

SHADOW OVERVIEW & SCRUTINY - BUDGET TASK AND FINISH GROUP

Date: Tuesday, 14th January, 2020
Time: 10.00 am
Venue: The Oculus, Aylesbury Vale District Council, Gatehouse Road,
HP19 8FF - Aylesbury

Membership: Councillors: J Gladwin (Chairman), C Whitehead (Vice-Chairman),
R Bagge, L Clarke OBE, A Collingwood, P Cooper, C Ford, G Hollis, S Lambert,
R Newcombe and P Turner

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AGENDA

1. **Apologies for Absence/Changes in Membership**
2. **Declarations of Interest**
3. **Background Papers**
Please find below links to the Shadow Executive papers for 7th January 2020, which provide information on the draft budget. There is also a link to the Council Tax Base report.

Draft Budget Report

<https://shadow-buckinghamshire.moderngov.co.uk/documents/s1885/Draft%20Budget%20covering%20report%20-%20final.pdf>

Appendix 1 – Corporate Plan for Buckinghamshire Council 2020-2023

<https://shadow-buckinghamshire.moderngov.co.uk/documents/s1886/Appendix%201%20BC%20Corporate%20Plan%202020-2023%20Final.pdf>

Appendix 2 – Draft Revenue Budget 2020/21-2022/23

<https://shadow-buckinghamshire.moderngov.co.uk/documents/s1887/Appendix%20%20Draft%20Revenue%20Budget%20-%20Final.pdf>

Appendix 3 – Draft Capital Programme

<https://shadow-buckinghamshire.moderngov.co.uk/documents/s1888/Appendix%203%20Draft%20Capital%20Programme%20-%20Final.pdf>

Appendix 4 – Draft Revenue Budget detailed changes

<https://shadow-buckinghamshire.moderngov.co.uk/documents/s1889/Appendix%204%20Detailed%20changes%20-%20Final.pdf>

Appendix 5 – Budget Consultation Headline responses

<https://shadow-buckinghamshire.moderngov.co.uk/documents/s1890/Appendix%205%20Budget%20Consultation.pdf>

Council Tax Base report

<https://shadow-buckinghamshire.moderngov.co.uk/documents/b568/Council%20Tax%20Base%20007th-Jan-2020%2010.00%20Shadow%20Executive.pdf?T=9>

4. **Leader of the Shadow Executive - Budget Strategy & Policy (Pages 3 - 16)**
 - Welcome by the Chairman to the Leader and supporting officers
 - Introduction by the Leader of their priorities and the overarching strategy for the budget
 - Task & Finish group questioning of the Leader
5. **Deputy Leader & Portfolio Holder for Resources - 11.45am (Pages 17 - 28)**
 - Welcome by the Chairman to the Portfolio Holder and supporting officers
 - Introduction by Portfolio Holder of their priorities and the overarching strategy for the budget
 - Task & Finish group questioning of the Portfolio Holder
6. Lunch Break
7. **Portfolio Holder for Education - 2.15pm (Pages 29 - 44)**
 - Welcome by the Chairman to the Portfolio Holder and supporting officers
 - Introduction by the Portfolio Holder of their priorities and the overarching strategy for the budget
 - Task and Finish group questioning of the Portfolio Holder
8. **Date of next meeting**
Wednesday 15th January 2020 at 10am at The Oculus, The Gateway, Aylesbury

Leader Portfolio
Budget
14 Janu

Agenda

- Portfolio context
- Key Financial Issues, Risks & Opportunities
- Draft Revenue Budget 2020-2023
- Overview of MTFP changes
- Supporting Financial information (including income, contracts & FTE)
- Draft Capital Programme 2020-2023

Portfolio context

- **Strategic infrastructure & projects**
- The team supports the delivery of Strategic infrastructure projects within the Capital programme (such as the Aylesbury Link Roads); and provides the Council's responses to the National infrastructure demands such as HS2, Expressway & East West Rail.
- **Economic Growth & Regeneration**
- Through strong collaborative relationships between key partners, such as Bucks Business First, Buckinghamshire Thames Valley Local Enterprise Partnership, England's Economic Heartland and Bucks Advantage to deliver sustainable economic growth across the council.
- **Legal Services**
- Legal and governance advice and support to the Monitoring Officer. Providing legal services to all directorates, working closely with officers, Members, and partner organisations.
- **Democratic & Electoral Services**
- Support to Members to undertake their various roles. Governance support and advice to all Committees, to the Monitoring Officer and to the wider organisation. Planning and delivery of elections and maintenance of the electoral register. Support to town and parish councils. Support to the Chairman of the Council and the Lord-Lieutenant.
- **Localities**
- Responsible for ensuring the Council and councillors are supported in building strong connections with Buckinghamshire's diverse communities. This includes responsibility for community boards, devolution, council access points, relationships with town and parish councils and with strategic partners.



Portfolio context

- **Policy**
- Strategic advice and policy support to Members, leadership team and business units. From research, analysis and regular policy bulletins, this team helps the organisation to have effective forward planning. The team also provide policy support to Members and Senior Leadership in local, regional and national roles.
- **Service Improvement & Transformation**
- Specialist support for the delivery of business transformation and improvement, making sure there is robust governance and processes to track programmes and projects across the Council, including driving the plans and thinking to deliver the new Buckinghamshire Council. The provision of high quality insight and intelligence to identify opportunities for improvement, understand performance and demand on services (now and in the future), and support services to plan, shape, and improve to achieve better outcomes and a better customer experience.
- **Communications & Engagement**
- Specialist advice and expertise to Members and directorates ensuring that communications and engagement activities are coordinated, cost-efficient and effective, directly supporting the achievement of Member priorities and directorate outcomes. Also delivery of a service to the Buckinghamshire Clinical Commissioning Group. Key activities include marketing, social media and digital engagement, media relations, branding, consultations.



Key issues, risk & opportunities

- **Unitary savings**
- Work on Member allowances and future Committee structure are well advanced and savings are anticipated within the budget. The budget reflects the new Tier 1-3 Senior Management Structure and the associated savings also been delivered.
- **Elections**
- Funding will be required for the May 2020 elections. This is typically funded from reserves and is estimated at £670k. Existing reserves are available to meet this requirement.
- **Legal Service**
- The re-insourcing of the BCC Legal Service from Harrow Law has been completed; phase 2 (AVDC) is on track to be delivered in March 2020. A saving of around £100k is anticipated from replacing the current interim arrangements. This is already factored into the existing budgets. There are some budgeting complexities around the need to harmonise charging for day 1, which will be addressed in April.
- **Transformation**
- The Unitary Implementation has current transition funding of £22m. A further £14m has been set aside in reserves to manage the future Transformation requirements. A detailed Transformation programme to deliver the unitary savings will be developed with the new Leadership and Senior Management team.



