an application for Planning if needed and subsequently agree terms for disposal, agree contracts, exchange contracts subject to conditions and complete on the transaction subject to a further report to Cabinet on the final business case.

**Council Offices at the Gateway, Gatehouse Way, Aylesbury.**

8. The Council offices have been the interim headquarters for the organisation since Unitary. It is approved as the longer-term headquarters for the Council
9. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to appoint necessary Consultants to consider master planning and preliminary budgeting for a potential extension and this will be considered against the options set out elsewhere in this report regarding the Councils current legacy headquarters building in Walton Street.
10. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing is authorised to appoint necessary consultants and contractors to bring forward the workspace accommodation strategy more widely at the Gateway following the recent successful pilot, in accordance with the financial implications set out in the appendix to this report.

### **Council Offices at Walton Street, Aylesbury known as Walton Street Offices**

11. Walton Street Offices are only partially occupied. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to appoint necessary consultants to bring forward the site for master planning, re generation, development and possible sale.
12. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to appoint necessary Consultants and if required make a Planning Application, agree terms for a potential disposal, agree contracts exchange contracts and complete on a disposal, The disposal would be subject if required to conditions and subject to alternative accommodation being provided for the staff currently based in Walton Street Offices.

### **Potential Council Offices at Aylesbury**

13. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to appoint necessary Consultants to review alternative opportunities for a smaller office in Aylesbury town centre as set out in the appendix to this report.

### **The Council Offices at Denham**

14. The Council offices at Denham have been closed for operational use for some time. The Offices will not be re-opened.
15. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to seek to surrender the lease with the Landlord or underlet the premises to reduce operational costs for the remainder of the term of the Lease.

## General

16. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources will bring back a periodic report to Cabinet with an update on the strategy set out in this report and the appendix not less than every 6 months for the next two years.

### Reason for decision:

Data on operational usage of the Councils main buildings has been collected over a significant period of time post covid. The data identifies the opportunity to reduce the council's office accommodation, and this report considers a strategy which achieves a reduction in operational footprint based on organisational need, a reduction in carbon footprint, and achieves both a potential capital receipt and a revenue budget saving and income. Savings from the operational estate formed part of the Unitary Councils preliminary financial strategy. This report and recommendations contained herein seek to meet that initial vision.

## 1. Executive summary

- 1.1 This report recommends a strategy which achieves a reduction in operational estate footprint based on organisational need, a reduction in carbon footprint and will deliver potential £2.4m revenue savings and £4m capital receipts savings from the operational estate as set out in the Unitary Business Case.
- 1.2 The establishment of the unitary council created opportunities to rationalise the office accommodation inherited from legacy councils. Furthermore, in common with other parts of the public and private sector, the organisational use of office accommodation has changed significantly post-Covid.
- 1.3 The Council's Work Smart strategy has been designed to enable the organisation to maximise the benefits of flexible working, whilst ensuring that we meet the requirements of our residents and continue to drive improvements in productivity. Our desk-based teams in particular balance the benefits of working in the office and collaborating with colleagues in person, with the opportunity to work at home and reduce commuting. These arrangements have become critical to the Council's ability to attract and retain staff within a competitive labour market. Our experience of this model of working over the past two years has provided us with a good dataset about

the unitary council's need for office space, and we now in a position to bring forward proposals to reduce the size of the estate and the operational running costs.

1.4 All the Councils offices represent significant regeneration and redevelopment opportunities, and this emerging strategy establishes and looks to realise some of those opportunities. The recent, wider economic issues the Public Sector is experiencing means consolidating the estate is now even more vital.

1.5 The proposals in this paper are planned to result in:

- Walton Street Offices – close and dispose/redevelop/subject to Planning
- Gateway Office, Aylesbury – retain and confirm as the Council's HQ
- Options for a small office in Aylesbury town centre
- King George V House, Amersham – close and redevelop for housing (with consideration given to retaining a small footprint in the town, subject to further consultation with staff, and stakeholders)
- Wycombe Old Library – relocate staff to Queen Victoria Road and lease the accommodation to a third party
- Queen Victoria Road, Wycombe – retain and continue to operate in the medium term, but once the recommendations in this report have been delivered, a further report will be brought forward on the potential opportunity and future of the Wycombe Offices.
- Easton Street, Wycombe – already vacated; continue to lease
- Capswood, Denham – already vacated; surrender the lease, or generate as much income as possible. Lease comes to an end in December 2026.

1.6 If the Cabinet supports this direction of travel, detailed proposals will be developed for the individual properties which will set out the timescales for implementation

## **2. Content of report**

### **Introduction**

2.1 As part of the Work Smart strategy, work has been taking place to develop the estates strategy, considering office buildings based on future need, occupancy and meeting room technology. This will facilitate collaboration and a greater desk ratio. Data has been collected from a number of sources to inform the recommendations set out in this paper.

2.2 The estates strategy led by Property Services focuses on what reduced property assets we will need in the longer term to meet a £2.4m per annum revenue savings target by

2026/2027 as well as well as making the best use of the retained accommodation to support flexible working arrangements.

### **Occupancy**

- 2.3 Two sources of occupancy have been captured to inform the strategy; a self-service check in process for employees to check into a building and occupancy headcount spot checks.
- 2.4 The data confirms that all of the Council's main buildings are underutilised. The amount of office space needed is less than half of that which is currently available.
- 2.5 The current Sq. footage is 287,655 of operational space across existing sites compared with the estimated need of 100,000 Square footage when merged. We would look to achieve a 4:1 desk ratio which is achievable based on current working patterns.
- 2.6 Further data has been captured to understand the nearest office space used by the teams. 77% of Council Officers nearest office is Aylesbury and 12% for Amersham and 8% for Wycombe. The actual data shows that occupancy is low and therefore significant consolidation is possible.

### **Pilot Space**

- 2.7 The occupancy data alongside the agreed flexible working arrangements for 'any desk' workers enabled an office to be redesigned to pilot a greater desk ratio and to provide further evidence for a reduced office estate.
- 2.8 The floor has been redesigned to provide a more flexible space with desks, break out areas, quiet areas and booths for online meetings, 121 calls, as well as collaborative spaces to bring teams together. The new layout has been very well received by employees and has operated with an increased staff to desk ratio of 4:1, which considers the 60/40 split supporting the future estimated requirement of 100,000 square feet.
- 2.9 The space provides the flexibility to accommodate both desk-based working, and opportunities for meetings and collaboration.

### **Council Office Sites**

- 2.10 The section below sets out the plans for each of the current main office sites and considerations for employees and services.

#### **Walton Street**

- 2.11 Post covid Walton Street Offices is only partially occupied, with the average daily occupancy only reaching around 30% of its capacity. It is recommended that the office (excluding the library which is part of Friars Square) is considered for master planning, re generation, development and possible sale. It is proposed that the Council will make

an Application for a Certificate of Immunity from Listing. This will be the subject of a separate report for a Leader Decision in February.

- 2.12 Alongside this alternative accommodation would need to be provided for the employees that are currently based in Walton Street Offices.

### **Gateway**

- 2.13 The Gateway was made the interim headquarters of Buckinghamshire Council in April 2020, it is recommended that Gateway remains the headquarters. Following the successful pilot, a further review of available spaces is being undertaken to understand the maximum capacity of Gateway. This would support options available for the relocation of the employees based at Walton Street offices.

- 2.14 It is anticipated that another 20,000 square feet of office space will be required in Aylesbury. Following the review of Gateway, a number of options will be considered, and a follow up report will be developed. This could include an extension of the Gateway and/or a town centre presence.

### **Amersham**

- 2.15 King George V House is only partially occupied, with an average daily occupancy reaching only 20% of its capacity. It is recommended that the site is redeveloped to support the need for housing in the town centre, including affordable housing. A provision for future Council presence in the town will be developed to facilitate business operations and will involve staff consultation. It is expected that the business plan for this will take at least 18 months.

- 2.16 It is noted that for a period of time it might be the case that operations and employees based at King George V House will need to be temporarily relocated and interim accommodation arranged for Council meetings.

### **Wycombe Old Library**

- 2.17 Wycombe Old Library is only partially occupied, with an average daily occupancy reaching only 30% of its capacity. It is recommended that the office is let out under leasehold contract agreement.

- 2.18 Employees based at Wycombe Old Library will be relocated to the Queen Victoria Road, Wycombe Office, which is across the road from the Wycombe Old Library.

- 2.19 The move to the Old Library was facilitated by the exit of the Council and the letting of Easton Street. Easton Street was a significantly larger footprint.

### **Queen Victoria Road, Wycombe**

- 2.20 Queen Victoria Road Office is only partially occupied, with an average daily occupancy reaching only 20% of its capacity. It is recommended that the office continues to operate and provide an alternative workplace location for employees currently based



at Wycombe Old Library. A further review will take place following the Phase 1 recommendations set out in this report

### **Summary of Phases**

- 2.21 The recommendations have been split into phases and breakdown is below:

Phase 1 includes closure of Wycombe Old Library in early 2023 and Amersham Offices not before summer 2024, consulting and relocating employees where required.

Phase 1 also includes closure of Walton Street offices in Spring 2025, consulting and relocating employees where required, and surrendering the lease on Capswood, Denham in 2026.

Phase 2 is to review requirements of the Queen Victoria Road office after completion of Phase 1.

**Please note** options for reduced office accommodation and town centre presence will be considered within each phase.

### **Easton Street, Wycombe**

- 2.22 Easton Street Office has been leased which generates a significant saving and income to support the revenue budget.

### **Capswood, Denham**

- 2.23 Capswood Offices have been closed for operational use for some time, it is recommended to seek to surrender the lease with the Landlord or underlet the premises to reduce costs. We have had some success in lettings to offset revenue costs.

### **General**

- 2.24 Where necessary consultants will be appointed to support the master planning process and planning applications required. Following these, terms will be agreed for disposal, agreeing and exchanging contracts and completion.

## **3. Other options considered**

- 3.1 Do nothing – This is not the recommended option. The Council set out an ambition in the Unitary Business Case to achieve operational savings from its estate. The estate is under utilised and not undertaking the review and delivering on the strategy will continue to see space being provided that is not needed to assist in the organisation.

## **4. Legal and financial implications**

- 4.1 Local authorities are given powers under the Local Government Act 1972 to dispose of land in any manner they wish, including sale of their freehold Land. The main

constraint is that the disposal must be for the best consideration reasonably obtainable pursuant to section 123(1) of the Local Government Act 1972.

