



Report of the Budget Scrutiny Inquiry Group

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Chairman: Councillor Ralph Bagge



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Chairman's Foreword

On behalf of the Budget Scrutiny Inquiry Group, I would like to pass on our sincere thanks and appreciation to the Cabinet Members and Officers who gave up their valuable time to talk to us and provide evidence to allow us to review the robustness of the draft revenue budget and capital programme. I would like to extend my personal thanks to the Members of the Inquiry Group for taking the time to thoroughly explore a number of important issues.



Clearly this has been an extraordinary year which has been challenging for all of us and the Inquiry Group recognise how difficult a task it has been to put a budget together in the context of a global pandemic. We appreciate the efforts of Cabinet and officers at a time when there are gross uncertainties around economic recovery and the newly established unitary council. Because of the situation we find ourselves in, a one year revenue budget has been produced as opposed to the usual four year budget. The Inquiry Group also had to conduct all its meetings online which presented its own challenges.

Some key assumptions in the budget could change drastically if Covid-19 restrictions continue, so having acknowledged the best efforts in producing forecasts, the third national lockdown imposed in January 2021 definitely presents more risks for 2021/22 than when the draft budget was originally set, particularly in areas such as income sources, commercial revenue and tax receipts. We also accept that when proposing any Council Tax increase a careful balance must be struck between ensuring the Council has the funds to deliver critical services and the potential impact on residents' individual finances.

Ralph Bagge
Chairman of the Budget Scrutiny Inquiry Group
BUCKINGHAMSHIRE COUNCIL



Membership

- Cllr Ralph Bagge – Chairman
- Cllr David Anthony
- Cllr Mike Appleyard
- Cllr Mark Bateman
- Cllr Tim Butcher
- Cllr Ron Gaffney
- Cllr Graham Harris
- Cllr Jilly Jordan
- Cllr Howard Mordue
- Cllr David Shakespeare OBE
- Cllr Mike Smith
- Cllr Mike Stannard
- Cllr Chris Whitehead

Introduction

- Cabinet agreed the draft budget at its meeting on 5th January 2021.
- Budget Scrutiny meetings were held on 11th, 12th, and 14th January 2021 to scrutinise the draft budget by questioning each Cabinet Member on their budget proposals.
- The public were able to submit questions via email or twitter.
- This report of the Budget Scrutiny Inquiry Group makes recommendations to Cabinet. The Cabinet will respond to these recommendations at its meeting on 16th February 2021.
- The final budget will be presented to Full Council at its meeting on 24th February 2021.
- The Budget Scrutiny meetings were webcast and can be viewed at <https://shadow-buckinghamshire.publici.tv/core/portal/webcasts>

Recommendations

The Budget Scrutiny Inquiry Group made the following recommendations:

Recommendation 1

In future years:

- A zero based budget be prepared to help drive out further savings and efficiencies
- A four-year revenue budget be prepared to enable an assessment of the Council's financial sustainability
- Budget Scrutiny members should receive more detailed information in good time and should be involved earlier in the budgeting process, attached to portfolio budget review groups
- There should be consistency in presentation from all directorates using the same presentation template.

Recommendations

Recommendation 2

Cabinet Members should revisit their budget assumptions and outcomes for the current year prior to the final budget being presented to Full Council for approval, particularly the assumptions around income for 2021/22 as income streams such as parking, planning and leisure centres are likely to continue to be significantly reduced into the 2021/22 financial year.

Recommendation 3

The Capital programme should be divided into those schemes which are fully funded, with deliverable business cases and those that are more aspirational, in order to give members and residents a clearer understanding of the programme. This detail should be included in the final budget (Last year's recommendation 8).

Recommendations

Recommendation 4

An increased contingency be considered for Children's services, where there has been a history of overspends in recent years.

Recommendation 5

Additional funding should be set aside for the Local Plan reserve as £3m over the next three years is likely to be inadequate (last year's recommendation 22).

Recommendation 6

Key Performance Indicators around planning enforcement should be robust and regularly monitored to ensure that the strongly supported increased investment delivers an improved service and value for money.