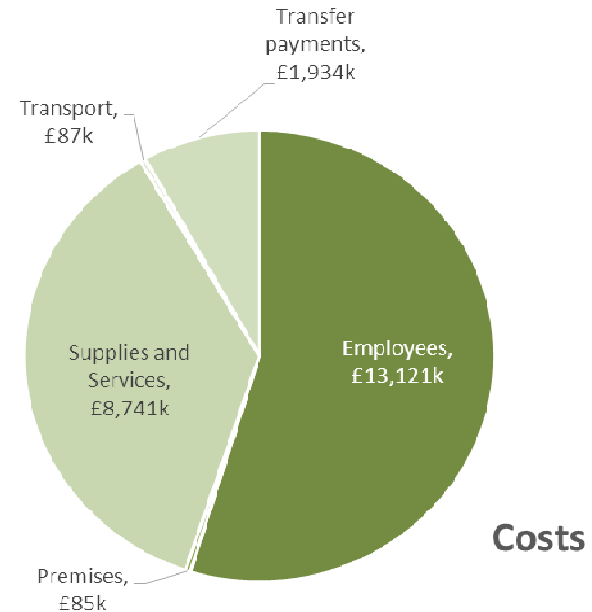
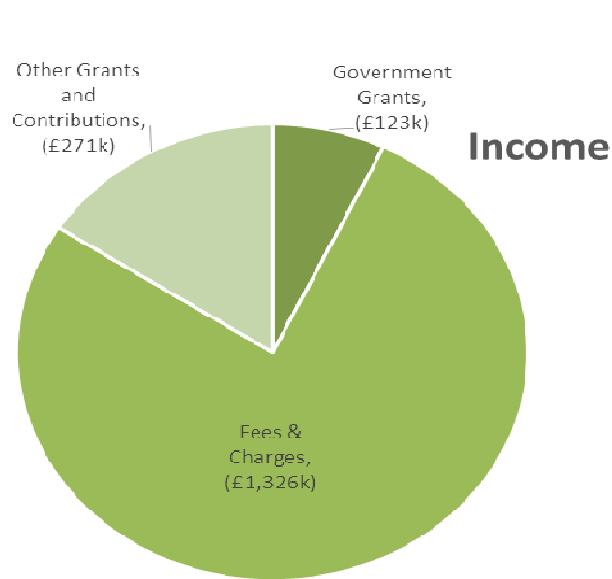
Key issues, risk & opportunities

- **National Infrastructure Schemes & Housing Growth**
- There is a challenging and developing national change agenda including the OxCam Arc, National infrastructure delivery such as HS2, Expressway and East-West rail, Housing growth agenda and potential Growth Deals, Aylesbury Garden Town and associated initiatives, Housing Infrastructure Fund bids, and the Buckinghamshire Growth Board.
- National infrastructure such as HS2, Expressway & East West Rail places a burden on local planning authorities and teams have been set up to meet these demands, subject to availability of funding.
- **Regeneration and feasibility studies**
- These schemes are reflected within the Capital programme. There is a risk around the level of investment within revenue to support delivery of the schemes and to provide for feasibility studies and early design work. As a result, £2m has been added to existing £2.4m reserves, and £1.2m of base budget funding for early design and feasibility.



Draft Revenue Budget 2020-2023

Leader Portfolio	2020-21			2021-22	2022-23
	Income £000	Expense £000	Net Budget	Net Budget	Net Budget
Economic Growth & Regeneration	(367)	2,832	2,465	2,457	2,458
Legal & Democratic Services	(444)	8,227	7,783	7,780	7,803
Chief Executives office	(5)	944	939	939	939
Localities & Strategic Partnerships	(10)	4,435	4,425	4,925	4,925
Policy Performance & Comms	(299)	5,328	5,029	5,030	5,032
Strategic Infrastructure & Projects	(596)	1,099	504	504	504
Transformation		1,101	1,101	1,101	1,101
Net	(1,720)	23,967	22,246	22,736	22,761

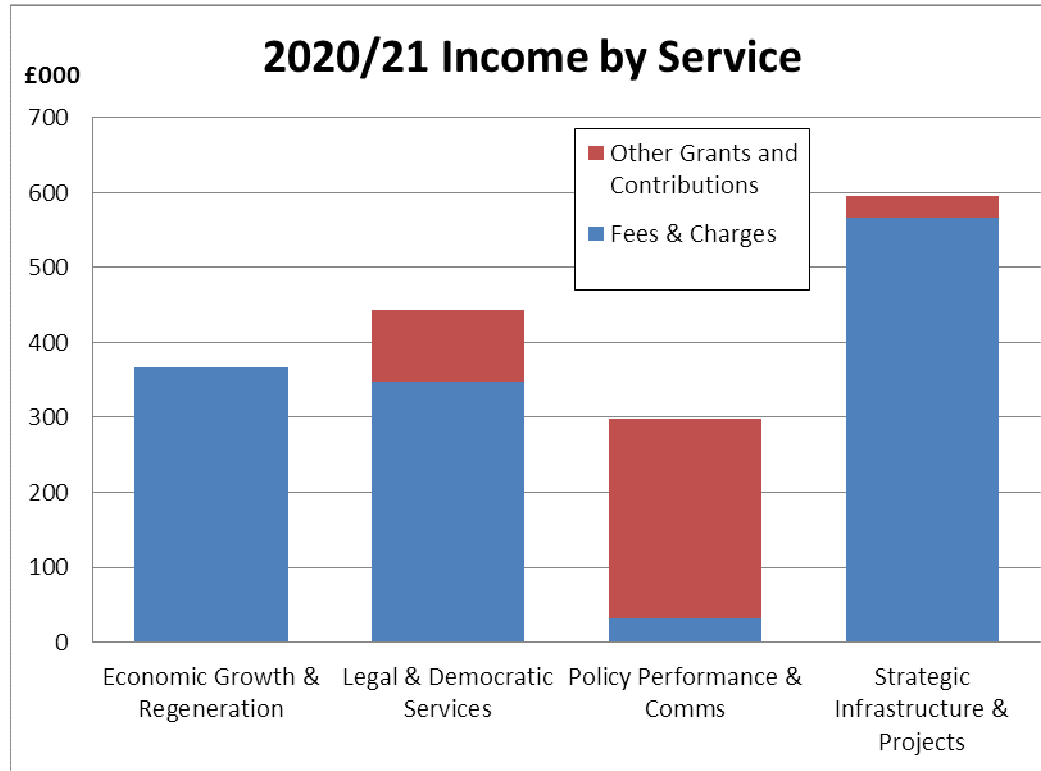


Overview of MTFP changes

	2020-21	2021-22	2022-23
Description of change	£000's	£000's	£000's
Community Boards	1,500	2,000	2,000
Unitary savings	(170)	(170)	(170)
Community Boards Infrastructure funding	1,900	1,900	1,900
Service restructure	(55)	(80)	(80)
Increase in feasibility funding	200	200	200

- The introduction of Community Boards will deliver a £5.165m gross investment in Communities and a net £1.5m-£2.0m investment required within the MTFP; plus infrastructure funding of £1.9m from New Homes Bonus.
- Unitary savings in relation to Member allowances are included within the budget based on the proposed new scheme. Savings from Management structure are not shown separately.
- An existing planned service restructure within Democratic services has been completed.
- The budget includes an ongoing £200k increase in funding for feasibility work, taking the base budget allocation from £1m to £1.2m per annum. In addition reserves of £4.4m have been created from existing earmarked reserves and a £2m contribution from the General fund.