- 4.2 The Council’s Medium Term Financial Plan already includes revenue savings of £2.4m revenue savings and capital receipts savings of £4m from the operational estate. If these savings are not delivered, the Council will need to identify alternative savings in order to deliver a balanced budget. as set out in the Unitary Business Case. Full detail is available in appendix 1.

## 5. Corporate implications

### HR&OD

- 5.1 A decision to close certain offices will impact those staff whose contractual base changes. Given the nature of the changes the implications are straightforward to manage through good communications with staff. These anticipated HR implications are set out in the table below:

### 5.2

Recommendation	Anticipated timescale	HR Implication
To let the Wycombe Old Library and relocate staff based there to Wycombe Office, Queen Victoria Rd	Early 2023	Requirement to communicate the change and give advance notice of the move to allow for adequate planning
Wycombe Office, Queen Victoria Road - No implications	After Phase 1 completed	No implications longer-term plan to reduce the office space available will still be enough to accommodate staff levels
Redevelop Amersham Office, King George V House site	Vacant possession after lease ceased Summer 2024	Temporarily relocate staff based here to Wycombe or Aylesbury, no contractual change but entitlement to relocation mileage may apply if home to work mileage increased to re-imburse the difference. Indicative costs are set out in the annex.  Longer term expect some accommodation to be available in Amersham area.
The Gateway – plans dependent on Walton Street and decisions on town centre provision		No HR implications
Redevelop Walton Street site and possible sale.	Spring 2025	Relocation of staff to Gateway and/or another location in the town centre will have minimal impact given distance
Capswood – already closed		Staff already relocated and mileage costs, where applicable will be being claimed.

- 5.3 Contractual workplace locations will need to be considered longer term, and it is anticipated that a clearer picture of terms and conditions will be available in the in the new year to inform decisions.

#### **ICT**

- 5.4 The recommendations will have an impact on IT services provided to the Council as network hardware and data centres are located at a number of main office sites. Access to these will either need to be retained or relocated as the phases of the strategy progresses.
- 5.5 In addition to the network, equipment in the offices will be reviewed and reallocated to the remaining spaces to ensure there is an adequate IT provision in the remaining office spaces to support increased occupancy. The reallocation of current equipment will also reduce costs and new equipment being purchased.

#### **Value for Money**

- 5.6 The proposals in this report also support the ambitions of our Corporate Plan to be “realistic and focus on greater efficiency and value for money” and that “we will manage our assets to create long term benefits and additional income reducing our dependency on the taxpayer and protecting front line services”.

#### **Equalities Impact Assessment**

- 5.7 An equalities impact assessment has been developed for the estates strategy which can be found in appendix 2. Further assessments will be carried out as recommendations and phases develop.

### **6. Local councillors & community boards consultation & views**

- 6.1 Further engagement on the recommendations set out in the report have been carried out ahead of cabinet and included all Group briefings and consultation with Local Members on Local Community Boards the area in which each office is located. There has also been a Member Steering Group involved in the formulation of this strategy.
- 6.2 A summary of Member views will be provided to the Cabinet ahead of the Cabinet meeting.

### **7. Communication, engagement & further consultation**

- 7.1 This report has been the subject of engagement with Unions and a Member steering Group. There has also been an all staff briefing.
- 7.2 An action plan for staff engagement surrounding any changes and development to the office estate will sit within the wider Work Smart communication plan. The action plan

will align with the wider Work Smart communication objectives and will be detailed with an understanding of other council projects running in parallel, mindful of any significant impact to staff health and wellbeing. The plan will be developed following approval of these recommendations, and an understanding of agreed timeframes, also factoring any requirement for consultation with staff. The Internal Communications team will develop the plan in partnership with Property and Assets, HR and the Work Smart programme team.

- 7.3 We will call upon the support of our Work Smart staff and managers reference group to test ideas and communication approaches, recognising varying levels of impact on our different workstyles, but the need for all colleagues to be aware, engaged, and taken on the journey with us.
- 7.4 Key messages for proactive external publication are being developed and individual sites considered as plans progress and will form part of the forward plan.

## **8. Next steps and review**

- 8.1 Develop a timeline for key deliverables and project plan for phase 1 working closely with Finance, HR, Comms Work Smart and IT colleagues. Continue ongoing staff, Union and Member stakeholder engagement.
- 8.2 Progress will be monitored through the Work Smart Programme governance.
- 8.3 Provide a report on the strategy to the Finance and Resources Select Committee at its meeting on 23 February 2023.
- 8.4 Provide an update on the strategy set out in this report and the appendix not less than every 6 months for the next two years to Cabinet and the Finance and Resources Select Committee.

## **9. Background papers**

- 9.1 None.

## **10. Your questions and views (for key decisions)**

- 10.1 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](mailto:democracy@buckinghamshire.gov.uk)

The Public Sector Equality Duty (PSED) was introduced as part of the Equality Act 2010, which protects people from discrimination in the workplace, in the provision of services and in wider society.

The duty requires all public bodies to have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people

Public bodies demonstrate this due regard in different ways, including producing robust equality impact assessments when considering changes to policies and services.

An EqlA enables us to check the potential impacts on residents and employees of our policies, services and projects. It's an opportunity to challenge how we currently do things.

Carrying out an EqlA should not create extra work; it should be part of your normal service planning process. Most of the information required should already be available to you through other work already undertaken e.g. service user monitoring, analysis of complaints and national research.

The purpose of an EqlA is to *take account* of equality as plans develop, to promote and assist the consideration of equalities issues arising in plans and proposals and to ensure that where possible adverse or disproportionate impacts are minimised and positive impacts are maximised. As such where possible an EqlA should be started at the outset of a project/proposal and continually be developed and reviewed until a final proposal is adopted. An EqlA should be used to ensure decision makers have all the information they need regarding potential impacts to ensure they have due regard to the Public Sector Equality Duty when making judgements.

Carrying out EqlAs should be an integral part of policy or service development/change and larger projects may need more than one EqlA if different areas are impacted by the change.

Any project that requires consultation will automatically require an EqlA.

All approved and signed EqlAs are recorded in a central register. Please email your completed draft EqlA to [equalities@buckinghamshire.gov.uk](mailto:equalities@buckinghamshire.gov.uk). Previous EqlAs can be made available for information upon request. For any questions or if you require support in completing your EqlA please contact Maria Damigos and Natalie Donhou Morley directly.

## Part A (Initial assessment) - Section 1 - Background

**Proposal/Brief Title:** Estates Strategy

OneDrive link to report/policy:

**Related policies:** Work Smart Business Case  
Customer Service Strategy  
ONE IT Programme  
Better Buckinghamshire

**Date:** 30 November 2022

**Type of strategy, policy, project or service:** Office estates linked to culture change programme and hybrid working

Please tick one of the following:

- Existing
- New or proposed
- Changing, update or revision
- Other (please explain)

This assessment was created by:

Name: Kim Tucker

Job Title: Snr. Business Assurance Officer Service Improvement Team

Email address: Kim.tucker@buckinghamshire.gov.uk

### **Briefly describe the aims and objectives of the proposal below:**

*This is a strategy which proposes a reduction in operational estate footprint of Buckinghamshire Council based on organisational need. This EqIA considers the Strategy as a whole and does not focus on particular sites or locations.*

### **What outcomes do we want to achieve?**

- *will deliver potential £2.4m revenue savings and £4m capital receipts savings from the operational estate as set out in the Unitary Business Case.*
- *Release land and assets for development as market, affordable and key worker housing or commercial /community/ stakeholder or partner use*
- *Improved recruitment and retention of employees*
- *Fit for purpose arrangements for elected members*

- *Reduced carbon emissions from travel and buildings*
- *Reduced revenue cost of the office estate and increased revenue generation*

**Does this proposal plan to withdraw a service, activity or presence? Yes**

*All services and activities will continue to be delivered. There will be a reduced presence across some sites.*

**Does this proposal plan to introduce, review or change a policy, strategy or procedure? Yes**

The establishment of the unitary council created opportunities to rationalise the office accommodation inherited from legacy councils. Furthermore, in common with other parts of the public and private sector, the organisational use of office accommodation has changed significantly post-Covid.

Our offices will change both in terms of location as well as configuration focussing more on collaboration and meeting spaces rather than banks of desks to support flexible working arrangements.

**Does this proposal affect service users and/or customers, or the wider community? No**

Although there may be a reduced presence in some area's services will not be impacted for customers or service users.

**Does this proposal affect employees? Yes**

Some Officers may be required to relocate to other council sites following the closure of offices. Staff relocation mileage costs will apply.

**Will employees require training to deliver this proposal? No**

Only impact is relocation of workplace there are no training implications.

**Has any engagement /consultation been carried out, or is planned in the future? Yes**

*Engagement has happened with:*

- *Accommodation Member Support Group,*
- *Heads of Service*
- *CMT*
- *Cabinet*
- *All Groups*
- *Local Members and Community Boards*

Future engagement will be carried out with the above and in addition

- *Group briefings when requested*
- *Finance and Resources Select Committee*
- *Local Members*

- *Member Steering Group*
- *Cabinet*

Regular references groups for both managers and employees have been established with nominated representatives across services, to allow the programme to provide updates and encourage feedback. Specific focus groups have also been created for employee groups or topics

There are regular communications through the all staff briefings and a newsletter provide updates.

Consultation takes place with the Trade Unions and Employee Reps and will continue to be consulted where required as the programme develops.

Where any changes are planned for changing staffs working locations, consultation will take place with staff as well as with the Trade Unions.

## Section 2 - Impacts

**Please highlight potential impacts (including unintended impacts or consequences) for each protected characteristic\*/equality groups below. Where there are negative or positive impacts please give more details of the impact. Where the impacts are unclear please explain why.**

### **Age\***

Positive	Negative	Unclear✓	None
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Details: it is possible some staff may be impacted by a change of office space and potential additional travel distance/method – particularly those under 25 who may earn less or not have their own method of travel. As proposals are not yet detailed or confirmed exact impacts are hard to anticipate.

### **Disability\***

Positive	Negative	Unclear✓	None
----------	----------	----------	------

Details: Although all sites will have disabled access and equipment & H&S processes in place it is possible some staff may be impacted by a change of office space and potential additional travel distance/method. As proposals are not yet detailed or confirmed exact impacts are hard to anticipate.