Recommendations

Recommendation 7

The Corporate Plan for Buckinghamshire Council should include a stronger commitment to Climate Change, with the aim of the Council being net Carbon Neutral by 2035 (subject to consideration of the results of the Council's Carbon Audit), and the County generally by 2050. This commitment should be explicit and transparent and will require strong political leadership to ensure delivery, and should focus on carbon reduction rather than buying in savings in order to become carbon neutral (last year's recommendation 2).

Recommendation 8

A specific Portfolio and Portfolio Holder should be nominated to be responsible for driving the Climate Change & Carbon Neutral agenda forward across Buckinghamshire Council and to take a leading role in championing this across the County and beyond (last year's recommendation 4).

Recommendations

Recommendation 9

Further contingency funding be allocated to property rental income loss. This is an area where the Council does not receive any Government support and will likely be significantly impacted by the effects of further lockdowns.

Recommendation 10

Broadband coverage across Buckinghamshire be reviewed and plans submitted to ensure Buckinghamshire is one of the most connected counties in the country. A number of Community Boards have already set up sub-groups to investigate this and we recommend this be replicated across all Community Boards that cover rural areas. A budget should be set aside to do this.

Recommendations

Recommendation 11

Cabinet should consider increasing the levels of investment in the capital programme for both footway repairs (as suggested in last year's report Page 48) and drainage issues, as both were highlighted as areas of priority for residents.

Recommendation 12

Cabinet should define a delivery target for affordable homes and the Cabinet Members for planning and enforcement, property and assets and housing and homelessness should work together to deliver these affordable homes in the most cost-effective way for residents. This project should be regularly monitored and we recommend that the Growth, Infrastructure and Housing Select Committee should be engaged in the development of such plans.

Recommendations

Recommendation 13

A Task and Finish Group should be established to review the Council's real estate portfolio with a view to identifying suitable sites/buildings that could be converted to residential dwellings for key workers and the homeless (see recommendation 8 last year).

Recommendation 14

In anticipation of the May 2021 local elections being postponed a contingency provision of £325k should be factored in to the budget to cover members' allowances for a six-month period. If it is known by the time of the budget being approved by Full Council that there is a longer postponement period, a provision of £745k should be made to cover a twelve-month period.

National Context

Spending Round 2021 and the Local Government Finance Settlement

- Continuation of the £1bn grant for Adults Social Care into 2021/22;
- Council Tax referendum threshold to remain at 2%;
- The continuation of the Adult Social Care Precept in 2021/22 (allowing a 3% increase which can be partly deferred into 2022/23);
- A further £300m to cover social care pressures – Buckinghamshire Council received £418k from this;
- £3bn of additional support to deal with Covid-19 in 2021/22;
- Extension of the existing Covid-19 sales, fees and charges reimbursement until the end of June 2021;
- An additional £254m in 2021/22 to address homelessness and rough sleeping;
- A “levelling up” fund of £4bn for local infrastructure projects, which will involve a bidding process.

National Context

- Since the Spending Round announcements were for 2021/22 only, there remains uncertainty over future funding levels.
- A new one-off Lower Tier Support Grant was announced, and the Council will receive £423k in 2021/22.
- The scheme to compensate for 2020/21 lost Council Tax and Business Rates income was confirmed, and the mechanism of payment was clarified. The amount received will not be known until final losses are confirmed in 2021/22.
- There is a further delay to the Fair Funding Review of Local Government funding and to a move to 75% business rates retention which were expected for 2020/21. There are further delays to the publication of a new policy and funding arrangements for Social Care. These initiatives are expected to have significant impacts on the Council when brought forward. For Buckinghamshire Council the relevant Select Committees will be kept informed as they develop.

Local Context

- 2020/21 was the first year of operation for Buckinghamshire Council and launching the new Council was a significant task, bringing together five legacy Councils.
- The Better Buckinghamshire Programme aims to fully integrate teams and systems to deliver better outcomes for residents and businesses in the most cost-effective way.
- The response to and recovery from the Covid-19 pandemic has been a major focus of the operation of the Council during its first year of existence. The budget is in part designed as a 'Covid-19 response and recovery' budget.
- The Council have received a number of Government grants to support the Covid response and to mitigate losses in particular areas.
- Elections are scheduled for May 2021, at which point the number of Councillors will reduce to 147.

Overall Budget

- The Budget Scrutiny Inquiry Group spent an intense three days scrutinising the Draft Budget for 2021-22. All Cabinet Members were questioned in turn and the Budget Group's observations and recommendations are set out in this report.
- Some are specific to individual directorate areas, but we begin with a number of cross-cutting or corporate recommendations.