Supporting Financial information



Leader	FTE*
Chief Executives office	4.5
Economic Growth & Regeneration	24.2
Legal & Democratic Services	82.8
Localities & Strategic Partnerships	18.0
Policy Performance & Comms	108.7
Strategic Infrastructure & Projects	34.0
Transformation	51.2
Total FTE	323.5

*HR data is for illustrative purposes and excludes vacancies and agency posts; and is subject to ongoing finalisation process.

Capital programme

- The Leader portfolio has a gross capital programme of £174.4m over 3 years with £71.5m ring-fenced income.
- There are a number of significant infrastructure funded schemes, including Abbey Barn Lane Realignment, Princes Risborough relief road Phase 1 and South East Aylesbury Link Road.
- The schemes are reliant on HIF MV or FF bids and have common issues around:
 - cost variability
 - security of funding in particular around developer contributions, HIF FF or MV bids and HS2.
 - Property/legal implications around land acquisition and potentially the use of compulsory purchase powers
 - Recycling HIF funding – local recycling (potentially over £140m over 10-15 years is possible) with the agreement of Homes England.

Aylesbury Garden Town

- The Aylesbury Garden Town (HIF) Forward Funding bid has the potential to deliver £180m of investment into Aylesbury.
- Although the Garden Town benefits from external capacity funding, access to capital funding is still being progressed, in particular to support the following transport projects
 - Aylesbury Gardenway - a green and blue infrastructure corridor
 - Aylesbury Interchange – a new or upgraded bus station to better link with the rail station
 - If the HIF FF bid is successful, it may unlock further AGT projects to be delivered.



Capital Programme - Regeneration

- Regeneration sits within a wider policy context of growing the economy within Buckinghamshire. In respect of the emerging regeneration strategy for Wycombe, the ambition is to contribute to the goal of doubling GVA within High Wycombe by 2040, which is consistent with the Economic Vision for the Oxford-Cambridge Arc.
- A key regeneration schemes include:
 - the area around High Wycombe station, known as the Eastern Quarter. This scheme has the potential to transform the town of High Wycombe and to produce, over a 15 year period, approximately 1 million square feet each of residential and commercial development.
 - Aylesbury town centre phase 2 regeneration project.
- The Capital programme includes a budget of £22.8m of strategic acquisitions / infrastructure (funded from core capital funding). Any further strategic acquisitions would be dependent upon the financial business case and a key decision.



Draft Capital Programme 2020-2023

Expenditure

		2020/21	2021/22	2022/23	Total MTFP
Service	Scheme	£000	£000	£000	£000
Economic Development	Rural Broadband	600	600	-	1,200
Regeneration	Future High Streets Fund	300	3,111	-	3,411
	Retasking of Winslow Centre	-	5,000	5,000	10,000
	Strategic Acquisitions / Infrastructure	-	9,524	10,000	19,524
	The Exchange phase 2	-	-	30,000	30,000
	Waterside North Development	749	5,500	3,550	9,799
	High Wycombe Town Centre	4,612	1,111	-	5,723
	Employment & regeneration led opportunities	13,389	6,150	-	19,539
	Housing led opportunities	3,825	1,701	-	5,526
	Environment led opportunities	450	-	-	450
	Aylesbury Town Centre	3,400	3,000	-	6,400
	CIL funded regeneration	998	-	-	998
Strategic Infrastructure (inc HIF)	A355 Improvement Scheme (Wilton Park)	343	1,644	-	1,987
	Abbey Barn - HIF/S106	969	4,629	4,558	10,156
	Aylesbury Eastern Link Road	550	-	-	550
	East West Rail	1,000	1,000	1,000	3,000
	Princes Risborough Early Design	2,600	-	-	2,600
	Princes Risborough HIF	-	9,373	650	10,023
	SEALR (South East Aylesbury Link Road)	5,441	23,036	5,000	33,477
Grand Total		39,226	75,379	59,758	174,363

Draft Capital Programme 2020-2023

Funding

	2020/21	2021/22	2022/23	Total MTFP
Funding Source	£000	£000	£000	£000
Government Grants	(11,700)	(29,680)	(1,928)	(43,308)
Revenue Contributions	(1,450)	(1,000)	-	(2,450)
Developer funding (CIL / s106)	(6,511)	(3,531)	(15,684)	(25,726)
Grand Total	(19,661)	(34,211)	(17,612)	(71,484)

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Deputy Leader & Resources Portfolio
Budget
14 Janu

Agenda

- Portfolio context
 - including service information and key facts and figures
- Key Financial Issues & Risks
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Portfolio context

Business Support & Customer

Responsible for:

- Council Access Points
- Customer service
- Website
- Corporate Business Support (such as executive assistant pool for Senior Managers)
- Local Resilience Forum/ Emergency Planning/Business Continuity

Priorities over the coming period will be:

- Continuity of customer service experience
- Ongoing development of new website
- Long term plan for CRM
- Embedding new Emergency Planning framework

Finance

A full in-house finance function, responsible for:

- Financial and Investment strategy
- Budget management and advice
- Treasury and Risk Management
- Procurement
- Internal Audit
- Revenue and Benefits
- Direct Payments for social care
- Insurance

Priorities for coming year will be:

- Supporting council through transformation, to rationalise budgets and deliver savings
- Design and delivery of new finance system
- Harmonisation and rationalisation of operational-level Finance policies and practices.

ICT

Responsible for:

- ICT Strategy
- ICT Service Desk
- Systems Admin
- Solutions Architects
- IT Operations
- IT Apps

Priorities for coming year will be:

- Supporting council through transformation of systems and applications, such as the finance system and revenue and benefits systems.
- Investing in ICT infrastructure and networks to increase resilience.
- Exploring the options for potential integration of ICT function with health sector

Portfolio context

Property & Assets

Responsible for:

- Capital projects
- Strategic Asset Management
- Property Investments
- Special Purpose Vehicles/Joint Ventures
- Planned Preventative & Reactive Maintenance, including Schools
- Corporate Landlord Function
- Agricultural Estate

Priorities over the coming period will be:

- Managing the risks of possible economic downturn on our income streams
- Supporting the council through service transformation e.g office moves.
- Developing and delivering phase 2 of the accommodation strategy.
- Harmonisation and rationalisation of budgets, contracts and Property-related policies and procedures.
- Optimising use of our combined assets
- Delivering support to other Unitary projects such as devolution.

