



# Budget Scrutiny

## Homelessness & Regulatory Services

10 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

Portfolio Holder: [Councillor Mark Winn](#), Deputy Portfolio Holder: [Councillor Carl Jackson](#)

## Functions and Services within the Portfolio include:

- Social housing stock allocation and liaison with registered providers
- House conditions and financial assistance with adaptation works including delivery of Disabled Facilities Grant
- Homelessness and Rough Sleeping
- Unauthorised encampments
- Trading standards
- Environmental health
- Registrars and Coroners
- Housing strategy and affordable housing
- Crematoria and Cemeteries
- Licensing (including taxi licensing)

# Overview of the Portfolio

As at 31<sup>st</sup> August 2022...



5,905 Live & pending Bucks Home Choice applications\*

57%

Increase in persons seeking social housing compared to pre-pandemic



345 Number of households in temporary accommodation

53%

Increase in number of households in temporary accommodation compared to pre-pandemic

Between March and Sept this year...



775 property inspections under the Homes for Ukraine Scheme

Core Government Funding includes...

**£1.7m**

Homelessness Prevention Grant

**£4.0m**

Disabled Facilities Grant

**£1.2m**

Rough Sleepers Grant

Last year...

**4,938**

births registered

**1,893**

ceremonies performed

**£1.4m**

income from ceremonies

**5,357**

food businesses registered, up 15% on 2020

**3,545**

deaths registered

**133**

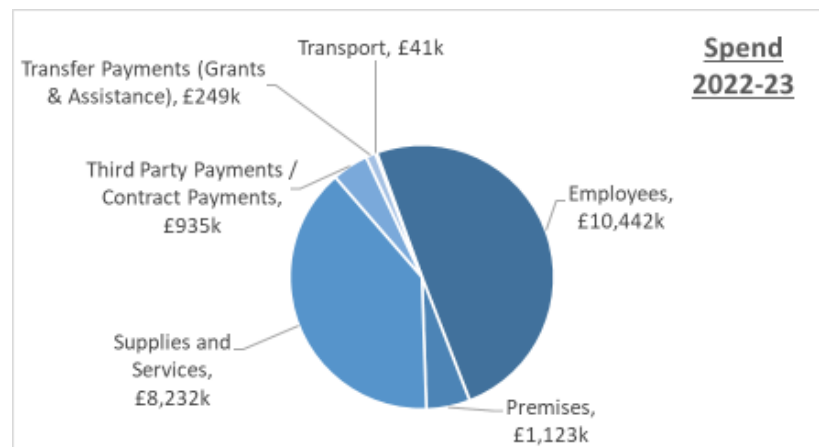
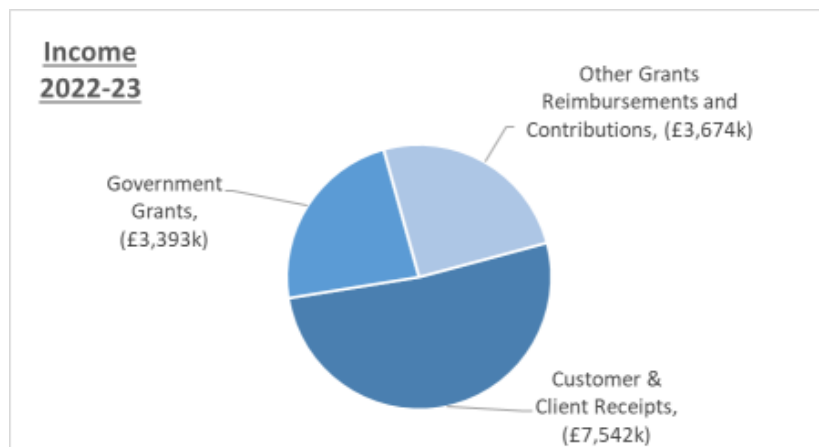
business sites in Bucks which require an Environmental Permit