Presentation of the Revenue Budget

- Members acknowledge the difficulty of putting together a budget in the context of the Covid-19 pandemic. This is an unprecedented time with many uncertainties remaining around economic recovery.
- Members are aware that the final budget must ensure that the Council remains financially viable, yet also allow the Council to be ambitious in its approach to economic recovery and improving council services.
- The Budget Scrutiny Inquiry Group understand why a one year revenue budget has been produced. However, Members believe that Medium Term Financial Planning remains essential for the Council to operate in the most cost effective way and demonstrate longer term sustainability.

Overall Budget

- Challenges this year would have made preparing a zero based budget unrealistic for 2021/22. However, for 2022/23 Members agree that starting from a zero based budget would help to drive further savings and efficiencies and this would be the preferable starting point rather than that used this year, which was the existing Revenue Budget plans agreed in February 2020 by what was then the Shadow Authority.
- Whilst the specific Portfolio Information has been helpful, there is consensus that information provided to Members is very limited and in places, inconsistent . Members request improved clarity and transparency in the Budget Scrutiny information in future.

Recommendation 1

That in future years:

- a) A zero based budget be prepared to help drive out further savings and efficiencies**
- b) A four-year revenue budget be prepared to enable an assessment of the Council's financial sustainability**
- c) Budget Scrutiny members should receive more detailed information in good time and should be involved earlier in the budgeting process, attached to portfolio budget review groups**
- d) There should be consistency in presentation from all directorates using the same presentation template.**

Overall Budget

Council Tax

- The Budget Scrutiny Inquiry Group questioned the Leader about the proposed increase to Council Tax (1.99% basic Council Tax and 2% Adult Social Care Precept) and discussed this issue at length. Whilst recognising that the third lockdown period will bring additional pressures on Council income and council tax receipts, this was weighed up against the pressure that would be placed on residents if the additional 1% was levied. It was noted that many other Local Authorities plan to increase Council Tax by the full 4.99% permitted however, on balance Members understood why Buckinghamshire Council has proposed the 3.99% to support its residents.

Lockdown Three and its impact

- Having acknowledged the best efforts of Cabinet Members and Officers, Members are aware that the draft revenue budget has been produced prior to the third lockdown period being implemented. This presents further significant risk across directorates, particularly on assumptions around income, commercial revenue and tax receipts.

Recommendation 2

Cabinet Members should revisit their budget assumptions and outcomes for the current year prior to the final budget being presented to Full Council for approval, particularly the assumptions around income for 2021/22 as income streams such as parking, planning and leisure centres are likely to continue to be significantly reduced into the 2021/22 financial year.

Overall Budget

Capital Programme

- The Budget Scrutiny Inquiry Group welcome the review of the Capital Programme which was undertaken in light of the Covid pandemic and the bringing together of planned schemes from across the five legacy Councils. Members view this as a very ambitious Capital Programme, especially in Year 1 and expect that there will be a degree of slippage.
- It is a robust programme which includes only those schemes with approved business cases however, members are of the view that by including only those costed, approved projects it does not appear consistent with the Council's ambitious plans to invest in Buckinghamshire and it should be made clear to residents that there are longer term plans.

Recommendation 3

The Capital programme should be divided into those schemes which are fully funded, with deliverable business cases and those that are more aspirational, in order to give members and residents a clearer understanding of the programme. This detail should be included in the final budget (Last year's recommendation 8).

Adults & Health

Adult Social Care

- This portfolio has a total spend of £201.5m, offset by an income of £45m. It was recognised that relatively small percentage overspends would mean budget pressure in the millions, not thousands. Nationally the future sustainability of adult social care remains to be resolved. A Government paper on long term funding proposals has been much delayed.
- Budget Scrutiny Members recognise that the majority of 2020/21 overspend is Covid related and welcome the greater budget proposed for 2021/22.
- Detailed modelling shows significant growth in demand.

Care Market

- Members are pleased to note that there is a £6m contingency proposed in case of provider failure. This was recognised as a significant risk with the care market being fragile in Buckinghamshire and nationally. Members emphasised the importance of regular contact with 'block contract' providers and were advised of the significant amount of modelling done which assessed various levels of provider failure and the financial impact.