### **Pregnancy & maternity\***

Positive	Negative	Unclear	None✓
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### **Race & Ethnicity\***

Positive	Negative	Unclear	None✓
----------	----------	---------	-------

### **Marriage & Civil Partnership\***



Positive	Negative	Unclear	None✓
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**Religion & Belief\***

Positive	Negative	Unclear	None✓
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**Sex\***

Positive	Negative	Unclear✓	None
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Details: The change is unclear, however, childcare tends to fall on female parents. This may be a positive or a negative, depending on the staff member and their working/home location and current working pattern.

**Sexual Orientation\***

Positive	Negative	Unclear	None✓
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**Gender Reassignment\***

Positive	Negative	Unclear	None✓
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**Gender identity**

Positive	Negative	Unclear	None✓
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**Carers**

Positive	Negative	Unclear✓	None
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Details: This may be a positive or a negative, depending on the staff member and their working location/current working pattern. As proposals are not yet detailed or confirmed exact impacts are hard to anticipate.

**Rural isolation**

Positive	Negative	Unclear	None✓
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**Single parent families**

Positive	Negative	Unclear✓	None
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Details: is the potential for impact is currently unclear. This may be a positive or a negative, depending on the staff member and their working location. As proposals are not yet detailed or confirmed exact impacts are hard to anticipate.

**Poverty (social & economic deprivation)**

Positive	Negative	Unclear✓	None
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Details: The change is unclear however it is possible that additional travel costs are not fully met by staff relocation mileage allowances. As proposals are not yet detailed or confirmed exact impacts are hard to anticipate.

### **Military families / veterans**

Positive

Negative

Unclear

None ✓

## Section 3 – Is a full assessment required?

**If you have answered yes to any of the initial assessment questions in section 1 of this EqIA, or have indicated a negative or unclear impact in section 2, it is likely you will need to complete part B of the EqIA form. Should you need guidance as to whether a full EqIA is needed at this time please contact Maria Damigos or Natalie Donhou Morley before continuing.**

Following completion of part A, is part B completion required?

Yes

No

 Not required at this time

### **Explain your answer:**

At this stage the amount of office space remaining in legacy sites is unclear as such it is not possible to predict full impact on staff. This will be assessed and monitored as the programme progresses and EQIA updated accordingly.

This will have an impact on contractual working locations for some staff when they are working in an office location. If staff are impacted and must relocate offices a contractual mileage allowance is available for additional travel costs incurred.

As part of the Work Smart Strategy workstyles have been developed to determine what the future working arrangements will be for each workstyle and align the different roles across the organisation. While there are four workstyle categories, employees can discuss their personal circumstances and suitable alternative working arrangements made.

**Full EqIA's will be developed for each site/proposal of change, starting with Phase 1 (HW) to look at specific impacts and potential mitigations at these locations, both for staff and the wider community.**

**All HR policies and procedures will be followed as part of the delivery of the strategy and associated delivery/implementation plans.**

**Have you completed an DPIA for this project/change? No N/A**

(As you are completing an EqIA, you may also require a DPIA - for more information please contact [dataprotection@buckinghamshire.gov.uk](mailto:dataprotection@buckinghamshire.gov.uk))

Section 4 – Sign off (Only complete when NOT completing Part B)

Officer completing this assessment: Kim Tucker Date: 01/12/2022

Equality advice sought from: Natalie Donhou Morley Date: 01/12/2022

Service Director sign off: John Reed Date:01/12/2022

CMT sign off (*if deemed necessary by Service Director*) sign off: John Reed Date: 08/12/2022

Next review Date: On delivery of the next Cabinet report.

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## Report to Cabinet

<b>Date:</b>	<b>12<sup>th</sup> December 2023</b>
<b>Title:</b>	<b>King George V House – Amersham</b>
<b>Cabinet Member(s):</b>	<b>John Chilver</b> – Cabinet Member for Accessible Housing and Resources
<b>Contact officer:</b>	<b>Sarah Murphy-Brookman/John Reed</b>
<b>Ward(s) affected:</b>	Abbey, Amersham and Chesham Bois, Aylesbury North, Aylesbury Northwest

### Recommendations:

This report forms part of the Councils medium term financial planning and is required to meet the savings targets set out therein and in relation to the Estate Strategy £2.4M revenue savings and capital receipts of £6M.

Pursuant to the Cabinet Report in January 2023:

1. ***Bring forward the closure of the Council Offices at King George V House, Amersham:***
  - a. ***Blocks A and B and the KGVH CAP+ to close – the last operating day will be 12 January 2024***
  - b. ***Block C to close upon the opening of Chesham Library touchdown.***
2. ***For King George V House staff to be relocated to Queen Victoria Road offices, Wycombe with exceptions where there is a business rationale for an alternative base.***
3. ***Refurbish Chesham Library ground floor and 1<sup>st</sup> floor to provide an enhanced library offer on the ground floor and Council Officer touchdown space for Adult Social Care, Children’s Services/Child Protection Conferencing and Communities in accordance with the plans (appendices 1 and 2).***
4. ***The revenue and capital costs of moving, all to be forward funded from the King George V House sale proceeds.***

5. ***To approve a budget supplementary change to the MTFP for forward funding the implementation costs set out in this report and the confidential appendix.***
6. ***Market King George V House for sale and seek conditional or unconditional offers for the freehold subject to contract noting that a further report will be brought to Cabinet in 2024 once marketing and agreement of Heads of Terms has been finalised.***
7. ***Move to two Council Access Points (CAP) + locations in Buckinghamshire, one in the north (Walton Street, Aylesbury) and one in the south (Queen Victoria Road, Wycombe)***

***The CAP+ sites continue to be managed by Customer Service staff in those locations as they are in main council buildings and CSC staff provide face to face service for the more complex customer enquiries.***

8. ***Create a Council Access Point (CAP) offering in Amersham Library, ready to operate from 15 January 2024.***

***Library CAP sites are managed by Library staff and provide a more general set of service enquiries, sign posting, self-service terminals and a telephone service which give access to a priority phone line into the customer service centre.***

9. ***To note that: The January 2023 Estates Strategy report considered the potential re-provision of a small footprint of offices than currently in Amersham. This will not now be provided as Council Access Points and alternative facilities will be provided at Chesham Library as set out in this report.***

10. **This report delivers savings and capital receipt linked to MFTP.**

#### **Reason for recommendation:**

The Council set out in its MTFP (Medium Term Financial Plan) a requirement to make £2.4m pa revenue savings from efficiencies in its operational estate as well as a £6m capital receipt. The proposals contained in this report will contribute towards these targets and are expected to meet the capital receipt targets set out in the confidential appendices to this report. In addition, at the 11<sup>th</sup> July 2023 Cabinet meeting it was agreed that in light of the worsening financial position that savings should be accelerated and that there should be a strategic property and finance review brought forward to manage in year budget pressures and to examine opportunities for additional savings, income or capital receipt. The accelerated closure of King George V House forms part of those savings, which if approved would contribute to the overall savings target, generating a revenue saving and a capital

receipt and by completely exiting the site will provide additional revenue savings and capital receipt. The financial assessment is set out in the confidential appendices.

## **1. Executive summary**

- 1.1 The establishment of the unitary council created opportunities to rationalise the office accommodation inherited from the legacy councils. Furthermore, in common with other parts of the public and private sector, the organisational use of office accommodation has changed significantly post-Covid.
- 1.2 The closure of King George V House (henceforth referred to as KGVH) forms a component part of the Council's occupational estates strategy set out in the Cabinet paper of January 2023, which identified the potential closure. Data on operational usage of the Council's main buildings has been collected over a significant period of time post covid, and the occupancy data gained for KGVH shows that it is now the least occupied of the corporate buildings. Work has therefore been done to consider future options as set out in this report.
- 1.3 KGVH has the capacity to house over 526 desks on a daily basis. Data collected over a significant period of time post covid suggest it is now occupied at around 16% capacity. In addition to being significantly underutilised its closure will contribute to the carbon saving of the Council.
- 1.4 Staff consultation has occurred and the results of that consultation have been considered.
- 1.5 This initiative also considers how the Council will continue to respond and engage with the community and the proposals to extend the Council Access Points (henceforth referred to as CAPs) and also the transfer of activities currently undertaken at KGVH such as Planning Committee meetings.
- 1.6 Initiatives already completed to support the achievement of the required MTFP cost savings and improved efficiencies have included the closure of Capswood; commercial letting of Easton Street Offices and Wycombe Old Library, closure of floors at Walton Street Offices and the re-purposing of office space at The Gateway. As part of the estate's strategy, we are awaiting a decision from the Secretary of State regarding the certificate of immunity for the Council Offices at Walton Street. The closure of KGVH contributes to this programme and does not conflict with any of the work undertaken to date or planned moving forward.
- 1.7 The Council's Work Smart strategy has been designed to enable the organisation to maximise the benefits of flexible working, whilst ensuring that we meet the requirements of our residents and continue to drive improvements in productivity. Our desk-based teams in particular balance the benefits of working in the office and collaborating with colleagues in person, with the opportunity to work at home and

reduce commuting. These arrangements have become critical to the Council's ability to attract and retain staff within a competitive labour market. Our experience of this model of working over the past two years has provided us with a good dataset about the unitary council's need for office space, and we are now in a position to bring forward one of the proposals to reduce the size of the estate and the operational running costs.

- 1.8 Bringing forward the closure of KGVH offices from July 2024 to January 2024 means that we can increase our opportunities for savings in revenue and further our ability to rebalance the office estate with actual requirement.

## **2. Introduction**

- 2.1 As part of the Work Smart strategy, work has been taking place to develop the estates strategy, considering office buildings based on future need, occupancy and meeting room technology. This will facilitate collaboration and a greater desk: staff ratio.
- 2.2 The estates strategy has identified that as KGVH offices has the lowest proportion of occupancy, in year savings can be made by closing the building and providing touchdown space locally for services with clients who are based in the area. The savings plan is set out in the confidential appendices.

The site is as indicated in Appendix 4 and includes KGVH and the car park to the south-east of the building (above the law courts). The site is just over 2 acres in total.

- 2.3 In considering this plan, a staff consultation programme has been engaged; consideration has been given about community provision of services including the rolling out of additional CAPs as well as proposals for alternative space for Planning meetings, Community Boards and Licencing Committee meetings.
- 2.4 A programme comprising a short term and longer-term vacation of KGVH is proposed and set out below including the provision of an additional CAP at Amersham library.