Human Resources & Organisational Development

Responsible for:

- Payroll
- HR Operations
- Employee Relations
- People Change and Transformation
- Pay and Reward
- Pensions Employer responsibilities
- Learning and Development
- Organisation Development including Employee Wellbeing
- Resourcing and Social Media campaigns
- HR Systems

HR&OD also provides many services to Schools including payroll, recruitment services, employee relations and the Employee Assistance and Occupational Health services.

Priorities for the coming year are:

- Supporting the Council and employees as services are reviewed and transformed
- To establish the new HR&OD service as one that signposts employees and managers to information so that they can undertake routine HR transactions efficiently; Provides timely professional advice; Retains and builds the Schools HR&OD service provision.

Key Financial Risks & Issues 1

1. Pressures on this Portfolio

We have a number of budget pressures from 2019/20 for which we have identified one-off mitigations in 2019/20, but which will carry forward into 2020/21 and need to be resolved on an ongoing basis:

Pressure Source	£k	£k	£k	Comments
Carried Forward Pressures from 19/20	155	125	375	BCC Pressures from Children's Service Business Support, loss of HR schools income, Finance team staffing pressure. Mitigations have been found for years 1 and 2 (levering PMO funding; move from high cost interim to permanent head of legal).

We do not propose bidding for additional funding for these pressures. We expect to meet the £155k pressure in year 1 predominantly through early release of agency staff, particularly in Finance. For future year pressures, our opportunities are: generating additional Property Income, for example by getting new tenants into 66 High Street and Exchange North; over or early delivery of unitary transformation savings.

2. Property Rental Income

(a) AVDC Property Voids and reduced income: AVDC are set to lose income from 66 High Street (£261k from losing 1st floor tenants), and from the East Wing of Gateway (up to £63k). In the first instance, £300k of new funding from the recent LG settlement has already been earmarked to meet these pressures.

(b) Property Team staffing: Property and Assets have stretching income generation targets. These are amber rated, due to the sometimes uncertain and speculative nature of income opportunities. Property and Assets have identified a pipeline of income opportunities which would seek to over-achieve income thereby de-risking the income target. **We need to ensure that Property & Assets have sufficient staffing capacity and capability to realise the income opportunities. The Property Workstream have flagged that they are currently at full capacity, stretched to deliver Unitary, which could put these opportunities at risk.** We are not requesting extra resources, but capacity and capabilities in the team will need to be kept under review.

Key Financial Risks & Issues 2

3. ICT

The scale of future ICT transformation will be significant and we will need to ensure we have sufficient resources, appropriate and proportionate governance arrangements, and follow best practice in the assessment, development and delivery of ICT solutions to ensure we achieve value for money.

4. Service Transformation Savings target

In year 1 we have combined savings target of £455k (for new unitary and existing service transformation savings), plus some carried forward budget pressures to meet. In order to achieve this saving we will need to deliver some early transformation to realise savings over-and-above the unitary target.

5. Complexities in Budget Management & Reporting

Currently the new council's budgets are a merger of inherited budgets. Finance will not have the capacity to support the rationalisation of all budgets straight away. District Council staff are also moving to use a new Finance System (SAP) which they may feel unfamiliar with, and differing levels of financial management support currently offered by each finance function. The budget management and reporting environment will therefore become more complex, and Finance teams are likely to experience significant resource pressure. We are seeking to mitigate this through securing additional staff on a temporary basis from the Unitary transition budget.

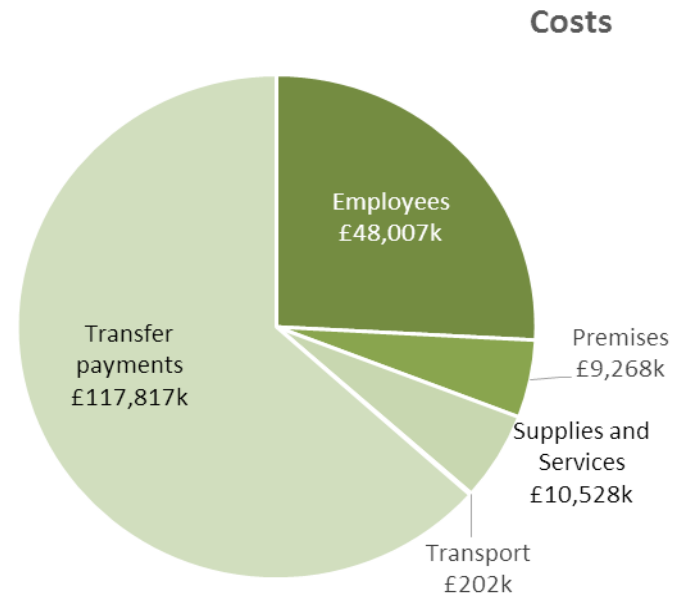
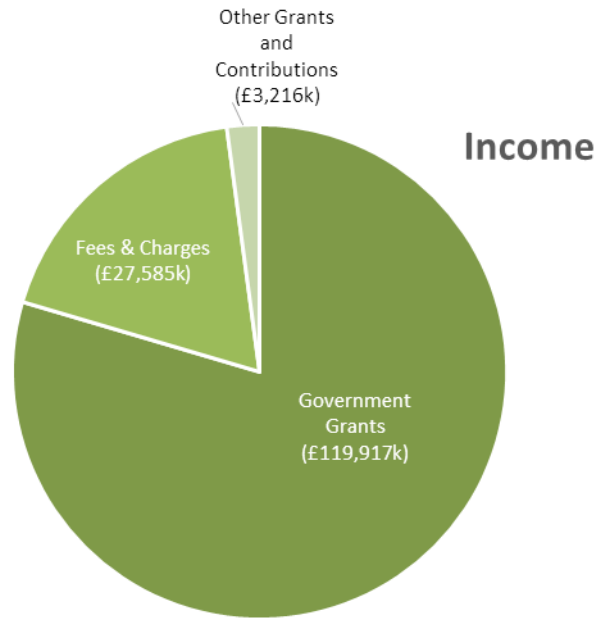
7. Complexity in management of large number of Terms and Conditions

The HR&OD service will be maintaining c.30 sets of terms and conditions for Buckinghamshire Council and there is a risk to the provision of accurate and timely advice. Managing the pay reviews will now be complex both for TUPE-ed terms and also managing budgets as part of the transformation processes to identify people costs and savings.