# Portfolio Priorities

- **Affordable housing** - Develop affordable housing and requirements on private developments to include affordable housing for local people and key workers, providing the homes our growing communities need.
- **Eliminate rough sleeping** - Maintain virtual elimination of rough sleeping across Buckinghamshire through integrated public health and wellbeing approach, reducing homelessness and addressing its root causes.
- **Address housing need** - Continue to address housing need by working with partners and stakeholders.
- **Debt and homelessness advice** - Work with residents to address issues such as debt or personal concerns which risk them becoming homeless.
- **Disabled Facilities Grants** - Ensure that Disabled Facilities Grants are effectively targeted and delivered to support vulnerable households to adapt their properties.
- **Regulatory services** - Deliver high quality regulatory services for residents and businesses in Buckinghamshire.
- **Chilterns crematorium project** - Delivery of the cremator replacement project at Chilterns Crematoria.
- **Unauthorised encampments policy** - Develop and implement Gypsy and Traveller unauthorised encampments policy, to ensure a robust yet balanced methodology is delivered to bring about a proportionate response to unauthorised encampments.
- **Encourage partnerships with our services** - Increase the number of primary authority partnerships registered with Trading Standards and Environmental Health services, which helps in supporting and advising businesses to comply with environmental health and trading standards.

# Revenue Budget 2022-23

		2022-23		
		Income £000	Expense £000	Net Budget
Housing & Homelessness	Homelessness	(7,620)	11,061	3,441
	Housing	-	(69)	(69)
<b>Housing &amp; Homelessness Total</b>		<b>(7,620)</b>	<b>10,992</b>	<b>3,372</b>
Regulatory Services	Cemeteries & Crematoria	(3,419)	2,633	(786)
	Coroner		986	986
	Environmental Health	(266)	3,096	2,830
	Licencing	(1,925)	1,577	(348)
	Registrars & Celebratory Services	(1,380)	1,388	8
	Trading Standards		910	910
<b>Regulatory Services Total</b>		<b>(6,990)</b>	<b>10,590</b>	<b>3,600</b>
<b>Grand Total</b>		<b>(14,610)</b>	<b>21,582</b>	<b>6,973</b>



# Revenue forecast at Q2

	Budget	Y/E Outturn	Variance	Change in Variance (from Q1 Cab)
	£000	£000	£000	£000
Expenditure	11,010	11,220	210	
Income	(7,580)	(7,080)	500	
<b>Housing &amp; Homelessness</b>	<b>3,430</b>	<b>4,140</b>	<b>710</b>	<b>370 ↑</b>
Expenditure	10,670	11,010	340	
Income	(6,990)	(7,240)	(250)	
<b>Regulatory Services</b>	<b>3,680</b>	<b>3,770</b>	<b>90</b>	<b>110 ↑</b>
<b>Housing &amp; Homelessness &amp; Regulatory Serv</b>	<b>7,110</b>	<b>7,910</b>	<b>800</b>	<b>480 ↑</b>

**Housing & Homelessness & Regulatory Revenue:** Budget £7.1m, Var **£0.8m**

- £0.7m adverse variance in Housing & Homelessness from increased demand on Temporary Accommodation, which is a £0.4m increase on Qtr 1 as demand remains high. This forecast projects that the current cohort of 145 people in Nightly Paid accommodation remains constant, and there is a risk that this may increase with the Cost of Living Crisis. The Housing team continue to work apace to identify opportunities to acquire more units to reduce the need for Nightly Paid accommodation. **Update: Since Qtr 2, the projected pressure on Temporary Accommodation is now £3.8m** - this recognises the capped level of subsidy grant the Council receives from DWP for Housing Benefit on TA, plus an increase in the cost of a room, and an increase in demand to 193 households.
- £0.1m net adverse variance in Regulatory Services: £0.1m adverse variance in Trading Standards from staff pay award and reduction in primary authority income post-COVID (expected to recover by 2024); £0.4m staffing cost adverse variance in Coroners for additional administrative staff to work on caseload; £0.1m favourable variance in Registrars from increases in ceremony income; £0.1m adverse variance in Environmental Health from agency staff costs.