Staff Recruitment & Retention

- Members recognise that there is a national shortage of qualified social workers which leads to competition for staff and heard from the Cabinet Member that the directorate has a workforce strategy and quality assurance framework which includes plans to press forward with the 'grow your own' approach through close links with local universities, which is currently in its early phases.

Adults & Health

Further Covid pressure areas

- Budget Scrutiny members identified that the impact of Covid, particularly the lockdown restrictions, would likely place additional pressures on mental health services and magnify the need to focus on preventing loneliness. Because of the potential increased demand on these services in 21/22, the Cabinet Member and Officers should keep them under review. The Health and Adult Social Care Select Committee should also be updated and kept informed of any issues.

Transformation

- Members note that a further £2.2m of savings are planned as part of the Better Lives transformation programme. This amount appears ambitious and members did not hear how these savings were specifically broken down. Members do however recognise that £10m of savings have been delivered by the service over the last 4 years.

Public Health

- Public Health is entirely funded by a ring fenced grant. Buckinghamshire's grant works out to be £38.81 per head compared to £64.74 nationally. Members heard that the Council continues to challenge this with central Government.
- Services have had to adapt and move online where possible and Members were pleased that this has generally been well received.
- At the time of meeting there is no clarity over the size of the public health grant for 2021 and beyond and it is unclear what impact the reorganisation of Public Health England will have on our public health team.

Children's Services

Children's Social Care

- Children's Social Care has a total spend of £77.7m. The impact of the Covid-19 pandemic has seen a higher number of children going into emotional instability.
- Significant financial risk areas highlighted include increased pressures on the external placement budget driven by the increase in number of children who have had to be placed in External Residential Care placements; and unit costs of external residential care placements which are increasing as are accommodation costs for care leavers.
- There are continued pressures against the staffing budget due to agency staffing costs.

Education

- Education has a total spend of around £535m, of which £494.9 is the Dedicated Schools Grant from the Department of Education.
- Home to School Transport budgets are projected to overspend by £3.9m in the current year and demand and complexity for transport for pupils with SEND is increasing.
- Increased numbers of pupils with Education Health and Care Plans (EHCPs) result in pressures against the High Needs Block which funds support for pupils with SEND across all types of educational setting.

Children's Services

Client Costs

- Additional investment of £1m is proposed in the draft budget to support Care Leavers accommodation costs. Members welcome the planned joint working with Housing to develop in-house semi-independent accommodation options and acknowledge the commitment to explore all alternatives to external residential care.
- Almost £3m of additional investment is being proposed for the increased demand in statutory social care services due to demography and complexity. Members recognise the demand led nature of the service.
- Members note the corporate contingency for demand across the service and high cost placements of £2.5m. Members heard from the Cabinet Member that he was relatively confident in this contingency amount however, he acknowledged that the ongoing uncertainties relating to the covid pandemic could pose a risk.

Staff Recruitment and Retention

- Children's Services has been reliant on the use of agency Social Workers, due to a shortage of skilled staff nationally. Members were pleased to hear about the Social Work Academy with 10 graduates from the academy now part of the workforce. Members understood the delay caused by the pandemic in bringing further cohorts through but welcomed the news that a further 20 were due to start shortly.
- The Council has a statutory duty to ensure the service always has the adequate number of qualified social workers which has meant that agency staffing costs have been unavoidable.

Children's Services

Home to School Transport and SEND Transport

- Increased complexity in pupil needs leads to higher unit costs for transport with increased single occupancy and specialist vehicles.
- The service has been impacted by a loss of fee income in 2020-21 financial year as schools were closed during the summer term. School closures also meant that additional payments were required to be made to commercial school bus operators for income lost in the summer term.
- The proposals for 2021/22 assume schools will remain open and therefore there will be no loss of income. Members recognise that this assumption was made before the third lockdown was announced and therefore raised concern that this source of income could be at further risk both now and potentially in to the 21/22 financial year.
- Members were pleased to hear about the approach to re-tendering home to school transport contracts and recognised the opportunities of revised longer term contracts including both in savings and in quality of standards.

Capital

- Over £64m of schemes are proposed to be delivered in 2021/22. Members queried the vast differences between yearly amounts for primary and secondary school places and understand projections and profiling work has been undertaken based on expected growth. Members also note that the Kingsbrook Secondary School is due to be constructed in 21/22.