Draft Revenue Budget 2020-2023

Deputy Leader & Resources Portfolio	2020-21			2021-22	2022-23
	Income £000	Expense £000	Net Budget	Net Budget	Net Budget
HR & OD	(1,655)	6,487	4,832	4,812	4,812
Revenues & Benefits	(122,021)	121,857	(164)	(602)	(896)
Property & Assets	(22,368)	17,194	(5,174)	(5,674)	(5,647)
Finance	(3,157)	16,910	13,754	13,754	13,704
Customer & Business Support	(890)	9,771	8,881	8,756	8,756
ICT	(627)	13,604	12,976	12,983	12,911
Net	(150,718)	185,824	35,106	34,029	33,640



Overview of MTFP changes

	2020-21	2021-22	2022-23
Description of change	£000's	£000's	£000's
Customer Experience Savings	(125)	(250)	(250)
Digital First programme	(132)	(132)	(232)
Net additional income from New Projects (Consilio)	(150)	(200)	(250)
Net additional income from Tatling End Housing	(129)	(276)	(285)
Property energy inflation	178	249	317
Property Transformation, Income and Investment Opportunities	(734)	(1,128)	(1,128)
Change in Housing Benefit grant	50	(118)	(352)
Service Transformation	(455)	(745)	(805)

- Customer Experience Savings – *C&SB project already underway, year 1 savings expected, some year 2 savings may need to be revisited in light of Unitary.*
- Digital First Programme – *savings are due to be achieved when WDC's capita contract expires and ICT moves back in-house.*
- Additional income from Consilio - *has been achieved with recent Milton Keynes purchase*
- Additional income from Tatling End Housing – *housing under construction; income expected Mid-2020*
- Property Energy Inflation – *budgeted growth in-line with Energy Team's forecasts*
- Property Transformation, Income and Investment Opportunities – *healthy pipeline of opportunities, some more likely to materialise than others.*
- Change in Housing Benefit Grant – *WDC's projected changes to grant income; if this does not materialise, it will be offset by a corresponding reduction in grant payments.*
- Service Transformation – *amalgamation of assigned Unitary savings and service efficiency savings from AVDC and BCC.*

Supporting Financial information

Portfolio FTE

The table below shows for illustrative purposes, excludes vacancies and agency posts, and is subject to ongoing finalisation process.

Service Area	FTE
Customer & Business Support	352
Finance	268
HR & OD	153
ICT	187
Property & Assets	108
Revenues & Benefits	107
TOTAL	1,173

Top 5 Contracts

The table below shows the Top 5 contracts in the Portfolio, by annual contract value

Supplier	Description of Contract	Annual Contract Value
Pertemps Recruitment Partnership Ltd	BCC Agency Staff Contract	£10,000,000
Udata	PSN	£2,498,000
Tencer Ltd	Property Maintenance Services	£1,360,766
Capita	WDC outgoing ICT Managed Service	£1,455,000
Adecco UK Limited	AVDC Agency Staff Contract	£1,400,000

Supporting Financial information

Breakdown of Income

Service Area	£000 20-21 Income	Source of Income
HR & OD	(1,618)	
Payroll	(824)	Sale of payroll services to schools; AVDC's payroll consortium income
Corporate Health & Safety	(86)	Sale of H&S training and advice to schools
Employee Relations	(328)	Sale of employee relations advice service to schools
HR Operations and Organisation:	(380)	Sale of recruitment and training services to schools and other local organisations; Income for administration of DBS checks
Rev & Bens	(122,871)	Grant income from Central Government
Property & Assets	(21,804)	
Agricultural Estate	(750)	Rental Income from council-owned farms
Facilities Management	(414)	BCC Corporate Landlord Property Income & AVDC Gateway Conference and Catering Income
Property Investments	(9,637)	Rental Income from pure investments
Strategic Asset Management	(11,004)	Rental Income from Strategic Assets and Investments
Other	(34)	
Customer & Business Support	(890)	
Business Support Services	(112)	Mainly fees and charges for Blue Badge administration
Commerical Development	(306)	Fees from sale of consultancy services by AVDC's commercial development team
Customer Services	(472)	Charges to schools for adminsitration of education appeals and schools data management systems
Finance	(3,156)	
Pensions	(2,291)	Contribution from pension fund for administration
Insurance	(670)	Income from insurance payouts
Internal Audit	(31)	Sale of internal audit services to Bucks Fire & Rescue & fee to pension fund for audit oversight of pension administration
Business Support Services	(40)	Miscellanoues income from collection of very aged debt
Direct Payments	(90)	Fees to the public for 'Finance Deputies' service for Adult Social Care
Other	(35)	
ICT	(627)	Sale of ICT services for broadband and wider-area networks to schools; AVDC's existing fees earned from Enterprise Service Desk (telephony and ICT services).
SUBTOTAL	(150,966)	

Draft Capital Programme 2020-2023

Expenditure

		2020/21	2021/22	2022/23	Total MTFP
Service	Scheme	£000	£000	£000	£000
ICT	Delivery of Technology Strategy	2,000	1,500	1,500	5,000
	Social Care Systems	1,600	-	-	1,600
	ICT Hardware	645	150	275	1,070
Property and Assets	Aylesbury Study Centre	-	1,200	-	1,200
	Conversion Old Wycombe Library	537	-	-	537
	Enhancement of Strategic Assets	299	274	-	573
	Property Maintenance Programme	1,110	1,015	1,090	3,215
Grand Total		6,191	4,139	2,865	13,195

- To note:
 - No new capital bids have been put forward for this MTFP.
 - Aylesbury Study Centre – this budget was set aside to develop the New County Office study centre into an area for Members. This project was placed on-hold due to Unitary.
 - The ICT investment required to underpin the transformation programme is not reflected in the programme above. Business cases will be developed as part of the transformation programme for consideration against the unitary Transition and Transformation funds.
 - Property & Assets service area contribute significant Capital Receipts from asset disposals to fund the Capital Programme.

Education Portfolio
Budget
14 Janu

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Portfolio Context

Education and Skills

Providing all children and young people with access to a good education by adopting an all age approach, from supporting access to high quality early years provision through to the delivery of a diverse curriculum offer for young people post 16. This includes supporting strong attainment in all our schools.

Special Educational Needs and Disability

Ensuring all vulnerable children and young people aged 0 – 25 receive the education support and provision required in order for them to achieve their full potential.

School Place Planning and Admissions

Ensuring that schools in Buckinghamshire are sufficient in number to provide education suitable for the different ages (including pupils who are over compulsory school age but under the age of 19), abilities and aptitudes and special educational needs of pupils of school age.

Key Facts & Figures



123,075
of the
population is
under 18



234
schools



90%
of pupils attend
good or
outstanding
schools



3.1%
of pupils have a
SEND statement
or EHCP

Approximately 75,500 pupils aged 5-16 in Buckinghamshire schools.

4,524 children with an Education Health and Care Plan (EHCP), of whom **143** are LAC (October 2019).

Approximately 9,900 children receiving transport to and from school.

Key issues & Risks (1)

- At the end of Quarter 2, Education portfolio budgets were projected to **underspend by £353k** in the 2019-20 financial year.
- This is due to underspends against vacant posts in the SEND Service in the first part of the year whilst the new structure was being implemented and recruited to. This underspend is a one off position and recruitment to posts in the structure is ongoing. The forecast position assumes a number of additional posts are recruited to before the end of the year.
- The underspend in Education budgets is required to offset wider pressures within the Children's Services Business Unit in 2019-20.
- There are significant emerging budget pressures in two key areas:
 - Home to School Transport
 - Special Educational Needs and Disability (SEND) Services
- There continue to be pressures against Dedicated Schools Grant (DSG) budgets for pupils with SEND.