## **KGVH**

### **Phase 1 – closure and relocation to QVR including new touchdown space at Chesham Library**

- 2.5 It is planned that staff who have KGVH as their contractual base will have a permanent change of location, which for the majority will be to Queen Victoria Road, High Wycombe (henceforth referred to as QVR), and this will take effect from 15 January 2024.
- 2.6 It is planned that KGVH, which has two sections, will close sequentially. Blocks A and B will be closed on 12 January 2024 and staff from this part of the building will move immediately to QVR offices, Wycombe.
- 2.7 Block C will close on or before 30 June 2024. Children’s and Adults Social Care staff who are based in Block C can continue to use KGVH until its final closure, after which they will move permanently to QVR offices. We are providing 18 touchdown spaces in the middle of the ground floor of Block C for other services needing to touchdown and access stored information between January and June 2024.
- 2.8 The Amersham CAP+ at KGVH will close on 12 January and the new Amersham CAP in Amersham Library will formally open on 15 January 2024. We know from visitor enquiry records that residents are already using Amersham Library as a CAP. To supplement QVR office and meeting space it is proposed that Chesham Library 1<sup>st</sup> floor is refurbished to provide touchdown space for Children’s and Adults Social Care, and conference rooms for Child Protection Conferencing, with storage for Environmental Services as highlighted by the Service as a requirement. It is intended that this becomes ready following a full internal refurbishment in June 2024, or earlier if the programme allows.

### ***Chesham Library touchdown space and hot desking at South Buckinghamshire Golf Club***

- 2.9 Library services in Chesham are currently delivered from the ground and first floor of the library. A re-modelling of the ground floor will be undertaken as part of the building refurbishment project to enable all library services to be delivered from the ground floor.
- 2.10 The new layout will provide a more accessible library service offer and the existing library CAP will be enhanced with the introduction of a private phone booth and private meeting space.
- 2.11 Chesham Library 1<sup>st</sup> floor will be refurbished to provide 18 desks for touchdown space for Children’s and Adults Social Care. There will be two conference rooms for Child Protection Conferencing including a small reception area. Staff welfare space

and storage for Environmental Health Services are also included within the floor plans.

- 2.12 For staff the first floor is accessible by a separate entrance and there is a lift for anyone requiring disability access. There will be security provided on site.

In addition to Chesham hot desking space for staff working in the south of the county will also be provided by repurposing an existing meeting room at the South Buckinghamshire Golf Course in Farnham Royal. This can be created at no additional cost using existing office furniture and IT connections to provide for up to six people at a time, noting that it would only be available during the opening hours for the course and that any external commercial bookings would continue to be honoured to maintain income (bookings/availability can be managed by uploading to the existing desk booking system). Since likely uptake is unknown, this is proposed as a trial with a review after six months. This hot desking space is part of public space (no swipe card entry) so staff will need to be mindful of data protection when using this space.

- 2.13 Once Chesham Library's refurbishment is complete, Children's and Adults Social Care will fully relocate to QVR offices, alongside using Chesham Library as touchdown and conferencing space.

2.14 ***Rates Mitigation***

Our financial assumptions assume that when vacant KGVH will attract 3 months rates free. In part because of the rating assessment of the building some of these will be achieved in this financial year and some in the next. The rating assessment is divided for the property which is somewhat unusual. We are consulting with specialist rating advisors regarding the potential to expand the rates free period for 12 months, this would be the subject of a separate report if it is possible.

2.15 ***Car Parking***

Currently the car park to the rear of KGVH and to the left-hand end of KGVH are public car parks. The value of the site would be maximised by incorporating the car park areas into the development footprint of the disposal. Currently the car park has two functions, one as longer stay which generates approximately £30k pa rising to £45k pa. The assessment from the car parking team is that this demand will move to the multi-story car park and is unlikely to materialise in a significant decrease in car park income. The other factor is that the car park has a 30-minute drop off free of charge which is used by parents to drop off their children at the day care in the leisure centre, the proposal is that the Council would look to provide this provision

outside the leisure centre.

## 2.16 **Unions Responses**

Responses have been received from Unison and AEP. A meeting has been held with Unison to discuss the issues they raised and a meeting with AEP has been offered. UNISON's issues centred around concerns that the proposal did not feature a future presence for staff in Amersham as indicated in the original Cabinet report; QVR not being a reasonable location for some staff; recommended approach to car parking at QVR and the sharing of the office plans for QVR, all of which the Council have covered in the close of consultation report and briefing. UNISON also requested a review of travel costs in terms of both monetary cost and time lost, it was explained that travel costs would be re-imbursed in line with staff's terms and conditions of employment. AEP's response centred around concerns about storage and staff travel time which are being addressed as part of the consultation process.

## 2.17 **QVR Office Space**

Using occupancy data QVR has space to be able to accommodate all KGHV staff based on both buildings' current occupancy and relocated staff will be accommodated as follows:

Service Area	KGVH Floor	QVR Floor
Children's	Block C Ground Floor	Ground Floor
Adults	Block C Ground Floor	2 <sup>nd</sup> Floor
Waste	Block A/B Ground Floor	1 <sup>st</sup> Floor
Environmental Health	Block A/B Ground Floor	Ground Floor
Planning Policy & Compliance	Block A/B Ground Floor	Ground Floor
Planning & Development	Block A/B Ground Floor	Ground Floor
Democratic Services	Block A/B Ground Floor	1 <sup>st</sup> Floor

Licensing	Block A/B Ground Floor	Ground Floor
Legal Services	Block A/B Ground Floor	1 <sup>st</sup> Floor
Corporate Business Support	Block A/B Ground Floor	Various
Housing	Block A/B Ground Floor	1 <sup>st</sup> Floor

2.18 QVR occupancy will continue to be monitored to ensure we use the space efficiently. All QVR staff have been informed about the proposed changes and been given the opportunity to provide input and feedback.

### **KGVB – Phase 2 – disposal**

- 2.19 A report will come to Members to Cabinet in the first quarter 2024 about the proposed disposal. It is envisaged that the best capital receipt complying with the terms of S123 of the Local Government Act 1972 will be on a subject to Planning basis.
- 2.20 During the planning period it is anticipated that the building will be shut down but with arrangements in place to comply with insurance and security. A rates mitigation strategy will be applied to reduce running costs. It is anticipated that final disposal will be in March 2025. Financial assumptions and planning are set out in the confidential appendices.
- 2.21 During the time the majority of the building is empty, it is anticipated secure car parking will be provided for car parking teams and waste teams (approximately 10 vehicles) until alternative provision is found. The parking team will remain in the Lodge until at least June 2024 and until alternative arrangements are found.

## **Council Access Points**

### **Introduction**

- 2.22 As part of the arrangements for the new unitary council a commitment was made to residents to provide local access to Council services through a network of CAPs primarily based in Council libraries. These 11 Library CAPs are supplemented by 3 CAP+ which are located in our 3 main offices.
- 2.23 This proposal will reduce our CAP+ provision down to two – one in the North of the County in Walton Street, Aylesbury and one in the south of the county in QVR, High Wycombe and will increase our library CAPs to 10 with the addition of Amersham library in the Chilterns Lifestyle Centre.
- 2.24 As part of this proposal there will be a communications plan both locally in the Amersham and Chesham areas but also across the County to promote CAPs – as well as other ways to contact the council – as the original launch campaign was stood down due to Covid.

### **Amersham CAP+ closure.**

- 2.25 As part of the KGVH review Officers have considered whether council owned properties or partner properties in the area could be utilised as a CAP+. The key issue is that if a CAP+ presence was to be maintained in Amersham, separate to the KGV building, it would require an investment such as rent, refurbishment, relocating staff to manage the space, security provision and technology installation and maintenance, all of which would reduce the estate saving and potentially require capital investment.
- 2.26 A detailed review of the Amersham CAP+ usage has been undertaken, the details are set out below, and the conclusion is that with a targeted communications campaign that the majority of resident enquiries can be dealt with either at Amersham Library CAP, or Chesham library CAP.
- 2.27 Relocation of the face-to-face service in Amersham from the KGVH office to the library will ensure a continued presence in Amersham with general and signposting services. The new Amersham Library CAP will have an enclosed phone booth to enable customers to access specialist support from Customer Service Agents from a private space.
- 2.28 Taken together the proposal is therefore to move to two CAP+ sites in Walton Street and Wycombe and create a CAP offering in the Amersham Library (in the Chiltern Lifestyle Centre opposite KGVH).

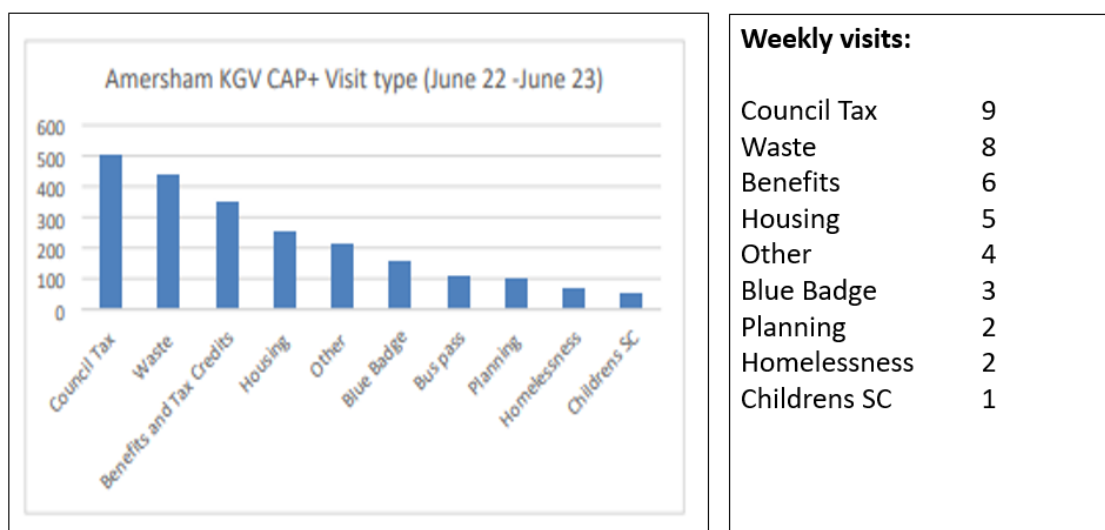
- 2.29 A review of the KGVH cap usage – set out further detail below – has been undertaken to understand why residents are accessing Council services and on the basis of this analysis we are confident that these proposals, supplemented by a communications campaign, will provide suitable albeit different service provision.
- 2.30 Communication in the run up to the closure will be key and customers will be made aware by Customer Service agents, through a set of new leaflets; face to face briefing and help and a broader communications campaign before closure that Chesham Library CAP will be able to assist with general and signposting services along with Amersham Library CAP. The communications campaign will also explain how services can be accessed online where customers are digitally able.
- 2.31 It is also proposed that we move to a new naming convention to reduce the confusion of what takes place between a CAP+ and a CAP. All CAPs based in libraries will be known as a ‘Library Council Access Point’ and the enhanced offering at office locations will continue to be known as CAP+.
- 2.32 During the closure and refurbishment of the Chesham Library building It will be necessary to provide an interim Library CAP service from a temporary site. Informal and confidential discussions have already taken place and several community venue sites in close proximity to the library have expressed an interest in accommodating an interim Library CAP at low or no cost to the council. Arrangements will be formalised once decision to proceed is made.