# Revenue budget savings from April 2020

The following savings have been delivered since the Council formed as a Unitary:

Description	£k
Neighbourhood Services - Review of Cemeteries and Crematoria fees and charges	(243)
Housing & Environmental Health Service Review - staffing savings (part of Better Buckinghamshire)	(200)
<b>TOTAL SAVINGS MADE</b>	<b>(448)</b>



# Proposed changes to the Revenue Budget

<b>Homelessness &amp; Regulatory Services</b>		<b>Change 2023-24 £000's</b>
<b>Housing &amp; Homelessness</b>		
Grant Income	Inflation increase in Homelessness Prevention Grant	(200)
Growth	Additional cost of Temporary Accommodation from demand and increased unit costs	3,600
Special Items	Additional warranty expenditure (funded from reserves)	500
Reserves	Reserve funding for additional warranty expenditure	(500)
<b>Regulatory Services</b>		
Growth	Additional costs in IT and contract cleaning in Cemeteries and Crematoria	10
	Increased costs of Trading Standards contract	52
Income	Increase in income from Crematoria	(255)
	Increase in income in Registrars services	(170)
	Review of Cemeteries and Crematoria fees and charges (partly Better Buckinghamshire programme)	(70)
	Review of fees and charges (housing and registrars)	(11)
Inflation	Increase in Cemeteries & Crematoria utilities costs	80
Savings	Efficiency savings in Trading Standards service (Better Buckinghamshire programme)	(45)
	Reduction in Licensing Software application costs and review of fees and charges	(5)
Special Items	One-off spend on Cemeteries and Crematoria premises (funded from Reserves)	255
Reserves	Use of reserves to fund one-off spend on Cemeteries and Crematoria premises	(255)

# Proposed changes to the Revenue Budget

- Temporary Accommodation (nightly paid B&B) growth of £3.6m is being driven by an increase in both cost and demand. A more detailed explanation is provided in the appendix.
- The Registrars' Service is budgeted to recover its ceremony income to pre-COVID levels; this target has already been achieved this financial year. A recent review of staffing structures and T&Cs in Registrars will help build resilience to ensure current service levels are maintained.
- The Trading Standards service - delivered through an SLA with Surrey County Council - has seen a drop off in income post-COVID, and staff pay awards need to be budgeted separately. As well as funding this growth, we are asking the service to look to deliver some efficiency savings towards the Better Bucks targets.
- The Council has a legal obligation to fund an asbestos warrantee with Fairhive and Red Kite, contributing towards the surveying and removal of asbestos from Housing stock previously owned by legacy councils. Reserves are set aside for this, and we expect to draw down £500k towards costs next year.

# Proposed changes to the Revenue Budget

- Cemeteries and Crematoria changes of £255k mainly relate to increased cremation fee income (£206k) with an increase of 13% proposed, contract cleaning savings of £39k and rental of a vacant bungalow at Chilterns Crematorium subject to renovation. In order to achieve the cremation fee income target cremations are expected to reach 3,354.
- There is also £70k increase in fees and charges linked to cemeteries and crematoria and increased audio visual and commemoration income.
- One off spend at crematoria of £255k funded from reserves will be used to resurface the car park and adjust the entrance gates at Stoke Poges Memorial Gardens, install a new air conditioning system at Milton Chapel and a new ground maintenance compound at new Chilterns Crematorium to replace existing sheds and improve security on site.
- Inflation growth of £80k for utilities as electricity and gas costs are expected to be higher at the cemeteries and crematoria.

# Overall Revenue Budget 2023-24

		2023-24		
		Income £000	Expense £000	Net Budget
Housing & Homelessness	Homelessness	(7,820)	14,661	6,841
	Housing	-	(69)	(69)
<b>Housing &amp; Homelessness Total</b>		<b>(7,820)</b>	<b>14,592</b>	<b>6,772</b>
Regulatory Services	Cemeteries & Crematoria	(3,744)	2,723	(1,021)
	Coroner		986	986
	Environmental Health	(272)	3,096	2,824
	Licencing	(1,930)	1,577	(353)
	Registrars & Celebratory Services	(1,555)	1,388	(167)
	Trading Standards		917	917
<b>Regulatory Services Total</b>		<b>(7,501)</b>	<b>10,687</b>	<b>3,186</b>
<b>Grand Total</b>		<b>(15,321)</b>	<b>25,279</b>	<b>9,959</b>

Change Type	Total £000
Grant Income	(200)
Growth	3,662
Income	(506)
Inflation	80
Savings	(50)
Special Items	755
Reserves	(755)
<b>Grand Total</b>	<b>2,986</b>