Home to School Transport

- **The forecast variance for Education budgets at Quarter 2 does not include the outcomes of policy changes implemented through this year. There is also a risk that savings targets for the re-procurement of home to school transport contracts will not be fully met.**
- The estimated financial implications in the current financial year of this delay is £500k.
- At this stage, it is anticipated that this can be met from corporate contingencies.
- Financial modelling is currently being undertaken to analyse the likely demand and updated impacts of policy changes in future years.

Key issues & Risks (2)

SEND Services

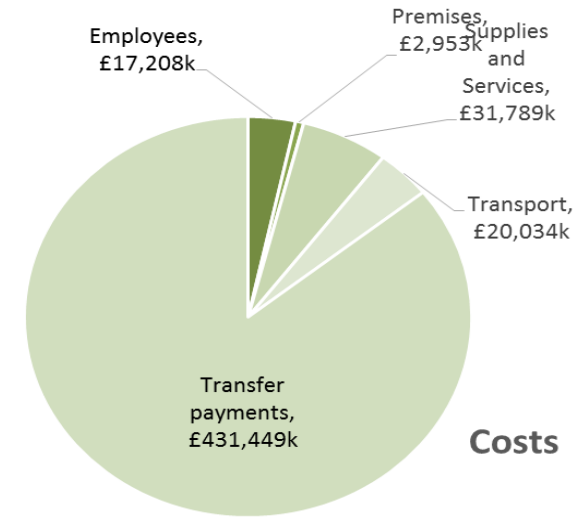
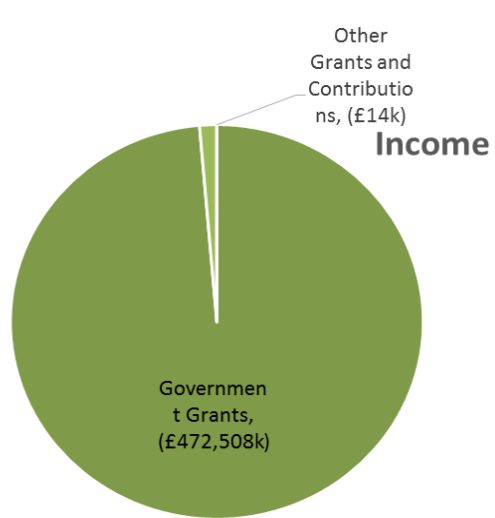
- Budgets for SEND services are projected to underspend in the current year however this is due to the implementation of the new structure and the time taken to recruit to new roles. This underspend will not continue in to future years due to the urgent need to recruit additional staff.
- Currently pressures on the service include:
 - Increased demand for Education Health and Care Plans (EHCPs) – The number of EHCPs has increased by 13% over the course of the previous academic year and is now approx. 4,500.
 - Demand for high cost placements is increasing.
 - High caseloads for staff within the service compared with statistical neighbours.
- **As a result, a further growth proposal of £500k is included in the MTFP. This can be partially offset by savings identified against former Buckinghamshire Learning Trust (BLT) contracts of £280k.**

Dedicated Schools Grant (DSG) Budgets

- DSG budgets for pupils with SEND remain under pressure, particularly in relation to high cost external placements for pupils with complex needs.
- A number of actions to reduce spend and to reduce reliance on high cost placements are in place and were reported to Schools Forum in October.
- Indicative funding announcements for 2020-21 include additional funding for the High Needs block of DSG. At this stage this funding is only confirmed for the 2020-21 financial year and therefore any plans to spend must not create ongoing commitments.
- The Council has commissioned a project in the current year to further develop and understand demand trajectories for high needs provision and to develop a tool for improved needs assessment.
- Additional funding has also been confirmed for the Schools block of DSG with minimum per pupil funding levels for schools being increased from 2020-21 financial year.

Draft Revenue Budget 2020-2023

Education Portfolio	2020-21			2021-22	2022-23
	Income £000	Expense £000	Net Budget	Net Budget	Net Budget
Adult Learning & Skills	(4,665)	4,605	(59)	(59)	(59)
Central Block	(239)	6,664	6,425	6,425	6,425
Early Years Block	-	31,559	31,559	31,559	31,559
Funding Block	(466,187)	(1,048)	(467,235)	(467,235)	(467,235)
High Needs Block	(1,332)	91,171	89,839	89,839	89,839
Integrated Transport	(3,380)	19,385	16,005	16,005	16,005
Management and Central costs	(95)	(513)	(608)	(608)	(608)
School Improvement and Early Years	(267)	1,986	1,719	1,719	1,719
Schools Block	(2,652)	342,064	339,411	339,411	339,411
Special Educational Needs	(126)	5,554	5,428	5,428	5,428
Strategic Commissioning	-	2,005	2,005	2,005	2,005
Net	(478,943)	503,432	24,490	24,490	24,490