#### **Current KGVH CAP+ usage and alternative service provision**

- 2.33 The Amersham CAP+ is situated in the reception area of the building, resourced by Customer Service Agents on a rota basis. The offer of face-to-face services is a central part of our customer contact strategy, in particular to ensure that vulnerable residents or customers who do not have access to digital services at home are offered a supported service or use of council digital equipment.
- 2.34 KGVH CAP+ received 2501 recorded visits over the last 12 months (June 22-June 23). KGVH is the least visited CAP+ with High Wycombe and Aylesbury CAP+ receiving more visits in that time, along with Aylesbury and High Wycombe library CAPs. High Wycombe is the most visited Library CAP with 5048 recorded visits.

The graph below shows the top 10 reasons for customer visits during that time and these have generally been for simple enquiries and CSAs have confirmed that most visitors are picking up equipment (such as waste bags), dropping off documents or making payments.

## KGVH CAP+ visits and volumes – annual and weekly



- 2.35 Further data from July to September 2023, shows that there were 26 enquiries classified as homelessness presentations at KGV CAP+, 89 at Walton St and 166 in QVR. Those 26 at KGVH were typically younger customers who were at risk of becoming homeless, or who want to apply for housing, rather than actually being homeless.
- 2.36 The current process at KGV is that the CAP+ staff help them log into our system so that they can make a homelessness application and once that has been completed the customer is able to leave and wait to hear from the Housing Team as per normal procedures. Where someone is not able to complete our forms using our self-service terminals then the Customer Service Agent would assist them in calling the Housing team to assist them with their application over the phone. The Amersham or Chesham Library team would provide the same support were there to be any such cases presenting at the library CAP.

## Other enquiry types

2.37

Enquiry	Proposed solution
Collection of bin bags, bin boxes/caddies by residents	Align the service with the rest of the county: all orders to be placed online/via phone and sent direct to customers' homes.
Paying council tax	This ceased in April 2023. Customers are now helped to either sign up for Direct Debit or to pay at a Post Office.
Document drop off – some customers drop items into the office post box to pass to the back-office service	At Library CAP sites customers can be assisted to scan in documents to email to council service areas however libraries do not take documents for internal transfer.
Litter picking equipment collection and storage	The North also offer this service from Pembroke Road but do not require customers to return the equipment.  Recommendation to align the services and inform residents that they should retain the items.

### Library CAP staff – refresher training

2.38 To support Library CAP staff at Amersham and Chesham, refresher training will be provided. Customer Services at KGV, who currently run the CAP+, will provide detailed training and hand-over sessions with staff in the Amersham and Chesham library to discuss the customers who tend to visit, types of enquiries and advice on how to manage these enquiries and how to refer enquiries into the Customer Contact Centre or to the CAP+ at Wycombe or Aylesbury.

### CAP Communication Plan

2.39 A communications campaign, including flyers and posters to be situated in KGV, is being prepared to ensure that all customers who regularly visit the CAP+ are aware of the planned move and the alternative provisions on offer to them.



## Other information

### 2.40 Office Occupancy

Data on operational usage of the Council's main buildings has been collected manually over a significant period of time post covid, and this occupancy data gained for King George V House shows that it is the least occupied of the corporate buildings, as outlined below:

*A review of the usage of the main legacy offices provided the following data:*

Capacity and Occupancy Rates			
	Total number of desks	Average Daily Occupancy Jan 23 – July 23	Percentage Occupancy
Gateway (Aylesbury)	374	123	33%
Walton Street (Aylesbury)	1,114	437	39%
QVR (High Wycombe)	327	71	21%
KGVH (Amersham)	526	88	16%

### 2.41 The timeline for the closure of King George V House is as below:

25 <sup>th</sup> September 2023	Consultation launched with staff
31 <sup>st</sup> October 2023	End of staff consultation
12 <sup>th</sup> January 2024	KGVH Blocks A&B close
15 January 2024	Staff move to Queen Victoria Road, Wycombe
Jan to June 2024	Block C ground floor occupied by Children's and Adults Services; hotdesking space for all Services provided
By June 2024	Chesham Library 1 <sup>st</sup> floor becomes available for Children's and Adults Services, along with storage for Environmental Health
By June 2024	Children's and Adults Services move to Queen Victoria Road, Wycombe
By June 2025	Retention Schedule completed and heritage assets moved to Wycombe or Aylesbury
30 <sup>th</sup> June 2024	KGVH Block C closes
June 2024 – June 2025	Disposal timescale and mitigation of costs subject to Planning.

## 3. Other options considered

3.1 Letting as offices – in the current challenging climate, the market for letting has been severely affected and is insufficiently robust to proceed with this option. Occupiers are seeking quality accommodation and the building would need significant capital expenditure to make it attractive to an office occupier.

- 3.2 Closing of QVR offices – we need a corporate presence in the south of the county, and a base for direct services to meet the needs of the public. QVR offices was more recently refurbished than KGVH and has sufficient space to accommodate the staff transferring to this office. QVR is also generating income as we have tenants in occupation.
- 3.3 Moving operations to one of the Aylesbury offices – as above a corporate presence is needed in the south of the county to serve the public.
- 3.4 Do nothing – this is not the recommended option. The Council set out an ambition in the Unitary Business Case to achieve operational savings from its estate. The estate is under utilised and not undertaking these proposals will continue to see space being provided that is not needed to assist the organisation.

#### **4. Legal and financial implications**

- 4.1 Local authorities are given powers under the Local Government Act 1972 to dispose of land in any manner they wish, including sale of their freehold land. The main constraint is that the disposal must be for the best consideration reasonably obtainable pursuant to section 123(1) of the Local Government Act 1972.
- 4.2 The Council's Medium Term Financial Plan (MTFP) already includes revenue savings of £2.4m from the operational estate, and a net capital receipts target of £6m from KGVH. If these savings are not delivered, the Council will need to identify alternative savings in order to deliver a balanced budget, as set out in the Unitary Business Case.
- 4.3 **Implementation costs** Set out in confidential Appendix 3
- 4.4 **Revenue Savings:** The Revenue Savings which are projected are set out in the Confidential appendices and will contribute towards the Councils Medium Term Financial targets.

#### **Director of Legal & Democratic Services comment (Nick Graham)**

- 4.5 Service Director, Legal has read and noted report.

#### **Section 151 Officer comment**

- 4.6 The Revenue savings and net Capital Receipt from the Closure are projected to be in line with the MTFP target. The costs of the move can be funded from the expected

capital receipt from the sale of the site, and this paper includes the Cabinet Recommendations to include this in the MTFP.

## **5. Corporate implications**

### **5.1 HR**

A formal consultation has been held with employees whose contractual location is currently KGVH and employees who have a contractual location elsewhere but choose to work from Amersham for business or personal reasons have also been consulted with. Employees have been invited to comment on the proposals and 1-1 meetings have been held with their Head of Service where the employee has requested it.

All requests to relocate to an office other than QVR have been considered in consultation with Heads of Service and decisions have been based on business needs to ensure consistency. The outcome is that a relatively small number of employees will be accommodated in offices in Aylesbury. This is largely due to them already working from an Aylesbury office with other members of their team.

All employees have a mobility clause in their contract of employment which allows the Council to require them to relocate to other offices following appropriate consultation. Pending Cabinet approval, each employee will be issued with a variation to contract letter informing them of their new contractual location.

### **5.2 Climate change**

King George V House has the second highest electrical and gas use of the Council's occupied office portfolio. NCO in Walton Street is the highest by virtue of being the largest occupied building.

## Carbon efficiency usage

	kWhs Building Total	£'s per annum Building Total	TCO2e per annum Building Total	Carbon Emission Contribution (1 = highest; 4 = lowest)	Occupancy (Apr '21-Mar '22)	TCO2e per annum per occupant	Carbon Emission Contribution per occupant (1 = highest; 4 = lowest)
King George V House	1,322,176	£ 271,714.00	268	3	19,927	0.0134275	2
The Gateway	1,061,422	£ 317,837.00	232	2	21,317	0.0108772	3
Queen Victoria Road	924,743	£ 204,932.81	190	4	12,296	0.0154368	1
Walton Street	3,040,464	£ 490,935.00	593	1	76,912	0.007705	4

### 5.3 IT

There is a data centre in the basement of KGVH that will need to be decommissioned, and IT colleagues are aware of this requirement. The decommissioning will take place by December 2024, as contracts are in place until that time.

With staff moving from KGVH to QVR, Wycombe, a review of what IT equipment needs to be provided at QVR is being carried out. With staff using different legacy laptops and screens the offices will need to be set up correctly. Revised floorplans will identify the exact requirements and IT will be responsible for ensuring the relevant equipment is set up.

### 5.4 Value for money

The proposals in this report also support the ambitions of our Corporate Plan to be “realistic and focus on greater efficiency and value for money” and that “we will manage our assets to create long term benefits and additional income reducing our dependency on the taxpayer and protecting front line services.”

### 5.5 Equalities Impact Assessment

There is a current equalities impact assessment which has been developed for the estate’s strategy (see appendix 5)

## **6. Local councillors & community boards consultation & views**

- 6.1 Cabinet Member is supportive of the Direction of Travel.
- 6.2 The Member support group are supportive of the disposal of KGVH. Members and Local Members have been briefed on this proposal and feedback provided.
- 6.3 The Community Board Manager confirmed that no meetings for the board take place at KGVH and therefore there are no relocation requirements; the board Chairman and members were informed about the proposals as part of the member briefings.
- 6.4 Planning meetings will be moved to QVR as will any in person Licencing meetings.