# Challenges, Risks and Opportunities

- There is a risk that the current economic situation will lead to further increase in temporary accommodation presentations and social housing applications; already there are challenging of financial pressures (£3.6m currently forecast) and staffing capacity issues in managing the existing temporary accommodation levels.
- We have opportunities to deliver temporary accommodation additional units to drive down revenue costs; this will require staff time & capital investment to deliver. 100 units would deliver around £2m of savings pa.
- Evolving situation on refugees, particularly from Ukraine, with the end of the Homes for Ukraine scheme. Government funding is currently available to provide accommodation solutions; challenge here is staffing capacity to deliver, and the longer term uncertainty over funding.
- Increasing complexity of cases within Coroners' service will require additional administrative support, which will need to come from existing staffing numbers.
- Environmental Health teams are experiencing spikes in capacity pressures due to external influences, for example recent winter pressures including mould and damp containment, and Homes for Ukraine inspections. No growth is proposed this year, however capacity issues will be kept under review during the next year.
- Inflation pressures linked to delivery of cemeteries and crematoria capital schemes.

# Top 5 contracts

Supplier Name	Description of Service	Annual Value of Contract	Review Date/End Date
Facultatieve Technologies Ltd	Supply of crematory equipment – Chilterns Crematorium. Capital Programme, funded from Crematorium income.	£1,172,633	31/03/2023
Buckinghamshire Healthcare NHS Trust	Coroner Service - Body Storage, Mortuary Provision & Histology. Fixed price.	£385,000	31/12/2026
Sheffield Teaching Hospitals	Coroner Toxicology Services. Fixed price.	£242,338	31/03/2026
Treske Ltd	Ecclesiastical Furniture for Hamden Chapel – Chilterns Crematorium. Capital Programme, funded from Crematorium income. .	£120,000	31/12/2022
Global Action Plan	GAP - Campaign to encourage & enable the uptake of EV in Buckinghamshire. Funded from DEFRA Air Quality Grant.	£85,630	31/03/2022

- Contract waivers are currently in place on nightly paid temporary accommodation.
- All the major contracts within the portfolio have been reviewed for inflationary impacts: Coroner’s contracts are fixed.
- The crematoria contracts are relatively new contracts and reflect market pricing after procurement procedures. Crematoria capital projects are funded from reserves.

# Fees & Charges

## Discretionary Fees

To cover inflationary pressures, the following uplifts are proposed to be applied to discretionary fees:

- Cemeteries and Crematoria – cremation, burial and related services- cremation fees 13% increase and for crematoria, burial and related services an average of 9% RPI increase with some new service charges introduced e.g. ashes into glass halo or classic collection; benchmarking with competitors was also applied to ensure competitiveness or discretionary based on supplier published prices (which can change when supplier recommended prices change e.g. for use of audio visual tribute system and other media products).
- Licensing – Gambling Act fees, entertainment establishments – 9% RPI on average; street trading by zone is subject to a full fee review following policy harmonisation late 2022/23 into 2023/24; some fees have been harmonised and increased in year so no RPI increase is proposed for April 23 e.g. animal related licensing.
- Registrars Ceremony Fees for 2023/24 have already been published (as the Council publishes these in advance to enable bookings), with a 3% increase. An increase of more than 3% would likely price the Council out of the local competitive market for ceremonies.
- Environmental Health – Food hygiene rating scheme reinspection costs increasing by 34% (to £220) following a ‘full cost recovery’ review of the true cost of delivering the service. HMO license fees, food safety condemnation – 9% RPI increase.

# Fees & Charges

## Statutory Fees

A large proportion of fees in this portfolio are statutory and set by Govt. The Council therefore has no ability to increase these fees; any fee increases for next year will be made in line with any statutory increases which may be announced. Some of the statutory charges are:

- Licensing – examples of statutory licensing fees include personal licence for alcohol sale or supply, licensed premises, club, prize and family entertainment machine gaming permits, small lotteries and raffles, public space protection order, Non-Domestic Rateable Value (NDRV)
- Environmental Health - Environmental Permitting costs, are set annually by DEFRA. If they are increased the Council will be notified in Spring 2023. Other statutory EH fees, such as Food Export Certificates and , assessments of private water suppliers, are capped as ‘cost recovery only’
- Registrars – marriage registration fees.