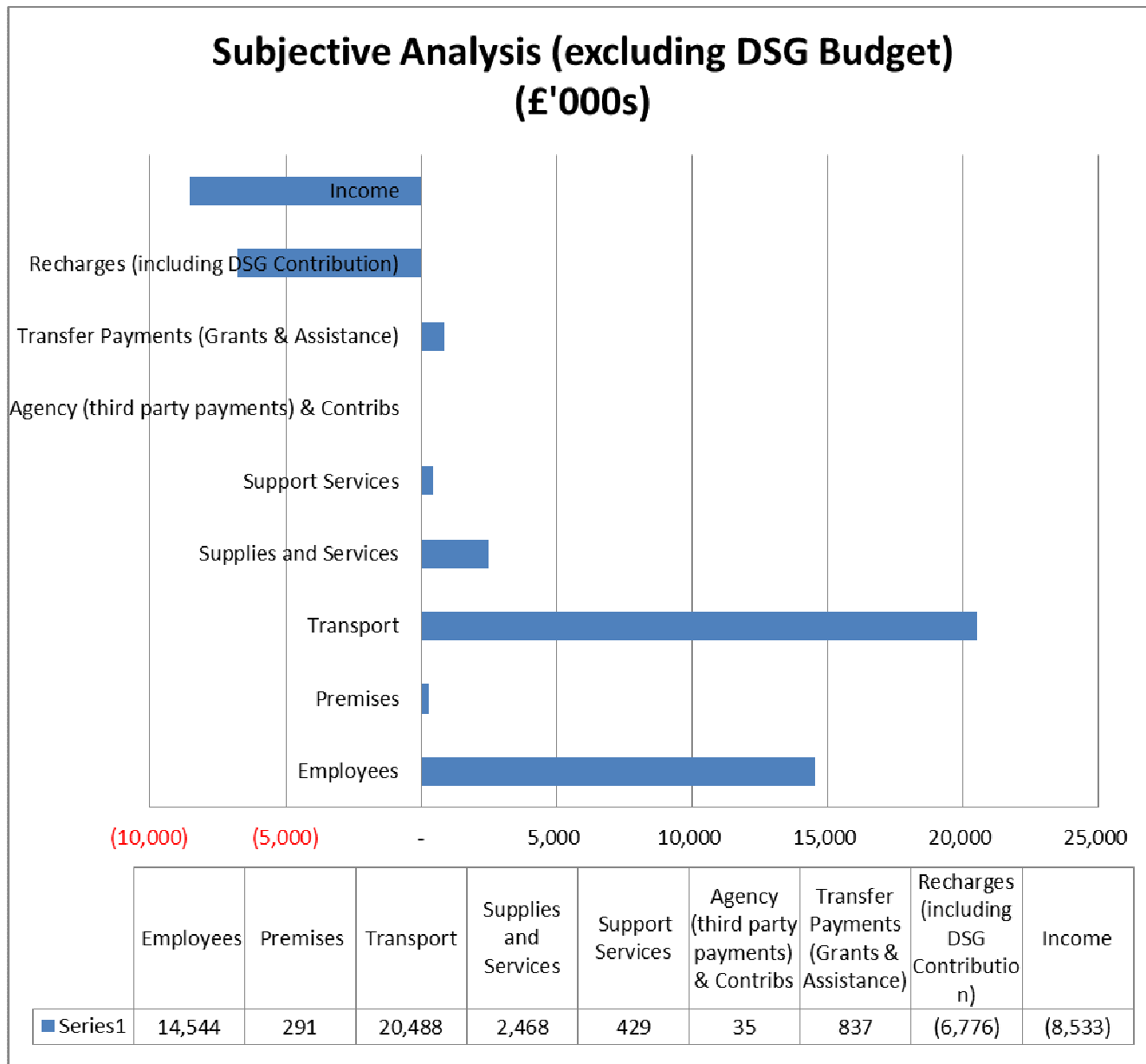
Overview of MTFP changes

	2020-21	2021-22	2022-23
Description of Change	£000's	£000's	£000's
Home to School Transport increases in demand and inflation	780	780	780
Strategic review of Transport Services	(302)	(302)	(302)
Strategic review of all budgets across the service to identify the extent to which services can be provided in a more effective and efficient way	(114)	(114)	(114)
Additional support for staffing levels within Integrated SEND Service	500	500	500
Savings achieved through review of services previously provided by BLT.	(280)	(280)	(280)
Change in funding through schools, early years, high needs and central services blocks within the Dedicated Schools Grant	(8,161)	(12,869)	(12,869)
Change in spending budgets funded by the Dedicated Schools Grant, including funding of schools, early years provision and high needs	8,161	12,869	12,869
Total	584	584	584

The summary above excludes one off adjustments that were made to support the 2019-20 budget:

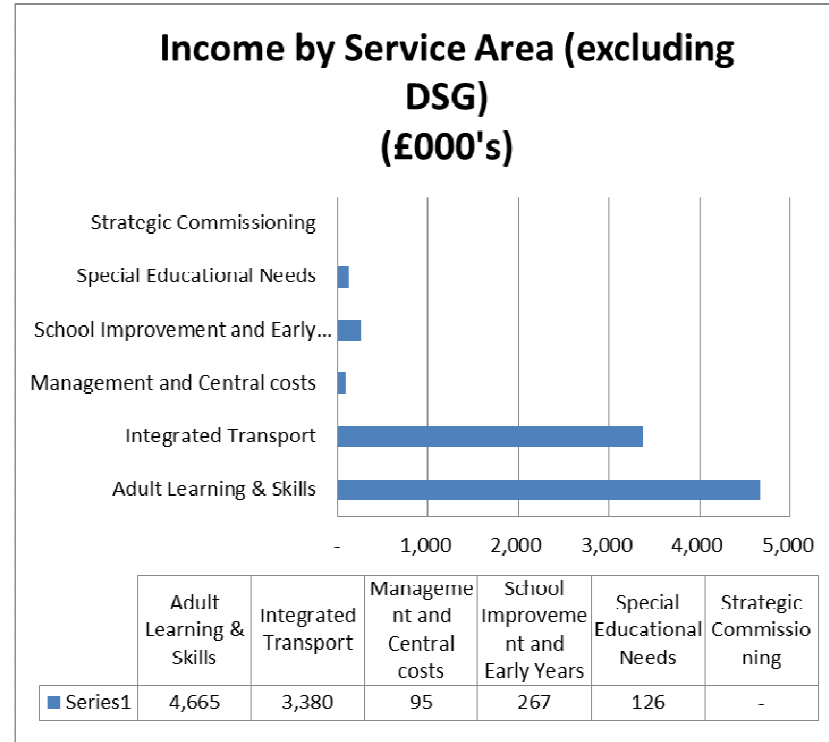
- Home to School Transport – one off investment of £1m to reflect part year savings from policy changes.
- Minor Works – one off saving of £37k taken in 2019-20.

Supporting Financial information



Supporting Financial information

Analysis of Income by Service Area and by type of income
(Excludes DSG budgets)



Analysis of Income	Grant £'000	Fees & Charges £'000	Interest £'000	Lettings/ Premises income £'000	Total £'000
Adult Learning & Skills	(3,586)	(1,075)	(4)	-	(4,665)
Integrated Transport	-	(3,380)	-	-	(3,380)
Management and Central costs	-	(95)	-	-	(95)
School Improvement and Early Years	(10)	-	-	(257)	(267)
Special Educational Needs	(83)	(43)	-	-	(126)
Strategic Commissioning	-	-	-	-	-
	(3,679)	(4,593)	(4)	(257)	(8,533)

Supporting Financial information

Portfolio FTE

Staffing Data (Excluding Schools)	
	FTE*
Adult Learning & Skills	79.2
Central Block	27.6
High Needs Block	26.3
Management and Central costs	52.0
School Improvement and Early Years	23.7
Special Educational Needs	112.0
Strategic Commissioning	79.2
	400.1

*HR data is for illustrative purposes and excludes vacancies and agency posts; and is subject to ongoing finalisation process.

Contracts

The table shows the Top 5 contracts in the Portfolio, by annual contract value

Supplier	Description of Contract	Value of Whole Life of Contract	Notes
Buckinghamshire Healthcare NHS Trust	Integrated Therapies (Children and young people's: Speech and Language Therapy Occupational Therapy Physiotherapy)	£18,876,067	Value for 3 year contract. This is joint funded CCG 54%, BCC 46%
Buckinghamshire College Group	Post 16 Education - Buckinghamshire College Group	£6,994,136	
Treloar Trust	Specialist Education - Treloar School	£2,975,837	
Berkshire College of Agriculture	Post 16 Education - Berkshire College of Agriculture	£2,752,767	
Aspire Schools	Buckinghamshire Alternative Provision Services	£2,687,417	Annual Value - contract renegotiated each year

Draft Capital Programme 2020-23



The local authority is responsible for:

- providing sufficient school and early years places including additional classes and new schools.
- maintenance of maintained schools.

