



Budget Scrutiny

The Leader

9 January 2023



Agenda

- Overview of the Portfolio
- Portfolio priorities
- Revenue Budget 2022/23
- Revenue forecast Q2 Cabinet
- Revenue budget savings since April 2020
- Proposed changes to the Revenue budget
- Overall Proposed Revenue Budget
- Challenges, risks and opportunities
- Top 5 contracts
- Fees & Charges
- Capital Budget and forecast 2022/23
- Proposed Capital Programme
- Questions

Overview of the Portfolio

The Leader's portfolio helps to deliver all of the Corporate Plan priorities with a particular focus and responsibility on:

- Economic Development (Lisa Michelson)
- Skills & Employability (Lisa Michelson)
- Financial Strategy (David Skinner)
- Strategic Infrastructure, inc. Housing Infrastructure Funding (Richard Lumley)
- Partnerships, Policy & Communications (Roger Goodes)
- Chief Executive's Office (Sarah Ashmead)

Overview of the Portfolio



£172m HIF funding to support Aylesbury Garden Town Development



5,214 new businesses have been registered in Buckinghamshire in FY22



£0.5m Grant support to BBF and LEP



£102m Levelling Up bids submitted



8,835 Out of work claimants (October 2022)



57% peak open rates on residents e-newsletters



551 Media Enquiries (Jan to Nov 2022)



Over 200 fully integrated, multi channelled communications campaigns delivered, supporting all service areas including key priorities such as Helping Hands, Ukraine and Bucks Climate Challenge



21,000 Followers



17,000 followers

Examples of outcomes from communications activity

- Over 1800 responses to the Budget Consultation
- Generated 26,000 garden waste subscriptions
- Over 3,400 responses received for the planning attitudes survey
- Crisis Appeal donations now standing at over £180,000



58.3%
Of employees living in Buckinghamshire working as managers / directors or in professional occupations (UK average is 50%)
Source: ONS 2021

Top 10
rank for new business registrations in Buckinghamshire against other Local Enterprise Partnership (LEP) areas

90%
Town centre occupancy rate and up to 98% in some high streets



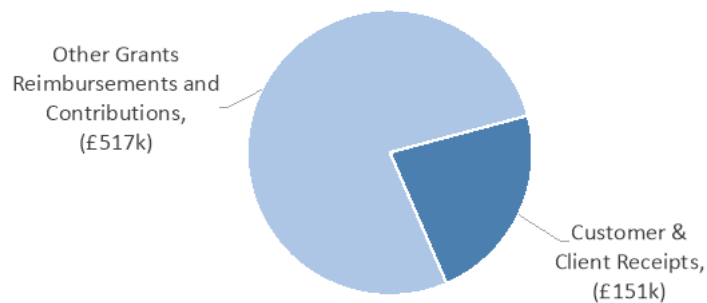
Portfolio priorities

- Growth and regeneration in Buckinghamshire, including economic development and delivery of supporting strategic infrastructure
- Securing a county deal for Buckinghamshire
- Levelling Up within Buckinghamshire
- Delivery of a financial strategy for a robust and balanced budget
- Ensuring the presence and voice of Buckinghamshire Council in local, regional and national discussions
- Ensuring Buckinghamshire is a welcoming place for those fleeing the war in Ukraine.

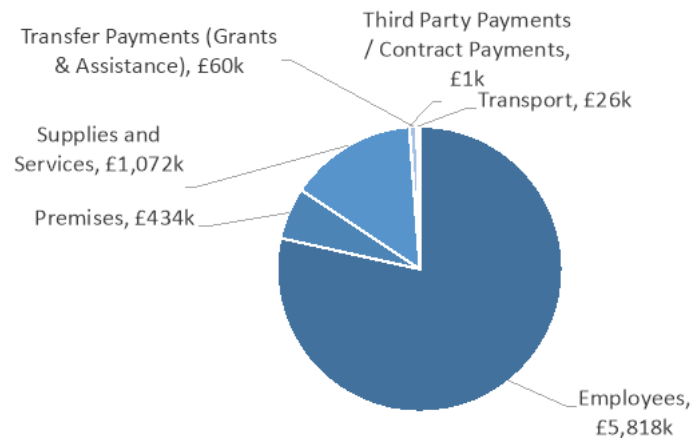
Revenue Budget 2022-23

		2022-23		
		Income £000	Expense £000	Net Budget
Chief Executives Office	Chief Executives Office		582	582
Chief Executives Office Total			582	582
Economic Growth & Regeneration	Economic Growth & Regeneration	(122)	2,278	2,156
Economic Growth & Regeneration Total		(122)	2,278	2,156
Partnerships, Policy & Communications	Partnerships, Policy & Communications	(546)	4,335	3,789
Partnerships, Policy & Communications Total		(546)	4,335	3,789
Strategic Infrastructure	Strategic Infrastructure		227	227
Strategic Infrastructure Total			227	227
Grand Total		(668)	7,421	6,753