## **7. Communication, engagement & further consultation**

- 7.1 In addition to the consultation with staff contractually located to KGVH, noted above, a briefing about the proposals and likely changes to office layout was given to staff based at the QVR offices. Any issues or concerns raised have been included in the overall staff feedback.
- 7.2 Two briefings were held with members prior to the start of the consultation with staff – the first was with members local to Amersham and the second with all members.
- 7.3 The proposal to relocate committees currently run from KGVH was discussed with committee chairmen and no adverse feedback was received.
- 7.4 Key partners written to in confidence about the proposal to close the office were: Thames Valley Police; Bucks Fire and Rescue Service; SCAS; Community Impact Bucks; Citizens Advice; BOB ICB; BMKALC; Chesham Town Council and Amersham Town Council.
- 7.5 Comments were received from Thames Valley Police and Bucks Fire and Rescue Service, both of whom said that closure of KGVH would not present them with any operational issues.
- 7.6 Due consideration was given to a consultation with residents about the closure of KGVH. The decision not to consult with residents as part of a formal public consultation was based on two premises:

- a. A Library CAP would be re-provided in Amersham at an alternative location, as detailed above, with other mitigations put in place for services not provided by a library access point and considered as part of the EqIA (appendix 5).
- b. The Gunning Principle (the principles that determine legitimate consultation) around “intelligent consideration” states that information “must relate to the consultation and must be available, accessible, and easily interpretable for consultees to provide an informed response”. Given that the driver for the closure of the office base is financial, with a requirement to make savings, residents would need to be presented with a wide range of financial information in order to suggest legitimate alternatives for finding the savings.

## **8. Next steps and review**

- 8.1 Work with the KGV closure project team and communications team to create a single communications plan to ensure that all stakeholders are informed of the change in service delivery and location of alternative offerings.
- 8.2 Agree where the litter picking equipment is to be stored.
- 8.3 Agree if Post Box at Amersham and Chesham Library CAPs can be included in the collection schedule and install boxes.
- 8.4 Progress the refurbishment of Chesham Library. Property Services have engaged with affected services, including Communities, on this project and appointed consultants to work on plans. These are close to being signed off and following this and agreement of costs, the refurbishment of the space will be underway.
- 8.5 Facilitate the move of staff contracts from the base of KGVH to QVR, Wycombe. HR are engaging with colleagues on this and will continue to do so post consultation.
- 8.6 Facilitate the move of staff and equipment in line with the proposals and following engagement with Directors and Heads of Service. This is already underway.

### **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 to [democracy@buckinghamshire.gov.uk](mailto:democracy@buckinghamshire.gov.uk).

## Appendix 1

Chesham Library Floor Plan, Ground Floor - Non confidential

## Appendix 2

Chesham Library Floor Plan – First Floor - Non confidential

## Appendix 3

Implementation Costs - **Confidential**

## Appendix 4

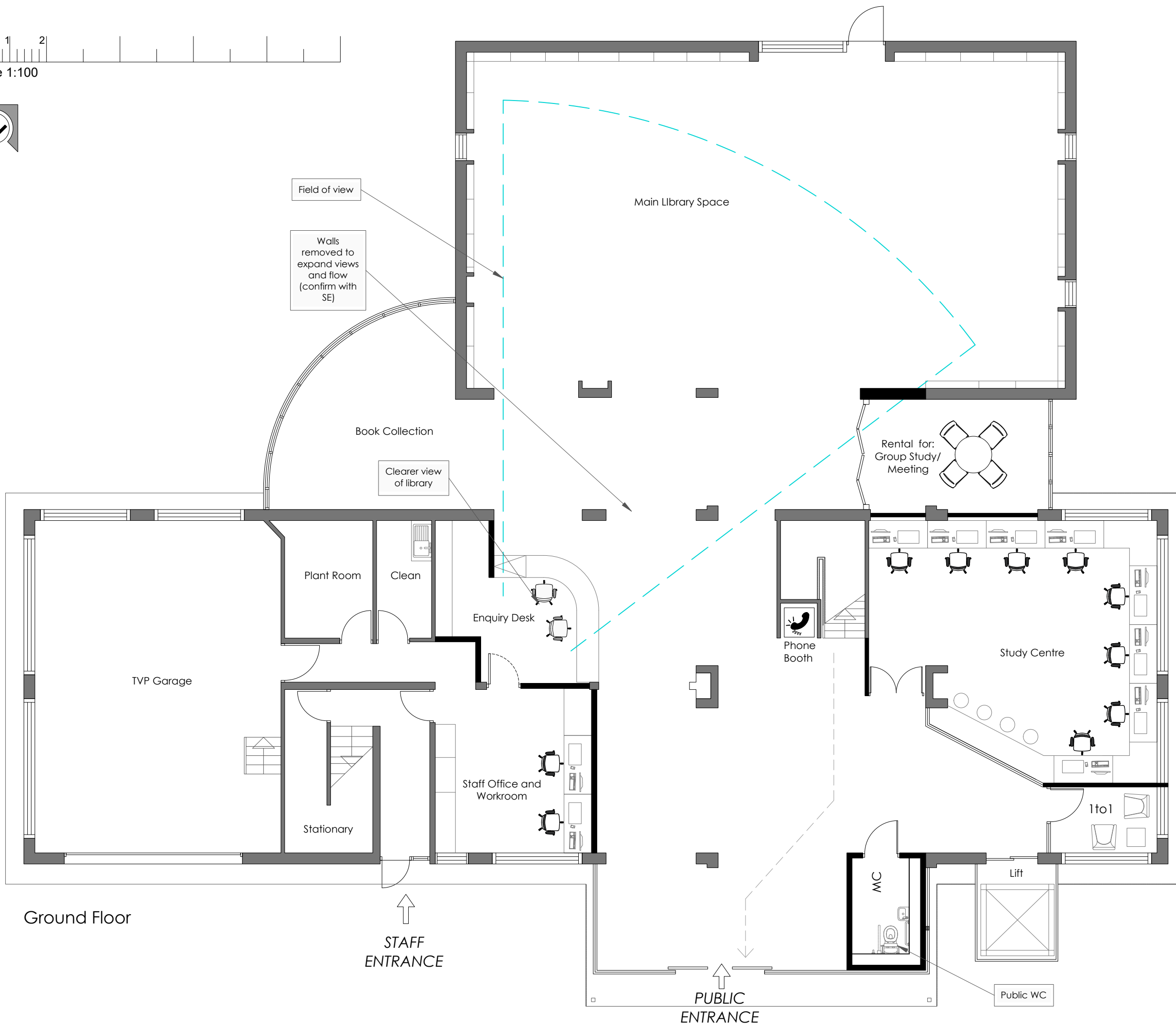
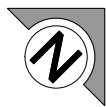
KGVH Site Plan – Non confidential

## Appendix 5

Equality Impact Assessment (EqIA) – Non confidential

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Notes:

DO NOT SCALE UNLESS FOR PLANNING PURPOSES

TO BE READ IN COLOUR

REV	DATE	PURPOSED OF REVISION	DRAWN	CHECK
D3	04.10.23	Updated	AC	PB
D2	03.10.23	Update	AC	PB
D1	19.09.23	Draft Issue	AC	PB

**CONTOUR**  
ARCHITECTURE

This drawing is not to be used in whole or part other than for the intended purpose and project as defined on this drawing. Refer to the contract for full terms and conditions.

Client  
Buckinghamshire Council

Project  
Chesham Library

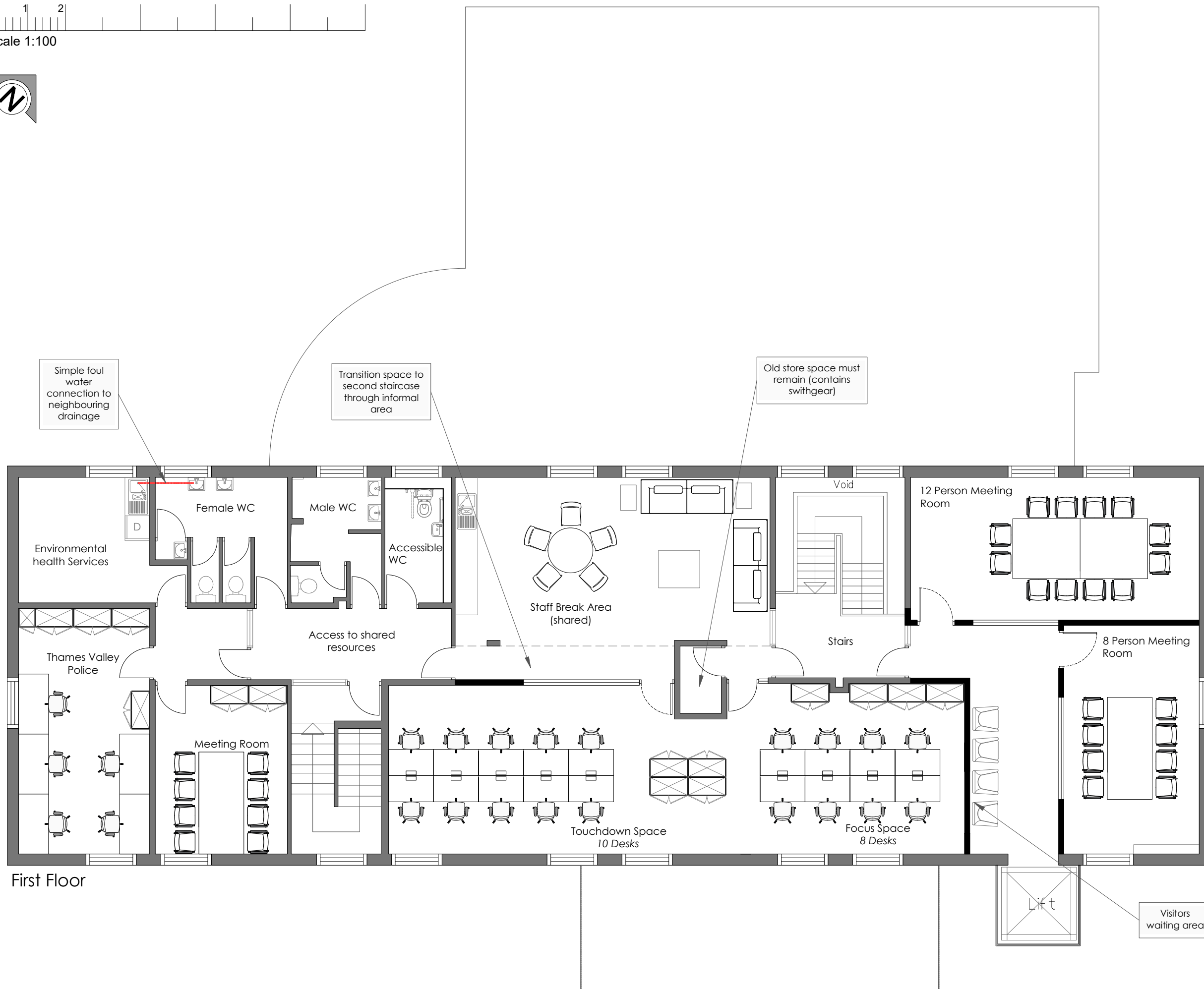
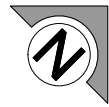
Drawing Title  
Proposed Ground Floor  
Option 2