Capital plans based on **6,500** additional schools places needed for future demand.

£108 million
to increase school places and to support school and early years improvements and maintenance from 2020-23 .



Draft Capital Programme 2020-2023

Expenditure

		2020/21	2021/22	2022/23	Total MTFP
Service	Scheme	£000	£000	£000	£000
Schools	Primary School Places	6,465	9,271	1,100	16,836
	Provision for Early Years	192	1,200	-	1,392
	Provision for SEN	2,774	300	-	3,074
	School Property Maintenance	3,389	3,000	4,310	10,699
	School Suitability Issues	450	450	1,450	2,350
	Secondary School Places	17,506	28,200	27,722	73,428
Grand Total		30,775	42,421	34,582	107,778

Funding

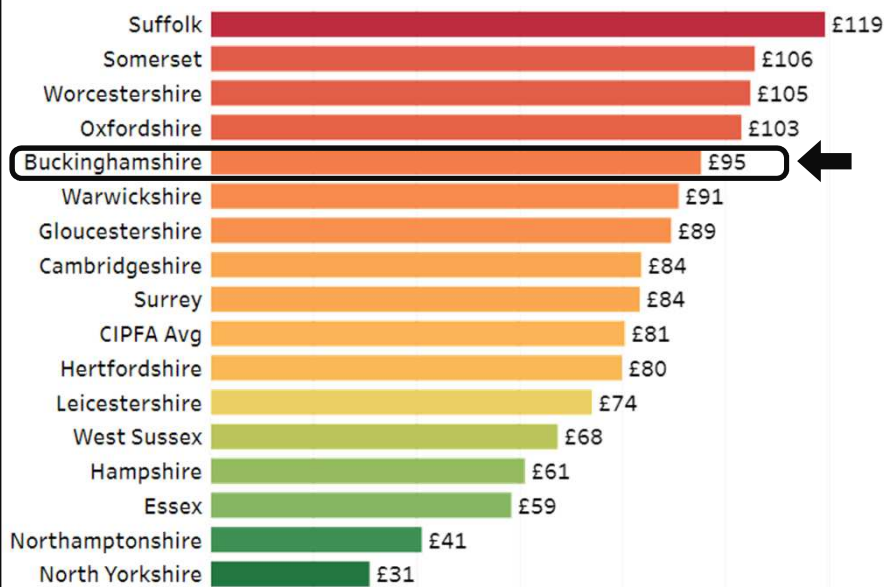
		2020/21	2021/22	2022/23	Total MTFP
Funding Source		£000	£000	£000	£000
Government Grants		(2,774)	(300)	-	(3,074)
Developer funding (CIL / s10)		(9,202)	(6,950)	(64,379)	(80,531)
Grand Total		(11,976)	(7,250)	(64,379)	(83,605)

Comparative Data

Adult Education – detailed breakdown

Spend (unit cost)

Gross expenditure per head of 18+ population (2018/19) Buckinghamshire & CIPFA NNs



Trend over time (Buckinghamshire and CIPFA NN Average)

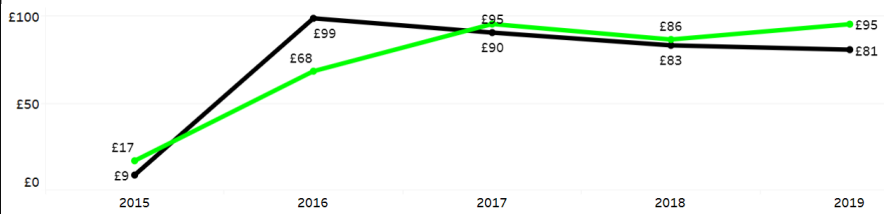


Chart Key : █ Buckinghamshire █ CIPFA NN Average

Outcome (performance measures)

Proportion of population aged 16-64 qualified to Level 2 (5 GCSEs grades A*-C (or equivalent)) in Buckinghamshire

Above CIPFA average



Proportion of population aged 16-64 qualified to Level 3 (at least 2 A-levels grades A-E or equivalent) in Buckinghamshire

Above CIPFA average



Proportion of population aged 16-64 qualified to Level 4 (recognised degree-level qualifications) in Buckinghamshire

Above CIPFA average



Achievement of a Level 3 qualification by the age of 19 in Buckinghamshire

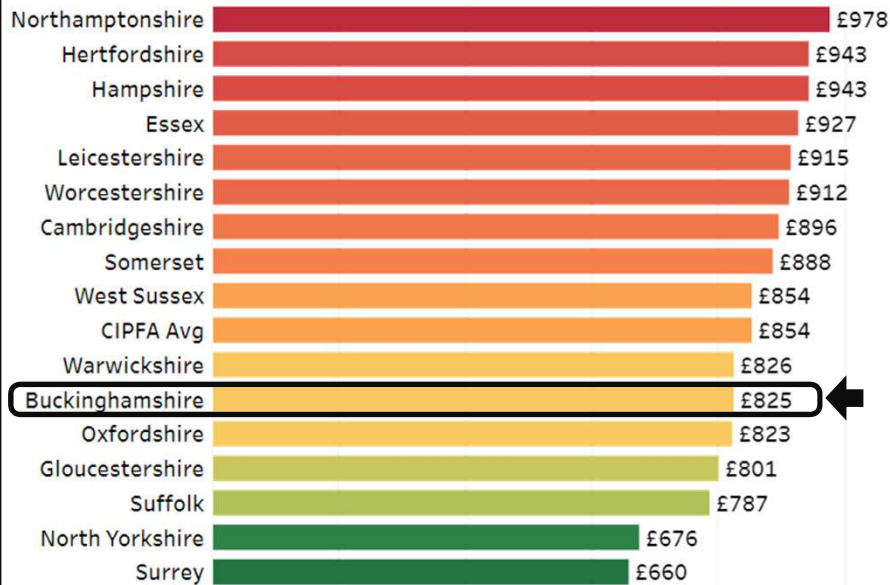
Highest of CIPFA group



Early Years

Spend (unit cost)

Gross expenditure per head of 0-4 population (2018/19) Buckinghamshire & CIPFA NNs



Trend over time (Buckinghamshire and CIPFA NN Average)



Chart Key : █ Buckinghamshire █ CIPFA NN Average

Outcome (performance measures)

% of pupils achieving a good level of development at age 5 in Buckinghamshire

Top 3 of CIPFA NN group



Narrowing the gap between the lowest achieving 20% in the early years foundation stage profile and the rest

Below CIPFA NN average (low is good)



% of early years registered providers inspected rated good or outstanding in Buckinghamshire

Average compared to CIPFA NN



% of 3 & 4 year olds benefiting from free early education in Buckinghamshire

Lowest of CIPFA NN group