Income 2022-23



Spend 2022-23



Revenue forecast at Q2

	Budget	Y/E Outturn	Variance	Change in Variance (from Q1 Cab)
	£000	£000	£000	£000
Expenditure	500	500	0	
Income	0	0	0	
Chief Executives Office	500	500	0	0
Expenditure	3,580	3,590	10	
Income	(370)	(380)	(10)	
Economic Growth & Regeneration	3,210	3,210	0	0
Expenditure	4,350	4,210	(140)	
Income	(550)	(500)	50	
Policy & Communications	3,800	3,710	(90)	(90) ↓
Expenditure	240	190	(50)	
Income	0	0	0	
Strategic Infrastructure	240	190	(50)	(50) ↓
Leader	7,750	7,610	(140)	(140) ↓

Leader Revenue Budget £7.7m*, Forecast £7.6m, Var **£0.1m**

- a) Leader Revenue is reporting £0.1m underspend.
- b) Policy & Communications £0.09m underspend, primarily related to staffing underspends due to vacancies.

**To note: the budget reported at Qtr 2 Cabinet is £0.997m more than the 22-23 base budget in slide 6 because there was a realignment of budgets from the Leader Portfolio after Qtr 2 reporting.*

Revenue budget savings from April 2020

<u>The Leader</u>	Description of Change £000's	Change		
		2020-21	2021-22	2022-23
DCE: Policy	Better Buckinghamshire Service Review	-	(12)	(12)
DCE: Communications	Better Buckinghamshire Service Review	-	(321)	(321)
DCE: Chief Executive Office	Better Buckinghamshire Service Review	-	(59)	(59)
PGS:	Better Buckinghamshire Service Review	-	-	(500)
PGS: Economic Growth & Regeneration	Consultancy Savings (Across PGS)	-	-	(165)
PGS: Economic Growth & Regeneration	Better Buckinghamshire Service Review	-	-	(130)
PGS: Economic Growth & Regeneration	Reduction in Pre-Pipeline development	-	-	(200)
PGS: Economic Growth & Regeneration	Policy Review of charging against external funding (Capitalisation, Grants) (Across PGS)	-	-	(100)
TOTAL		0	(392)	(1,487)

Proposed changes to the Revenue Budget

Leader		Change 2023-24 £000's
Economic Growth & Regeneration		
Savings	Reduction in consultancy spend	(135)
	Reduction in Planning, Growth and Sustainability management team costs	(170)
	Review of external partnership funding	(50)
	Savings from policy review of charging against external funding (capitalisation, grants)	(150)
Partnerships, Policy & Communications		
Savings	Efficiency savings in Partnerships and Policy (Better Buckinghamshire programme)	(77)
	Efficiency savings within Communications	(55)
	Loss of Clinical Commissioning Group (Integrated Care Board) Contract Income	(345)
	Removal of Community Engagement vacant post	(73)
Income	Loss of Clinical Commissioning Group (Integrated Care Board) Contract Income	345

Economic Growth & Regeneration

Planned savings of £0.5m will be delivered across the Planning, Growth & Sustainability directorate (across multiple portfolios and held under Leader), through a target 10% reduction in consultancy spend, reducing the number of Service Directors for 5 to 4, maximising opportunities to charge revenue costs (mainly staffing) to external grant funding, and through a small reduction in the amount of grant funding offered to economic growth partners.

Opportunity Bucks

The council's pioneering programme for levelling up in Buckinghamshire, to address disparity in Buckinghamshire and create equality of opportunity for all residents and communities across the county, ensuring they have ready access to the means to thrive and achieve. The programme will initially focus on ten identified wards where residents are experiencing poorer outcomes around work, health and education. £1.5m p.a. for 3-years is put aside to support the programme, with the release of funding being dependent upon the approval of agreed business cases by the Leader. This will be funded from uncommitted earmarked reserves.

Policy & Communications

Planned savings £0.150m, through a review of the community engagement activity, continuous improvement within the Corporate policy unit and a reduction in Partnerships running costs. As additional saving, £0.055m will be delivered through a review of communications.

Overall Revenue Budget

		2023-24		
		Income £000	Expense £000	Net Budget
Chief Executives Office	Chief Executives Office		582	582
Chief Executives Office Total			582	582
Economic Growth & Regeneration	Economic Growth & Regeneration	(122)	1,773	1,651
Economic Growth & Regeneration Total		(122)	1,773	1,651
Partnerships, Policy & Communications	Partnerships, Policy & Communications	(201)	3,785	3,584
Partnerships, Policy & Communications Total		(201)	3,785	3,584
Strategic Infrastructure	Strategic Infrastructure		227	227
Strategic Infrastructure Total			227	227
Grand Total		(323)	6,366	6,043

Change Type	Total £000
Savings	(710)
Special Items	1,500
Reserves	(1,500)
Grand Total	(710)

Challenges, Risks & Opportunities

- County Deal
- Delivering the HIF programme
- Contract with ICB for communications services will cease in 2023 reducing income to service, withdrawal plan to be developed.
- Changes to external factors leading to increased demand on services and support required e.g., conflict in Ukraine
- Given the wider pressures on council budgets and from inflation, sustaining levels of investment in non-statutory services remains a challenge.