# Fees & Charges

## Licensing

- Any increase in taxi licensing fees will be decided by the Licensing Committee in February 2023 and if increase is approved, it would be applied at the start of the new financial year.
- Some licensing fees have been harmonised and increased in year (effective 29<sup>th</sup> August 2022) and therefore no RPI to be applied in April 2023. Licensing fees that have been harmonised include, for example, animal licensing and boarding, dog breeding, pet shops, riding establishments, keeping or training animals for exhibition, dangerous wild animals, zoo.

## Dog & Pest Control

- Fees and Dog and Pest control charges (such as stray dog collection charges) are due to be harmonised from 1<sup>st</sup> April 2023, as they still operate under legacy council arrangements. A separate Key Decision will be made in relation to these. No additional income is anticipated from the harmonisation.

## Trading Standards

- The Trading Standards service is delivered via a contract with Surrey County Council. Surrey CC have responsibility for setting the Fee Schedule for the service, and this decision is expected in January. They are reviewed and approved by the Trading Standards joint working board, which includes the Cabinet Member for this portfolio.

# 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
Affordable Housing - S106 Funded	-26	4,565	-2,360	2,205	4,565	-2,360	2,205	0
<b>Affordable Housing Total</b>	<b>-26</b>	<b>4,565</b>	<b>-2,360</b>	<b>2,205</b>	<b>4,565</b>	<b>-2,360</b>	<b>2,205</b>	<b>0</b>
Chiltern & Bierton Crematoria	593	2,252	0	2,252	2,252	0	2,252	0
Cemeteries & Memorial Gardens	0	317	0	317	317	0	317	0
<b>Cemeteries and Crematoria Total</b>	<b>593</b>	<b>2,569</b>	<b>0</b>	<b>2,569</b>	<b>2,569</b>	<b>0</b>	<b>2,569</b>	<b>0</b>
Temporary Accommodation	883	1,188	0	1,188	1,188	0	1,188	0
<b>Homelessness Total</b>	<b>883</b>	<b>1,188</b>	<b>0</b>	<b>1,188</b>	<b>1,188</b>	<b>0</b>	<b>1,188</b>	<b>0</b>
Disabled Facility Grants	1,597	3,848	0	3,848	3,848	0	3,848	0
Enabling Schemes	-864	31	-31	0	31	-31	0	0
Home Renovation Grants	0	408	0	408	408	0	408	0
Raynes Avenue Park Drainage Replacement	0	152	0	152	152	0	152	0
<b>Housing Total</b>	<b>733</b>	<b>4,440</b>	<b>-31</b>	<b>4,408</b>	<b>4,440</b>	<b>-31</b>	<b>4,408</b>	<b>0</b>
<b>Grand Total</b>	<b>2,183</b>	<b>12,761</b>	<b>-2,392</b>	<b>10,369</b>	<b>12,761</b>	<b>-2,392</b>	<b>10,369</b>	<b>0</b>

- Housing & Homelessness programmes are currently forecast to match current year budgets. Following a Cabinet member review of the capital programme, the budget for Home Renovation grants will be surrendered in Qtr 3 to fund inflationary pressures elsewhere in the Capital Programme, as the Disabled Facilities Grant is available to fund such works.
- Affordable Housing s.106 funded schemes – following a review of commitments, it is expected that funding of £1.6m is due to be spent this year, across 7 projects approved via legacy council agreements. Remaining s.106 funding will be carried forward and reprofiled into 2023-24 for delivery on priority AH schemes.
- Cemeteries & Crematoria is forecast to match budget and expect to complete projects this financial year.

# Proposed Capital Programme 2023-24 to 2026-27

## Expenditure

Service Area	Project Group / Project	2023/24	2024/25	2025/26	2026/27	MTFP Total
		£000's	£000's	£000's	£000's	£000's
Housing & Regulatory Services	<b>Affordable Housing</b>					
	Affordable Housing - S106 Funded	565	1,214	1,214	-	2,993
	<b>Homelessness</b>					
	Homelessness Mitigation	150	-	-	-	150
	<b>Housing</b>					
	Disabled Facility Grants	3,583	3,583	3,583	3,583	14,334
Enabling Schemes	545	545	545	-	1,634	
Raynes Avenue Park Drainage Replacement	900	-	-	-	900	
<b>Housing &amp; Regulatory Services Total</b>		<b>5,743</b>	<b>5,342</b>	<b>5,342</b>	<b>3,583</b>	<b>20,011</b>
Neighbourhood Services	<b>Cemeteries and Crematoria</b>					
	Cemeteries & Memorial Gardens	449	400	400	-	1,249
	Chiltern & Bierton Crematoria	385	130	625	-	1,140
<b>Neighbourhood Services Total</b>		<b>834</b>	<b>530</b>	<b>1,025</b>	<b>-</b>	<b>2,389</b>
<b>Total Expenditure</b>		<b>6,577</b>	<b>5,872</b>	<b>6,367</b>	<b>3,583</b>	<b>22,400</b>