Children's Services

Budget concerns

- Members recognise that there has been a trend of overspend in Children's Services. A revenue overspend (BAU) of £5.3m is forecast comprising placement costs and home to school transport costs / income.
- Given the significant budget pressures outlined on slides 23-24, Members believe that the overall proposed budget appears tight and is likely to be under pressure as early as Quarter 1 or 2 and result in a full year overspend. Therefore it would be sensible to revisit contingencies.

Recommendation 4

An increased contingency be considered for Children's services, where there has been a history of overspends in recent years.

Planning, Growth and Sustainability

Planning and Environment

- The Planning and Environment Portfolio has a total spend of £16.9m, the majority of which is accounted for by staff costs. However this is offset by income of £9.3m generated through fees and charges.
- Main areas of financial risk highlighted include the uncertainty on the economic impact on numbers and size of planning applications as a result of Covid-19 and the Government's Planning White Paper which will have significant implications for the Council and the way it runs its planning service.

Local Plan

- The development of the Buckinghamshire Local Plan is estimated to cost £3m over 4 years broken down in to an annual amount of £750k within the revenue budget. Members have concerns that with the significant work involved and associated staffing costs to produce a sound Local Plan this appeared an optimistic sum and more transparency is required as to what the sum would cover each year. Members recognise that the Government White Paper will impact the Local Plan and emphasise that the Local Plan must put effective mechanisms in place to protect the future of Buckinghamshire. This includes addressing how developer contributions are handled.

Recommendation 5

Additional funding should be set aside for the Local Plan reserve as £3m over the next three years is likely to be inadequate (last year's recommendation 22).

Planning, Growth and Sustainability

Enforcement

- Budget Scrutiny Members recognise planning enforcement as an area prioritised by residents and welcome the renewed focus on the service and additional investment. Members encourage regular reviews of the service to ensure best outcomes for residents.

Recommendation 6

Key Performance Indicators around planning enforcement should be robust and regularly monitored to ensure that the strongly supported increased investment delivers an improved service and value for money.

Fees and Charges

- Members wish to highlight that planning income is at further risk due to the third period of national lockdown and potential restrictions which could continue to have an impact into the new financial year.

Members note that Fees and Charges in the planning service can be reviewed mid-year. The Portfolio Holder should consider this option if income is below that which is projected.

Planning, Growth and Sustainability

Environment

- Members recognise that Climate Change is a top priority for residents and were disappointed that the Climate Change Strategy had not been published prior to the budget scrutiny process, as the Strategy should set a clear direction for the Council's approach to tackling Climate Change. Members noted that a £5m fund had been agreed for Climate Change in 2020/21, but there was no clarity as to how this fund would be used and it was felt more transparency was required. There was no clear evidence provided to the Budget Scrutiny group that significant progress had been made since a similar recommendation was made in January 2020.
- Whilst the Council as a whole should be demonstrating commitment to this aim, strong political leadership is required to move this agenda forward.

Recommendation 7

The Corporate Plan for Buckinghamshire Council should include a stronger commitment to Climate Change, with the aim of the Council being net Carbon Neutral by 2035 (subject to consideration of the results of the Council's Carbon Audit), and the County generally by 2050. This commitment should be explicit and transparent and will require strong political leadership to ensure delivery, and should focus on carbon reduction rather than buying in savings in order to become carbon neutral (last year's recommendation 2).

Recommendation 8

A specific Portfolio and Portfolio Holder should be nominated to be responsible for driving the Climate Change & Carbon Neutral agenda forward across Buckinghamshire Council and to take a leading role in championing this across the County and beyond (last year's recommendation 4).

Planning, Growth and Sustainability

Property and Assets

- The Property and Assets Portfolio has a total spend of £19.9m, offset by income of £22.8m generated mainly through rental income.
- The key risks include the economic impact of covid-19 on rental income; resourcing to deliver opportunities in capital receipts, revenue income from investments and savings from accommodation review; reactive and planned maintenance budgets; and management of strategic assets.
- Budget Scrutiny Members highlight the loss of rental income assumptions appearing optimistic in light of the third period of lockdown. Recognising an additional £1.2m contingency has been budgeted for to offset property rental income loss, Members are concerned that this figure may not be adequate with the further lockdown period creating further difficulties for local businesses. Members noted that rental income loss is one area in which the Council has received no Government funding support and this policy is unlikely to change.

