



Buckinghamshire Council

Finance & Resources Select Committee

Minutes

MINUTES OF THE MEETING OF THE FINANCE & RESOURCES SELECT COMMITTEE HELD ON THURSDAY 25 JUNE 2020 VIA VIDEO CONFERENCE, COMMENCING AT 2.00 PM AND CONCLUDING AT 4.08 PM

MEMBERS PRESENT

R Bagge, J Jordan, D Anthony, M Bateman, T Butcher, S Chhokar, A Christensen, R Gaffney, G Harris, H Mordue, D Shakespeare OBE, M Stannard and C Whitehead

OTHERS IN ATTENDANCE

J Chilver, M Tett and K Wood

Agenda Item

1 ELECTION OF CHAIRMAN

Leslie Ashton, Democratic and Electoral Services Officer, welcomed everyone to the meeting and called for nominations for Chairman. Mrs Jilly Jordan proposed that Mr Ralph Bagge be elected Chairman; Mr David Anthony seconded the proposal and in the absence of any other nominations was declared Chairman of the Finance and Resources Select Committee.

RESOLVED: That Mr Ralph Bagge be elected as Chairman for the ensuing year.

2 APPOINTMENT OF VICE-CHAIRMAN

Mr Bagge proposed Mrs Jilly Jordan be appointed as Vice-Chairman; Mr David Anthony seconded the proposal.

RESOLVED: That Mrs Jilly Jordan be appointed as Vice-Chairman for the ensuing year.

3 APOLOGIES FOR ABSENCE / CHANGES IN MEMBERSHIP

Apologies had been received from Mr Brian Roberts and Mr Mike Smith.

The committee members introduced themselves and stated the area they represented.

4 DECLARATIONS OF INTEREST

The following declarations of interest were made:

- Ms Katrina Wood (Deputy Leader and Cabinet Member for Resources) - Board member of Aylesbury Vale Estates (AVE)

5 COVID-19 UPDATE

The Chairman explained that a Covid-19 update would be provided at this meeting; however, there would be further opportunities to scrutinise the Council's response to the pandemic. On behalf of the whole committee, the Chairman extended his thanks to all staff for their efforts in supporting the Council's response, particularly those in Customer Services, Revenues and Benefits and Finance who had worked additional hours, including weekends, undertaking tasks such as processing business grants throughout the pandemic.

Ms Katrina Wood, Deputy Leader and Cabinet Member for Resources advised the committee that it had been an extremely challenging time for the resources service area and reinforced the message from the Chairman thanking those staff who had gone above and beyond in dealing with the Council's response to the pandemic. Ms Wood summarised the significant work undertaken as outlined in the report included in the agenda pack. Within her update, Ms Wood highlighted the following:

- The co-ordinated response of the council was in partnership with the NHS and Thames Valley Resilience Forum. 12 'cells' were established, each led by a member of the Corporate Management Team with an aligned partner. The relevant cells to this committee were business and suppliers; mutual aid and resources. Details of the work and responsibility of each cell can be seen on pages 6-10 of the agenda pack.
- Through close working with Buckinghamshire Business First (BBF) the Council administered business rate relief grants of over £80m and had processed over 6100 applications from eligible businesses. From the start of June, the council also administered discretionary grants for businesses and had received £4.59m of Government funding to support small businesses. Further, following the award of £2.8m of hardship funding from Government, the council had agreed a policy to support working age claimants most in need with their council tax during the crisis.
- It was anticipated that additional costs and lost income would exceed overall funding from Government but by how much was dependant on the timescales around the current lockdown and the period of time before 'normal' services resumed. The council continued to lobby government to ensure additional costs and lost income were fully recovered.
- The IT service had supported over 3,500 staff to work from home, many of whom were working at home for the first time. IT had supported the rollout of Microsoft Teams and a vulnerable client tracking system for staff to use ensure requests from residents could be logged, tracked and completed during the crisis. With home working introduced 80% of staff were consistently available for work throughout the pandemic.
- The council procurement of PPE had been centralised and work had been undertaken to create an online ordering system for staff to use and to enable the monitoring of stock levels.
- Positive results had come out of the staff survey with staff identifying that priorities were clear and work life balance had improved.

Mr John Chilver, Cabinet Member for Property and Assets added to Ms Wood's update and highlighted:

- That Property and Assets had assisted in the shutdown of significant parts of the estate at the start of the lockdown period. Four council buildings remained open with a small number of staff continuing to work from the office environment. PPE provision was being managed and the Health and safety team had supported staff with equipment needs.
- Support was provided to the local resilience forum by coordinating mobile testing sites and the mobile maintenance team set up NHS PPE stores at Stoke Mandeville social club.
- Support provided to tenants by directing them to BBF and where a need was established make provision for rental holidays.