Scale  
1:100

Drawing Status  
Draft

Project No. 23.119  
Drg No. 100.201  
Rev D3

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Notes:  
DO NOT SCALE UNLESS FOR PLANNING PURPOSES  
**TO BE READ IN COLOUR**

REV	DATE	PURPOSE OF REVISION	DRAWN	CHECK
D4	30.10.23	Cupboard reinstated	AC	PB
D3	12.10.23	Room names	AC	PB
D2	03.10.23	Update	AC	PB
D1	19.09.23	Draft Issue	AC	PB

**CONTOUR**  
ARCHITECTURE

This drawing is not to be used in whole or part other than for the intended purpose and project as defined on this drawing. Refer to the contract for full terms and conditions.

Client  
**Buckinghamshire Council**

Project  
**Chesham Library**

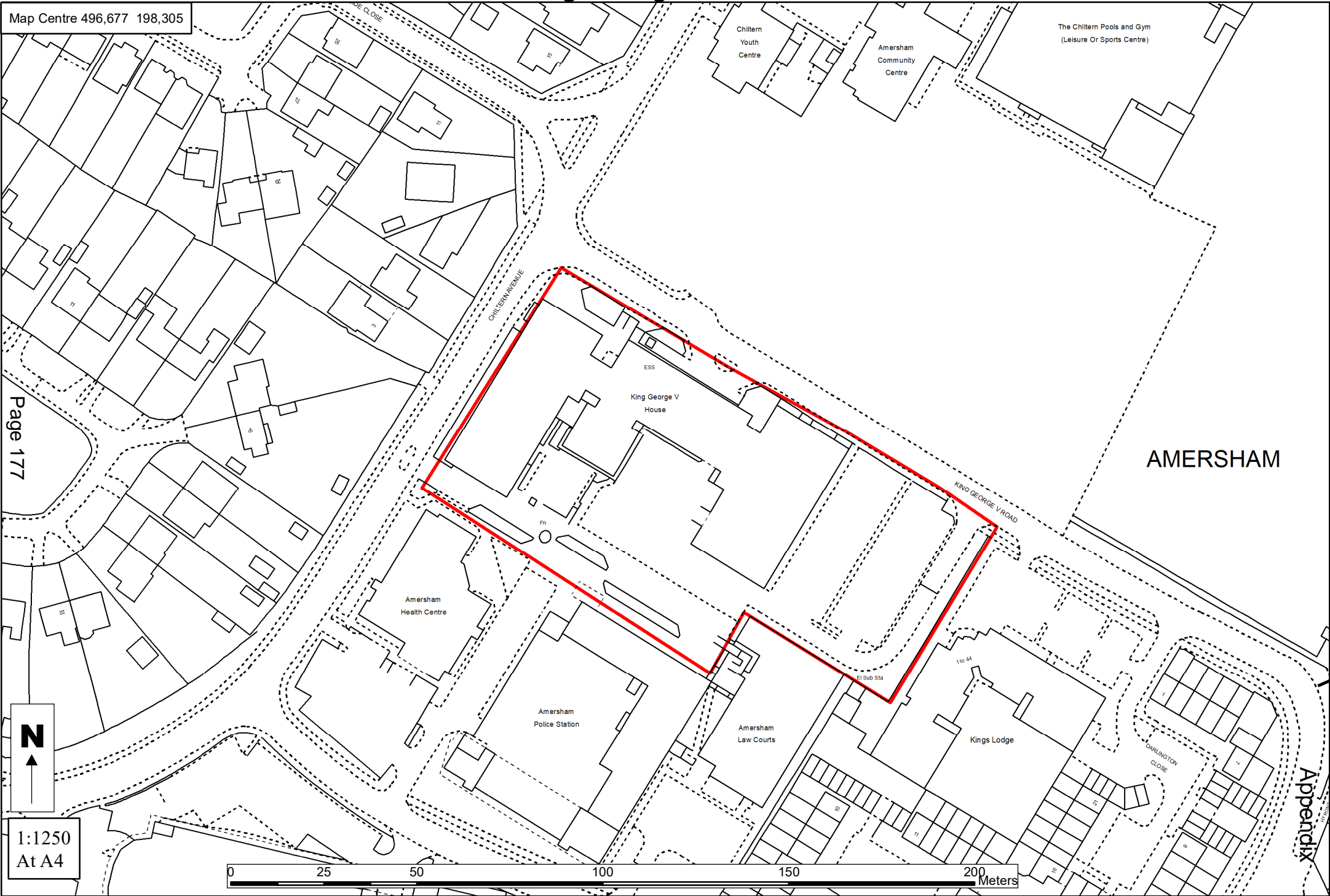
Drawing Title  
**Proposed First Floor**

Scale <b>1:100</b>	Drawing Status <b>Draft</b>
Project No. <b>23.119</b>	Drg No. <b>100.004</b>
	Rev <b>D4</b>

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# Area Office, King George V Road, Amersham

Map Centre 496,677 198,305

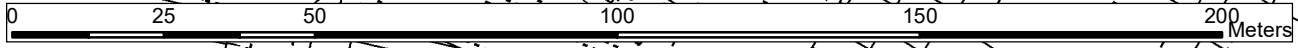


AMERSHAM

Page 177



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Appendix

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# Equality Impact Assessment (EqIA)

Template reviewed June 2023

The Public Sector Equality Duty (PSED) was introduced as part of the Equality Act 2010, which protects people from discrimination in the workplace, in the provision of services and in wider society.

The duty requires all public bodies to have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people

Public bodies demonstrate this due regard in different ways, including producing robust equality impact assessments when considering changes to policies and services.

An EqIA enables us to check the potential impacts on residents and employees of our policies, services, and projects. It's an opportunity to challenge how we currently do things.

Carrying out an EqIA should not create extra work; it should be part of your normal service planning process. Most of the information required should already be available to you through other work already undertaken e.g. service user monitoring, analysis of complaints and national research.

The purpose of an EqIA is to *take account* of equality as plans develop, to promote and assist the consideration of equalities issues arising in plans and proposals and to ensure that where possible adverse or disproportionate impacts are minimised and positive impacts are maximised. As such where possible an EqIA should be started at the outset of a project/proposal and continually be developed and reviewed until a final proposal is adopted. An EqIA should be used to ensure decision makers have all the information they need regarding potential impacts to ensure they have due regard to the Public Sector Equality Duty when making judgements.

Carrying out EqIAs should be an integral part of policy or service development/change and larger projects may need more than one EqIA if different areas are impacted by the change.

Any project that requires consultation will automatically require an EqIA.

All approved and signed EqIAs are recorded in a central register. Please email your completed draft EqIA to [equalities@buckinghamshire.gov.uk](mailto:equalities@buckinghamshire.gov.uk). Previous EqIAs can be made available for information upon request. For any questions or if you require support in completing your EqIA please contact Maria Damigos and Natalie Donhou Morley directly.



# Equality Impact Assessment (EqIA)

Template reviewed June 2023

## Part A (Initial assessment) - Section 1 - Background

Proposal/Brief Title: Consideration of closure of Council office at King George V House Amersham

OneDrive link to report/policy:

Related policies:

Date: August 2023

Type of strategy, policy, project or service: Closure of offices

Please tick one of the following:

- Existing
- New or proposed

xChanging, update or revision

- Other (please explain)

This assessment was created by:

Name: Gill Smith

Job Title: Head of Facilities Management

Email address: [gill.smith@buckinghamshire.gov.uk](mailto:gill.smith@buckinghamshire.gov.uk)

Briefly describe the aims and objectives of the proposal below:

The Council set out in its MTFP (Medium Term Financial Plan) a requirement to make £2.4m pa revenue savings from efficiencies in its operational estate as well as a £64m capital receipt. In addition, at the 11<sup>th</sup> July 2023 Cabinet meeting it was agreed that in light of the worsening financial position that savings should be accelerated and that there should be a strategic property and finance review brought forward to manage in year budget pressures and to examine opportunities for additional savings, income or capital receipt.

As part of the estates strategy CMT have agreed to bring forward proposals to close KGVH to provide in year savings due to under occupation of offices. The Customer Access Point, CAP+, will also be closed.

What outcomes do we want to achieve?

The accelerated closure of King George V House forms part of those savings, which if approved would contribute to the overall savings target, generating a revenue saving and a capital receipt and by completely exiting the site will provide additional revenue savings and capital receipt





# Equality Impact Assessment (EqIA)

Template reviewed June 2023

The proposal is based upon the underutilisation of the office space and low CAP+ usage.

Does this proposal plan to withdraw a service, activity or presence? Yes/~~No~~

Please explain your answer:

Closure of office space. Proposal for staff presence to be relocated to Queen Victoria Road building in High Wycombe. There is a linked proposal for a new small touchdown space being available at Chesham Library for social services teams and Child Protection Conferencing where services are required to remain local as well as storage space for Environmental Health.

Member meetings/democratic events will be relocated to QVR Wycombe Offices.

There may be an impact on car parking availability (service users/residents/staff) at the point of moving to new locations if agreed.