Recommendation 9

Further contingency funding be allocated to property rental income loss. This is an area where the Council does not receive any Government support and will likely be significantly impacted by the effects of further lockdowns.

Planning, Growth and Sustainability

Economic Growth and Regeneration

- The Inquiry Group welcome the investment in town centre regeneration. Over £29m worth of schemes are included in the Capital Programme. Members heard that as part of regeneration plans the impact on local businesses of the longer term effects post-Covid, such as more people working from home, are being considered.
- Members were advised that close partnership working with Buckinghamshire Business First and the Local Enterprise Partnership was vital in delivering these projects.
- Members recognise that the standard set for broadband speeds when the Connected Counties broadband programme started may no longer be adequate for the current needs of residents, particularly as more and more people have found themselves working from home. Members are concerned that if residents are unable to access high speed broadband they may choose to move out of county and Buckinghamshire should be aiming to be the best connected county in the country.

Recommendation 10

Broadband coverage across Buckinghamshire be reviewed and plans submitted to ensure Buckinghamshire is one of the most connected counties in the country. A number of Community Boards have already set up sub-groups to investigate this and we recommend this be replicated across all Community Boards that cover rural areas. A budget should be set aside to do this.

Planning, Growth and Sustainability

Strategic Transport and Infrastructure

- The Strategic Transport and Infrastructure service area has a total spend of £3.5m, the majority of which is accounted for by staff costs. However this is offset by income of £1.1m mainly generated through customer and client receipts (e.g. HS2 funding).
- Key risks include delivery of housing infrastructure fund projects and resourcing to respond to HS2 and EWR issues. Members noted that there were no material underlying pressures rolling forward from 2020/21.

HS2 and EWR staffing costs

- Members are pleased to see the investment in HS2 and EWR roles, recognising that issues caused by the project were of great concern to local residents and that these roles would hopefully boost engagement with the organisations and contractors and address operational issues.

Capital

- There are £29.6m of schemes included in the Capital Programme for 21/22, including significant spend on HIF projects. Members welcome the investment in cycleway schemes and heard of plans to extend the Greenway and link existing cycle ways together. These projects would also attract external funding from various sources.

Rural Bus routes

- Members support a bid being made to DfT to fund a pilot scheme to provide demand based responsive bus service to link rural areas to town centres, noting the impact on the environment caused by low occupied buses.

Communities

Highways, Transport and Logistics

Highways and Technical Services

- This service area has a total spend of £34.5m, offset by income of £16.3m, made up of customer and client receipts.
- Key risks include Parking income recovery and the impact of Covid-19; Disruption to Highways and Parking services during the transformation; Significant uncertainty in the transport markets; and Transport retendering and demand management.
- Members quickly identified that parking income has been significantly affected by the Covid pandemic and is another area that will be impacted by any further lockdowns. Members understand that forecasts in this area are difficult, particularly as new ways of working for residents post-Covid are not clear. There is risk that historic parking income levels will not be reached. Members heard how assumptions had been calculated and encourage this to remain under close monitoring as reserves may be required if assumed levels are not met.
- Members received reassurance that the re-procurement of the Transport for Buckinghamshire contract is being carefully managed and a member and officer group has been set up to oversee this to ensure the contract delivers value for money.

Communities

Capital

- Members welcome the significant spend on plane and patch over the next four years, noting that road improvements continue to be highlighted as a priority by residents. Members also receive regular correspondence from residents on footway and drainage issues and action taken appears to be reactive rather than planned, so additional investment would be welcomed in these two areas.

Recommendation 11

Cabinet should consider increasing the levels of investment in the capital programme for both footway repairs (as suggested in last year's report Page 48) and drainage issues, as both were highlighted as areas of priority for residents.