The following key points were raised by the Select Committee members during discussion:

- A member raised that it would be helpful for future reports to identify where improvements could have been to the council's pandemic response and highlight where lessons had been learned. Ms Wood advised that the council wishes to be open and transparent and as the pandemic was very much ongoing there would be a detailed review of the council's response at an appropriate time.
- Members raised concerns about overall council finances and the funding gap between government funding and additional costs/lost income. Ms Wood confirmed the council continued to lobby government and local MPs had been supportive of this. Mr Richard Ambrose, Service Director for Corporate Finance (and Section 151 Officer) advised the committee that it had been difficult to forecast the full implications of the pandemic on council finances whilst it remained unknown how long the pandemic would continue and how long the recovery period would be. Mr Ambrose confirmed that the council was not in the position where it would have to publish a section 114 notice, although explained that whilst the council had reserves at present these could only be utilised once so there were concerns around the longer term, with the biggest impact expected to be seen in the next financial year and onwards.
- Mr Ambrose advised that the council was in a position at present to complete this financial year without making service cuts. Modelling had started for future years and forecasts had been produced for various scenarios ranging from low to high impact. Cabinet members were receiving regular updates and would look at any strategy to address shortfall. The committee requested an update at future meetings displaying key financial indicators. **Action: R Ambrose**
- A member asked how marginalised, hard to reach groups were receiving support and questioned what plans were in place should a localised lockdown be required. Ms Wood confirmed that a large amount of work had gone into reaching vulnerable residents - central Government had provided lists and any individual the council was unable to contact received a visit from Bucks Fire and Rescue to ensure that they were managing ok. A health protection board was being set up jointly with Buckinghamshire Healthcare Trust (BHT) and Public Health and Buckinghamshire's response to the initial wave would inform where improvements could be made in case of a second wave. Further advice from Government was awaited on localised lockdowns.
- In response to a point made on a lack of publicity of the council's response to the pandemic, the committee was advised that the Leader of the Council had sent regular emails to a large resident distribution list and regular updates had been provided to parish councils. There had also been regular video blogs and the Council's website and social media channels were regularly updated.
- The R number for the South East region which included Bucks was currently in the range of 0.7 to 0.9.

- Mr David Skinner, Service Director for Service Finance provided an up to date response on the impact of Covid on the council's business rates and council tax collection. In terms of cash collection this was 1.7% down on the previous year, which was below the average national overall collection rate. This continued to be monitored monthly. Business rates collection had been suspended for April and May, these had not been waived but would be re-profiled for the remainder of the year and collection had restarted in June. Rejected direct debits for June had been around 2%.
- In response to concerns raised around residents who were in financial difficulty as a result of covid, the committee was advised that the council encourages any resident experiencing hardship to make contact and the service area would look at options available to residents such as re-profiling payments and payment plans. Whilst the Government supported the business furlough scheme it was difficult to predict the estimated numbers of residents who may need support in the coming months.
- A member queried whether the appeal process for unsuccessful discretionary grants for small businesses had been working effectively. Mr Skinner reported that the Government policy had changed during the initial set up of the process and this was an area where lessons had been learnt with queries and complaints taking up a great deal of resource. Additional resource was now in place and the council should be better positioned to manage these appeals if the scheme or similar was run again.
- During a discussion on reserves, Mr Ambrose reported that the general fund reserve was approximately £49m with earmarked reserves for committed schemes and initiatives being in the region of £100m. Work was ongoing to look at earmarked reserves and identify what funds were genuinely committed.

In response to a query on covid's impact on capital expenditure, Mr Chilver reported that there had been minimal delays to capital schemes in the property portfolio although the housing project at Tatling End would be delayed by a couple of months.