Capital Budget and Forecast Q2

Service / Project	Actuals to Date £000	Released Budget £000's	Unreleased Budget £000's	Total Budget £000's	Forecast Outturn Released £000's	Forecast Unreleased £000's	Forecast Outturn £000's	Forecast Variance £000's
Rural Broadband	112	1,323	0	1,323	1,323	0	1,323	0
Economic Growth Total	112	1,323	0	1,323	1,323	0	1,323	0
A355 Improvement Scheme (Wilton Park)	36	397	0	397	397	0	397	0
Aylesbury Eastern Link Road	477	274	0	274	1,000	0	1,000	726
Creditor Reserve Payments	0	194	0	194	194	0	194	0
Grid Reinforcement Works	21	0	9,976	9,976	0	9,976	9,976	0
Cycle Infrastructure	5	840	236	1,076	800	236	1,036	-40
Marginal Viability Works	0	0	181	181	0	181	181	0
Abbey Barn - HIF / S106	121	50	0	50	50	0	50	0
Stoke Mandeville Relief Road / SEALR II	158	-27	0	-27	-27	0	-27	0
Princes Risborough Relief Road	528	0	617	617	872	0	872	255
SEALR (South East Aylesbury Link Road)	3,493	0	12,918	12,918	0	12,918	12,918	0
Strategic Infrastructure (HIF) Total	4,839	1,728	23,928	25,656	3,286	23,311	26,597	941
Grand Total	4,952	3,051	23,928	26,979	4,609	23,311	27,920	941

Leader Capital Budget £27.0m, Forecast £27.9m Var **£0.9m**

1. There is £0.9m of accelerated spend reported: £0.7m on Eastern Link Road, as a budget reprofile is due in Qtr 3; £0.3m on Princes Risborough HIF from expected early works and a prospective land acquisition aiming to be delivered before the end of the year; offset by a minimal £0.04m of slippage across HIF funded cycleway projects.
2. The budgets for SEALR and the Grid Reinforcement are due to be reprofiled in Qtr 3 to reflect the current programme of works on both projects.

Proposed Capital Programme 2023-24 to 2026-27

Expenditure

Service Area	Project Group / Project	2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	MTFP Total £000's
Strategic Transport & Infrastructure	Strategic Infrastructure (HIF)*					
	A355 Improvement Scheme (Wilton Park)	980	-	-	-	980
	Aylesbury Eastern Link Road	2,896	10,000	25,393	-	38,289
	Cycle Infrastructure	1,000	-	-	-	1,000
	Grid Reinforcement Works	5,122	-	-	-	5,122
	Land Assembly	-	10,818	-	-	10,818
	Marginal Viability Works	1,306	643	-	-	1,949
	Princes Risborough Relief Road	1,500	2,000	5,198	-	8,698
	SEALR (South East Aylesbury Link Road)	23,829	1,062	-	-	24,891
South Western Link Road South	250	250	-	-	500	
Total Expenditure		36,884	24,773	30,591	-	92,247

Funding

Funding - MTFP Table	2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	MTFP Total £000's
s106	(83)	(1,062)	(2,730)	-	(3,875)
Ringfenced Grants	(36,662)	(23,711)	(29,366)	-	(89,739)
Total Funding	(36,746)	(24,773)	(32,096)	-	(93,614)
Net Portfolio Totals	138	-	(1,505)	-	(1,367)
Funded From Corporate Resources	(138)	-	1,505	-	1,367
Total	-	-	-	-	-

**HIF Programme Budgets will be updated to reflect the HIF Link Roads Cabinet Paper being presented to Cabinet in December 2022, once confirmation of funding is received from Homes England and DfT*

Proposed Capital Programme 2023-24 to 2026-27

The Leader's Capital Programme covers the major infrastructure projects being delivered using Housing Infrastructure Funding awarded to Bucks Council from Homes England. These projects will unlock the delivery of housing in Aylesbury and Princes Risborough, and will be a major contributor to the delivery of the Council's housing supply targets.

The projects are entirely externally funded – mostly from HIF, but also LEP LGF grants, s.106 funding from developers, and specific funding from HS2 to discharge their assurance obligations.

The programme has been impacted by inflationary pressures. To manage these, additional funding has been sought from HS2, additional s106 obligations will be sought from developers, and HIF funding flexibilities are in the process of being agreed with Homes England. For more detail, see the recent Cabinet Paper on SEALR and the wider link road programme:

<https://buckinghamshire.moderngov.co.uk/documents/s53753/Cabinet%20decision%20HIF%20and%20SEALR%20cover%20paper%20v2.pdf>



Questions