Transport Services

- This service area has a total spend of £10.6m, offset by income of £1.2m.
- Key risks include delays to retendering exercises; the need for improved data quality and management information systems; and cost pressures and overspends if the demand for school transport is not managed across the Council system.
- Members are pleased to note that the retendering of all home to school transport and social care will take place in 2021/22. Members questioned environmental criteria for bus services as part of the re-tendering process and are pleased to hear that fuel emission standards must be met. It is further important to ensure robust contracts are in place as the provision also supports the Council's climate change strategy by reducing the number of private cars on the road network.
- Members note that the Council spends approximately £2m on its public transport budget subsidising rural bus routes and the proposed increase of £75k will allow a review of this to be undertaken.

Communities

Culture, Sports and Leisure

- The Culture, Sports and Leisure service areas has a total spend of £8.8m, offset by income of £1.95m.
- Key risks include the continuing impact of Covid on leisure recovery and income to the Council; service pressures due to wider societal impacts of Covid; and loss of archives accreditation if a future proof accommodation solution cannot be achieved.

Culture

- Members heard that Buckinghamshire Culture Charitable Trust had launched and cultural activity was funded independently through sources such as the Arts Council and Rothschild Foundation. The Council has officers who actively support work in this area, however the impact on the budget is negligible.
- Members are concerned that the County may lose its archives accreditation status due to a lack of facilities. With so many important documents, it was felt that through joint working with the Portfolio Holder for Property and Assets, suitable accommodation options needed to be explored.

Delivering the Cultural Strategy is listed as a key priority, however culture has no specific budget allocated to it and relies on external funding. If it remains a key priority, a specific budget should be considered to drive the strategy forward and promote culture and tourism in Buckinghamshire.

The identification of a suitable location for Buckinghamshire's archives is becoming increasingly pressing and needs to be given increased priority by the property and assets team.

Communities

Sports and Leisure

- The Budget Scrutiny Group highlight Leisure income as a further area that will be significantly affected by any further lockdowns. The covid related loss of income budgeted for is £1.9m, however this was included prior to lockdown three and Members feel in light of this it should be reviewed as part of recommendation 2.
- Further, Members note that there is a corporate contingency of £2m for leisure providers.
- Members recognise that a countywide Leisure Facilities Strategy would be delivered in the next 12 months and as part of this the longer term plans for Farnham Park Sports Fields Trust would be addressed.

Capital

- £13.2m worth of schemes are included in the Capital Programme for 2021/22, £12.1m of which relate to Leisure Centres. Members were pleased to hear that the Chiltern Lifestyle Centre construction was working to schedule with opening scheduled for October 2021.

Libraries

- Libraries have seen a greater demand over the lockdown period and the refurbished library in Marlow has opened and been well received. Members paid thanks to libraries staff for their flexibility and resourcefulness in being redeployed to assist the Council's response to the Covid pandemic.

Communities

Neighbourhood Services

- This service area has a total spend of £37.1m, offset by income of £12.2m, the majority of which is attributed to customer and client receipts.
- Key risks identified include mobilisation and stabilisation of the Veolia waste and recycling collection contract; continued impact of Covid on income and service delivery; and Market failure of recycle procurement for the North Waste Service.

Energy from Waste

- Members identified the potential further impact on income from Energy from Waste as a result of the third lockdown period and refer back to recommendation 2, that this level of income be re-assessed. Members heard that the forecast level of income for 21/22 is £800k as opposed to £1m budgeted for in 20/21, a level which will not be met. Members recommend that adequate contingencies need to be in place in case to account for risks to the expected £800k.

Waste collection

- Members heard that the contract inherited for collections in the south of the county is a 10 year contract, with a 5 year break clause. Members welcome the plans to undertake a waste strategy review which will explore future operating models beyond the 5 year break clause with the end goal of having one standard across the council.
- Members are pleased to see additional investment in enforcement of fly tipping and the £100k to develop an unauthorised encampment strategy.

Communities

Capital

- Members discussed the plans to replace refuse collection vehicles and understand that this is a necessity over the next 4 years. Members also recognise the need to replace the cremators and received assurances that cremation services would still be offered throughout the replacement programme.

Housing and Regulatory Services

- The Housing and Regulatory Service area has a total spend of £12m, offset by income of £3.9m.
- Key risks to the budget include the potential risk of continued Covid associated costs. During 20/21 the Council incurred non statutory, discretionary accommodation costs for Rough Sleepers, towards the cost of which revenue grant funding was received from the Next Steps Accommodation Programme as well as the ability to apply for the cold weather fund for additional funding of up to £90k. In the event of an economic downturn there may be a rise in Temporary Accommodation demand and costs if demand outstrips supply and there is a need to rely on expensive nightly rate/b&b type accommodation.