6 CABINET MEMBER PRIORITIES FOR 2020-21

Ms Wood summarised the ongoing projects within the Resources portfolio and listed the key priorities as follows:

- Bring our back office systems, applications and infrastructure together to deliver transformation and a great customer service
- Develop our employee offering to attract, develop and retain our staff especially moving out of the Covid pandemic
- Ensure our systems for tracking and monitoring our finances are robust and agile to provide confidence in our financial outturn

Mr Chilver summarised the ongoing projects within the Property and Assets portfolio and listed the key priorities as follows:

- Financial update on property income
- Accommodation Strategy
- Residential Property Development

The following key points were raised by the Select Committee members during discussion:

- The impact of home working was highlighted and it was queried whether certain employees would need to return to office space, at least not to the level they had been

pre-pandemic and whether there were associated cost savings to this. Ms Wood confirmed that productivity had not decreased as a result of home working and sickness rates had reduced with an improved work life balance also reported in the staff survey. A significant piece of work looking at this was ongoing and would be incorporated in to phase two of the accommodation strategy. Mr Ian Thompson, Corporate Director for Planning, Growth and Sustainability advised that staff would be increasingly encouraged to work from home and the return to office space also needed to take in to account social distancing measures, the differing layouts across building and the effects these had on maximum occupancy in council accommodation. It was accepted many staff needed to be in the office to deliver certain services and further, it was identified that many staff benefit from the social side of work and the accommodation strategy would reflect individual's needs. By the time of the next meeting there should be progress to report on this area. The impact of downsized office spaces on town centres would also be taken in to account with discussion to be held with key stakeholders, such as town councils or committees.

- In relation to Council meetings, virtual meetings were currently only legislated for until May 2021 so any changes to member meetings would be very much dependant on legislation.
- A member asked a question in relation to Aylesbury Vale Estates (AVE) and asked whether the council would be reviewing its shareholding. Mr Thompson confirmed that the shareholding would be kept under review, two councillors had been added as board members and discussions on the business plan continued with the council abiding by its contractual agreements.
- It was queried how many of the council's tenants had found themselves in financial difficulty during the pandemic. Mr John Reed, Service Director for Property and Assets reported that at the last quarterly update figures had been positive although he noted that this would have been at the start of the lockdown period. There would be a clearer picture of the effect covid has had on tenants at the end of this quarter and should there be no further spike in covid cases it was expected that the situation would improve as the economy does.
- The residential development plans highlighted by the Cabinet Member for Resources across the county were welcomed by the committee and members emphasised that the council should be a leader in using renewable energy on its developments and actively reducing its carbon use. Mr Chilver confirmed that the council's full estate was being audited as part of the council's carbon reduction programme and any opportunity to reduce carbon would be explored. This included fitting solar panels at a number of properties, replacing street lighting with LED lamps, replacing older boilers with energy efficient models, increased tree planting on agricultural estate and promoting electric vehicle usage with charging points. In response to a further query, Mr Chilver advised that opportunities were also being reviewed for solar farms on the council's agricultural estate.
- In relation to commercial opportunities, Mr Chilver advised that significant income streams would be progressed and these included the M25 motorway service area, although any commercial projects/acquisitions would be subject to Government restrictions on borrowing for commercial properties.
- In response to a question on the Woodlands development in Aylesbury, Mr Chilver confirmed that there had been delays linked to transport related issues, planning issues and section 106 agreements but progress was being made and the development was seen as critical to the delivery of a section of the eastern link road.
- A member raised a question on affordable housing numbers, to which Mr Chilver advised that this was a significant issue being addressed as part of any development proposals, and the 40% model used in the Tatling End development was a good model to follow. An

added benefit of affordable housing would be the potential savings to the council in areas such as provision of emergency bed and breakfast accommodation and other short term accommodation options used by the council.

- Mr Chilver confirmed that all capital proposals would have their business cases fully reviewed including those currently budgeted for, and where they are likely to have a positive impact on the local economy these could still be delivered in a structured way despite the financial challenges that have resulted from the pandemic.

7 WORK PROGRAMME DISCUSSION

The following suggestions were made for the work programme:

- Renewable Energy and the council's journey toward becoming a zero carbon council. The committee want the Council to be a lead on environmental matters and suggested receiving regular progress updates on the move to carbon neutrality.
- The return of staff to the office environment and the impact of this on the accommodation strategy following the relative successes of working from home for a large section of the workforce.
- Large contracts coming up for re-procurement such as the TfB contract were significant and involved large sums, the select committee wish to review these to ensure they are dealt with in the most appropriate way.
- Regular monitoring of the revenue budget (quarterly) and capital budget.
- The Committee requested a property assets register so that they have an overview and understanding of what this looks like now that the 5 previous councils have come together. A management plan of these for the next 2 to 5 years would also be useful.
- An oversight of the next business plan for AVE and any other commercial/property ventures the council has significant interest in.
- Progress monitoring of the anticipated savings from establishing a Unitary council
- The effects of the pandemic on certain groups within the county and ways to uplift socially deprived communities.

8 DATE OF THE NEXT MEETING

Thursday 1 October 2020 at 2 p.m.