## Funding

Funding - MTFP Table	Values				
	2023/24	2024/25	2025/26	2026/27	MTFP Total
	£000's	£000's	£000's	£000's	£000's
s106	(565)	(1,214)	(1,214)	-	(2,993)
Ringfenced Grants	(3,583)	(3,583)	(3,583)	(3,583)	(14,334)
Revenue Contributions (Service)	(565)	(530)	(1,025)	-	(2,120)
<b>Total Funding</b>	<b>(4,713)</b>	<b>(5,327)</b>	<b>(5,822)</b>	<b>(3,583)</b>	<b>(19,446)</b>
<b>Net Portfolio Totals</b>	<b>1,864</b>	<b>545</b>	<b>545</b>	<b>-</b>	<b>2,953</b>
<b>Funded From Corporate Resources</b>	<b>(1,864)</b>	<b>(545)</b>	<b>(545)</b>	<b>-</b>	<b>(2,953)</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Proposed Capital Programme

- The council has £4m remaining of s.106 funding for affordable housing - £3m is budgeted from 23-24 onwards, and £1m in the current financial year. The current priority for this funding - as well as the 'Enabling Schemes' funding - will be to deliver additional temporary accommodation units, to alleviate pressure on the Revenue budget. A number of properties have already been identified, and Property and Housing colleagues are working at pace to decide which presents the best value opportunity.
- The Disabled Facilities Grant is expected to continue at the current level of £4m pa – the capital programme will be increased once the formal announcement is made by Govt. This funding is currently split £2.5m on mandatory adaptations, £1m on adults social care equipment, and around £300k-£500k on the handy helpers programme.
- Repair works on the drainage at Raynes Avenue Mobile Home Park are due to be commissioned in the spring of 2023.
- Chiltern Crematorium and Stoke Poges Memorial Garden capital projects are self-funding projects from crematoria reserves.
- Chiltern Crematorium works include extension to the roadway/parking to create a one way exit route through the woodland, creation of a café/ wake/ community venue from the conversion of the existing bungalows on site in order to increase site income, a new grounds maintenance compound and air conditioning for Milton Chapel. Delivery of the Chiltern Crematorium project is part of the Council's priorities for this portfolio and is in line with the strategic plan.
- Stoke Poges Memorial Gardens and cemeteries works include relaying hoggin paths, repairs to balustrade and colonnade repairs.



# Questions



# Temporary Accommodation Growth

- The Council has a legal obligation to provide Temporary Accommodation to those who present as homeless.
- Local registered providers (housing associations) provide a baseline supply of good value temporary accommodation which the Council can draw on, however demand has significantly outstripped those units and the Council is increasingly having to rely on Nightly Paid accommodation to carry out its statutory duties.
- It currently costs around £100 per night to rent a room for a household (a 35% increase since last year due to market rate increases). We receive just £18 per night in housing benefit subsidy from the Government, giving a current net cost to the Council of £82 per night – about £30k per year per household.
- Demand is at an unprecedented high- 190 households in November 2022, compared to around 40 pre-COVID. The current Cost of Living crisis appears to be resulting in numbers not reducing to pre-COVID levels.
- During the past 2 years the Council has benefited from COVID grants to fund the budget gap created by increased levels of TA.
- The growth bid of £3.6m will provide cover for up to 210 households (20 more than we currently have as at Nov 2022), however demand levels will remain a risk, given the economic climate.
- This bid factors in the savings which will be realised from the opening of the new Bridge Court facility in Wycombe – the 58 new units will provide £1m saving compared to nightly paid accommodation.
- Plans are in train to purchase and develop additional TA units to reduce the cost further (See Capital Programme). By way of example, an additional 105 units would result in a £2m saving pa.