Communities

Housing

- An overarching Housing Strategy is being worked on and Members recognise that the budget is indicative of the demand led nature of the service. Government Grants available tend to change annually.
- Members recognise that 'affordable' housing in Buckinghamshire remains unaffordable for a wide range of residents, including key workers. Members want to see ambition shown to retain and recruit key workers and through setting a specific target the Council can evidence its ambition. Acknowledging that there is a shortage of land and land in Buckinghamshire is particularly expensive, there is an opportunity as a unitary council to work across portfolios to identify opportunities to deliver homes, including assessing the Council's own estate as to whether there are opportunities to convert properties to residential use.

Recommendation 12

Cabinet should define a delivery target for affordable homes and the Cabinet Members for planning and enforcement, property and assets and housing and homelessness should work together to deliver these affordable homes in the most cost-effective way for residents. This project should be regularly monitored and we recommend that the Growth, Infrastructure and Housing Select Committee should be engaged in the development of such plans.

Recommendation 13

A Task and Finish Group should be established to review the Council's real estate portfolio with a view to identifying suitable sites/buildings that could be converted to residential dwellings for key workers and the homeless (see recommendation 8 last year).

Communities

Housing and Regulatory Services

Capital

- Members welcome the £4.6m commitment to provide temporary accommodation solutions. It is recognised that in the long term these schemes will deliver substantial savings on temporary accommodation and B & B costs.

Registrars

- Members recognise the impact on registrar income loss given the mass drop off in weddings. The Government income protection scheme covers a significant portion of losses, however members note that the additional £262k budgeted for is on the assumption lockdown will end in the early summer.

Deputy Chief Executive

- This directorate has a total spend of £24.4m offset by an income of £2.5m.
- Key financial risks highlighted include the need to meet target savings as part of the Better Buckinghamshire Programme which are reliant on timing of individual service reviews and the increased demand for legal services, particularly in Adults and Childrens Social Care and Planning.
- Members heard that service reviews are currently working to schedule.

Community Boards

- Community Boards have yet to be formally reviewed however, Members heard from the Cabinet Member that the Boards are working well, although it has been a difficult first year to operate in. Members note that the additional £500k budgeted for community boards in 2021/22 is in place of the £500k previously received from the public health grant.

Elections

- Whilst the Council is working on the basis that the elections will take place in May 2021, Members have concerns that this could change dependant on national Covid restrictions and as such identified that in proposals, there is no provision to cover members' allowances for any extension period.
- Further, Members hold some concern that £100k may not be sufficient to cover all of the additional Covid related costs of running an election such as potentially having to use different polling stations, ensure safety measures and ensure social distancing can be adhered to.
- Members acknowledge that a reduced Cabinet from 17 to a maximum of 10 and overall members from 194 to 147 would bring reduced costs from those of 2020/21.

Recommendation 14

In anticipation of the May 2021 local elections being postponed a contingency provision of £325k should be factored in to the budget to cover members' allowances for a six-month period. If it is known by the time of the budget being approved by Full Council that there is a longer postponement period, a provision of £745k should be made to cover a twelve-month period.

Resources

- This directorate has a spend of £152.5m offset by an income of £112.6m, the majority of which is Government Grants 'passported' through the Revenue and Benefits service.
- Key risks identified include Microsoft licences and cyber protection; HR and OD pressure circa £500k; Traded service pricing; ERP replacement cost (within Capital Programme); resources capacity to support service reviews, inflationary pressures and development of service now.

Harmonisation

- Members welcome the projected £500k savings from IT contract harmonisation and were re-assured to hear about the leading cyber security software the Council has, particularly with the majority of staff now working from home.
- Further savings would be driven from harmonising legacy systems in to one, e.g. revenue and benefits, customer service, and finance software systems.

Staffing

- Reduced staff turnover is welcomed and Members note many staff have commented on the improved work/life balance with working from home. There remains a focus on converting agency staff to permanent and attracting skilled staff to the Council.

Capital

- A significant amount of work will need to be undertaken ahead of 2024/25 on the replacement SAP system for which £7m has been set aside in the Capital Programme and there will need to be sufficient expertise to adequately resource this large project.