It is proposed that the CAP+ will not be replaced, but there will be a new CAP in Amersham Library and the Chesham CAP as part of the library refurbishment will be relaunched. There will be a County wide communications campaign about the services which can be accessed at Library CAPs – unfortunately this was never progressed at Vesting Day due to Covid.

Does this proposal plan to reduce a service, activity or presence? Yes/~~No~~

Please explain your answer:

Please see above

Does this proposal plan to introduce, review or change a policy, strategy or procedure? Yes/~~No~~

Please explain your answer:

Relates to office building/facilities. The strategy and potential closure of the Amersham office was considered in the Councils Cabinet report on 5<sup>th</sup> January Cabinet 2023 and 11<sup>th</sup> July 2023.



# Equality Impact Assessment (EqIA)

Template reviewed June 2023

Does this proposal affect service users and/or customers, or the wider community? Yes/~~No~~

Please explain your answer:

It will affect service users, customers and the wider community as the proposals include replacing the existing CAP+ at KGVH with CAP provision in Amersham Library (within the Chilterns Lifestyle Centre across the road from KGV) with face-to-face support for more complex needs provided at the CAP+ offices in High Wycombe and Aylesbury

KGV CAP+ received 2501 recorded visits over the last 12 months (June 22-June 23). KGV is the least visited CAP+ with High Wycombe and Aylesbury CAP+ receiving more visits in that time, along with Aylesbury and High Wycombe library CAPs (High Wycombe being the most visited Library CAP, with 5048 recorded visits). From July to September 2023, there were 26 enquiries classified as homelessness presentations at KGV CAP+, 89 at Walton St and 166 in QVR

Relocation of the face-to-face service in Amersham from the KGV office to the library will ensure a continued presence to assist vulnerable or digitally unable in Amersham with general and signposting services. The new Amersham Library CAP will have an enclosed phone booth to enable customers to access specialist support from Customer Service Agents from a private space.

Customers will also be made aware through education before closure and a comms campaign that Chesham Library CAP will be able to assist with general and signposting services, the same as Amersham Library CAP.

In addition, it is proposed some services will utilise touchdown working spaces which may include meetings with partners and customers.

Does this proposal affect employees? Yes/~~No~~

Please explain your answer:

If agreed, the proposed closure will impact on all staff who are contractually located at KGVH and those whose contractual base states Capswood but currently work out of KGVH. Those employees contractually located at KGVH may currently use this office as a touch down space or place to meet with partners or customers. Employees will be relocated as appropriate following consultation. Relocation policies will be followed, including additional travel mileage. Reasonable adjustments will be considered on an individual basis.

*Anticipated travel options and costs for public transport links from Amersham to Aylesbury, Wycombe and Chesham have been identified as below:*



# Equality Impact Assessment (EqIA)

Template reviewed June 2023

## Amersham to Aylesbury travel options

**Bus:** no routes

**Train:** one way ticket £10.70 (0 changes, 45mins) Few mins walk each way to the Council buildings.

**Taxi:** 30mins £40-£45

## Amersham to Wycombe Travel options:

**Bus:** 40 mins, £2

available from outside Chiltern Ave (opposite Lifestyle Centre) to Wycombe hospital (few mins walk from QVR) Other routes and bus stops available too. Bus no. 1 & 1A, Carousel Buses. Approx 3 per hour.

**Train:** one way ticket £16.50 (1 change, 1hr50mins) Few mins walk each way to the Council buildings.

**Taxi:** 20mins £20-25

## Amersham to Chesham travel options:

**Bus:** 15 mins, £2 (Train station to Broadway 1 min walk from library))

**Train:** 30 mins £3-4 (1 change, 3 mins walk each side to Council office/Chesham Library)

**Taxi :**15 mins £10-15

Will employees require training to deliver this proposal? ~~Yes~~/No

Please explain your answer: N/A

Has any engagement /consultation been carried out, or is planned in the future? ~~Yes~~/No

Please explain your answer:

A staff consultation is planned to start on 25<sup>th</sup> September 2023 and will close on 31<sup>st</sup> October 2023, with briefing sessions planned to be held with staff affected by these proposed changes. Agency workers affected by the proposal will also be briefed appropriately. Public consultation is not currently being considered, however, members have been consulted as representatives of their constituents.

## Section 2 - Impacts

Please highlight potential impacts (including unintended impacts or consequences) for each protected characteristic\*. Where there are negative or positive impacts please give more details of the impact. Where the impacts are unclear please explain why.

The project involves the proposed relocation of various teams. These may be teams who liaise directly with service users or are back office. Relocation options are being considered but where there is no requirement for a presence within Amersham itself the proposal is to



# Equality Impact Assessment (EqIA)

Template reviewed June 2023

relocate to High Wycombe, with touchdown areas for Social Services teams and Child Protection Conferencing proposed to move to Chesham Library.

It is proposed that the CAP+ will not be replaced, but there will be a CAP in Amersham Library, and there is already a CAP in Chesham library.

The main issues relating to closure of office and relocation are changes to travel for staff and access to CAP+ facility for residents within Amersham.

This is likely to have both positive and negative effects depending on exact travel requirements of individuals, road network and public transport facilities. As KGVH is currently under occupied as a result of changed work patterns since Covid, relocation is expected to affect up to 450 staff.

Relocation will offer better building accessibility than currently available at KGVH.

Unless otherwise set out below, the following has been completed in relation to both CAP+ closure and staff relocation. Staff/ individual consultation will be carried out as per council policies.

### Age\*

Positive	Negative	<u>Unclear</u>	None
----------	----------	----------------	------

### Details:

Elderly residents may prefer to visit offices rather than use internet. New Amersham Library CAP will mitigate issues for access to Council Services. Younger residents potentially more likely to use internet, however where work/ enquiry relates to social care still proposing to have access to touch down space for teams at Chesham.

### Disability\*

Positive	Negative	<u>Unclear</u>	None
----------	----------	----------------	------

### Details:

Resident/ Staff linked to disability and mobility – where location is further from home and therefore there is additional travel. Potential for impact on persons with disabilities. Persons with disabilities may find it difficult to travel on public transport. New Amersham Library CAP will mitigate issues for access to Council Services. For staff they may also incur a change associated with access to proposed workspace /office may be more difficult. Where possible, previously agreed reasonable adjustments will be followed, or reassessed with the staff member and HR if needed. Therefore, main issues still relate to travel to offices.

### Pregnancy & maternity\*

Positive	Negative	<u>Unclear</u>	None
----------	----------	----------------	------



# Equality Impact Assessment (EqIA)

Template reviewed June 2023

Details:

Pregnancy likely to affect ease of travel for staff and residents where longer journey times result from relocation. In case of staff, this can be dealt with under council policies. For residents, CAP services can still be accessed at New Amersham library CAP.

## Race & Ethnicity\*

Positive                      Negative                      **Unclear**                      None

Details:

Where English is not the first language of residents in the community, traditional communications regarding changes may be less affective resulting in residents not being as aware of changes to CAP location. This will be considered within comms to public. All Library CAPs have access to full translation services.

## Marriage & Civil Partnership\*

Positive                      Negative                      Unclear                      **None**

Details: None identified

## Religion & Belief\*

Positive                      Negative                      Unclear                      **None**

Details: None identified

## Sex\*

Positive                      Negative                      **Unclear**                      None

Details:

The proportion of female/male staff impacted is anticipated to be similar to that of the organisational make up of BC (70%/30%).

## Sexual Orientation\*

Positive                      Negative                      Unclear                      **None**

Details:

## Gender Reassignment\*

Positive                      Negative                      Unclear                      **None**

Do you anticipate any impacts on military families/veterans in relation to the Armed Forces Act 2021 requirements on local authorities to have due regard to the Armed forces Covenant? **No**



# Equality Impact Assessment (EqIA)

Template reviewed June 2023

Please explain your answer: N/A

Are there any other additional groups/impacts that the EqIA should evaluate in relation to the proposal? **Unclear**

Details:

Employees who will relocate may have carer's and/or childcare responsibilities that would be negatively impacted if their travel time is increased. They may need to be close to the person for whom they provide care in case of emergencies. These would need to be considered on an individual basis during consultation. More information is required with regards to the business needs of teams and potential relocation proposals. The impacts are to be regularly reviewed as proposals are considered and any matters that are identified will be included.

### **Section 3 – Is a full assessment required?**

**If you have answered yes to any of the initial assessment questions in section 1 of this EqIA, or have indicated a negative or unclear impact in section 2, it is likely you will need to complete part B of the EqIA form. Should you need guidance as to whether a full EqIA is needed at this time please contact Maria Damigos or Natalie Donhou Morley before continuing.**

Following completion of part A, is part B completion required?

Not required at this time

Explain your answer:

The proposals will have an impact on both staff and residents.

With regards to staff, it is not appropriate to indicate individual issues affecting staff and any negative issues that are identified will be part of ongoing consultation. It is also possible that some staff will find relocation is of benefit to their personal circumstances. The Council has various policies including relating to relocation, reasonable adjustments, homeworking, carers etc which will be relevant and will be taken into account. As there will be further consultation with both unions and staff we will ensure that equalities issues are incorporated to allow full consideration as the project progresses and impacts updated and escalated as required.

It is also recognised that the proposed reduction of office space within Amersham will have an effect on committee meetings and member meetings. This is expected to affect planning and licensing matters the most which are location specific. Further consideration will be given to this area although the use of virtual meetings, virtual access and webcasts is expected to minimise issues in this regard.



# Equality Impact Assessment (EqIA)

Template reviewed June 2023

It is anticipated that the proposed closing of the CAP+ at the KGVH building and opening a CAP at Amersham library, as well as the touchdown provisions for other services will mitigate any loss of service to members of the public/partners. Appropriate communications will be provided to ensure that the public are aware of where and how they can access council services.

## **Have you completed an DPIA for this project/change? Yes/No**

(As you are completing an EqIA, you may also require a DPIA - for more information please contact [dataprotection@buckinghamshire.gov.uk](mailto:dataprotection@buckinghamshire.gov.uk))

## **Section 4 – Sign off**

Officer completing this assessment: Gill Smith Date: 25/08/2023

Equality advice sought from: Natalie Donhou Morley / Maria Damigos) Date: 25/08/2023

HR advice sought from: Rachel Monastyrskij Date: 14/09/2023

Service Director sign off: John Reed Date: 15/09/2023

CMT sign off: sign off: Sarah Murphy-Brookman Date: 18/09/2023

Next review Date: 9 October 2023 (mid-consultation)

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