



# 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.



It has been nearly four years since the formation of Buckinghamshire Council in which the Cabinet has had to set a number of challenging budgets due to factors such as the pandemic, high inflation and global conflict. National Government uncertainty is also starting to feature in the budget. The Inquiry Group recognise how difficult a task it has been to put a balanced budget together and believe in the value that Budget Scrutiny week offers to residents and backbench Members.

The Leader has been forthcoming with information and candid on service change as a result of savings. Significant areas of risk remain, related to higher demand for services and greater complexity, as well as delivery of budget savings that are important in balancing the budget. We welcome the intention to use the capital programme to make interventions in key service areas however project slippage must be avoided to safeguard the budget and realise savings. We continue to acknowledge that 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 Mohammed Ayub
- Cllr Peter Cooper
- Cllr Dev Dhillon
- Cllr Graham Harris
- Cllr Iain Macpherson
- Cllr Susan Morgan /  
Cllr Anja Schaefer
- Cllr Richard Newcombe
- Cllr Catherine Oliver
- Cllr Matthew Walsh
- Cllr Stuart Wilson

# Introduction

- Cabinet agreed the draft budget at its meeting on 4 January 2024.
- Budget Scrutiny meetings were held on 8, 9, and 11 January 2024 to scrutinise the draft budget by questioning each Cabinet Member on their budget proposals.
- The public were able to submit questions via email which were asked during the sessions where time permitted.
- This report of the Budget Scrutiny Inquiry Group makes recommendations to Cabinet. The Cabinet will respond to these recommendations at its meeting on 13 February 2024.
- The final budget will be presented to Full Council at its meeting on 21 February 2024.
- The Budget Scrutiny meetings were webcast and can be viewed at <https://buckinghamshire.public-i.tv/core/portal/home>

# Recommendations

The Budget Scrutiny Inquiry Group make the following recommendations:

## **Recommendation 1**

The Capital element of the MTFP should be presented with an additional section containing an outline of projects that are realistic but do not yet have a finalized business case and funding agreed to give Members and residents a clearer understanding of the long-term ambition for the capital investment programme. Members note that similar recommendations have been made in 2020, 2021 and 2023.

## **Recommendation 2**

The Council must consider proactive intervention in the Home to School Transport market for instance through capital investment in a pilot-fleet to address escalating service costs. This would be a significant indicator to the market that the Council is willing to challenge the current market rate by delivering a proof of concept.

# Recommendations

## **Recommendation 3**

The Finance & Resources Select Committee should receive an in-depth confidential report on Home to School Transport costs which also includes information on the growth model.

## **Recommendation 4**

In light of historic and ongoing concerns raised by the Audit & Governance Committee, the financial management model and/or the adverse financial position of Farnham Park Trust must be resolved in 2024-25 in conjunction with the delivery of the Leisure Strategy.

## **Recommendation 5**

The Finance & Resources Select Committee should receive a report on the Dedicated Schools Grant deficit and the Better Value Programme in 2024 year once figures have been finalized following year-end.



# National Context

- The national economy has been subject to a number of significant and overlapping shocks over recent years: the pandemic, and the Ukraine conflict have impacted globally traded commodities that has knocked-on to other products. UK inflation peaked above 11% and is currently at 4.6%.
- The Bank of England has consistently been raising the Bank Base Rate from a low of 0.1% in December 2021 to 5.25% in October 2023. Increased costs and borrowing rates have impacted residents and businesses across the country, however the UK economy is not expected to fall into recession.
- 2% inflation target is expected to be made by mid-2025.

# National Context – State of Public Finances

- The Chancellor's Autumn Statement focused on reducing inflation, growing the economy and reducing debt.
- No further funding increases for local government with additional funding for adult social care announced in 2022 confirmed.
- Local Housing Allowance rates will be raised to the 30% percentile of local market rates from April 2024.
- Departmental budgets increase by 1% - likely real-term cuts for local government services.
- Improvements in productivity in the public sector (by 0.5% per year).
- National Living Wage increase to £11.44 for workers aged 21+.
- Additional £5m Planning Capacity Funding to target planning application backlogs.
- £450m for a third round of Local Authority Housing Fund to deliver 2,400 new housing units to house Afghan refugees and ease wider housing and homelessness pressures.

# National Context – State of Public Finances

- Homes for Ukraine and homelessness prevention extended ‘thank you’ payments into a third year for Homes for Ukraine sponsors.
- Local Nutrient Mitigation Fund - £110m to support planning authorities.
- Affordable Homes Guarantee Scheme – expanding the existing £3bn scheme by a further £3bn.
- Designating low carbon infrastructure as a critical national priority to ensure planning system prioritises the rollout of electric vehicle charging infrastructure and heat pumps.
- Planning system performance reforms which guarantees accelerated decision dates for major developments in exchange for a fee and full refunds for missed deadlines.
- Support for substantial commercial development, strengthening of Economic Regulation and small business rates multiplier frozen (with Local Authorities compensated).

# Local Context

- Nationally high inflation, a tight labour market and domestic price pressures have shaped the Council Budget through:
  - a) Inflationary pressures to maintain existing service levels;
  - b) 20% inflation in construction, impacting the Capital Programme;
  - c) Pay pressures in light of the wider market;
  - d) NHS pressures resulting in higher demand for early hospital discharge and subsequent care needs;
  - e) Increased demand for Social Care places;
  - f) Supply-side pressures in Social Care market;
  - g) Increased demand & costs of supporting vulnerable residents.

# Local Context

- Significant financial pressures during 2023/24 include:
  - Adult Social Care growth of £13.6m rising to £33.5m;
  - Children's Social Care, Looked After Children growth of £21.9m rising to £43.4m;
  - Growth of £1.6m in temporary accommodation;
  - Growth of £6.9m rising to £13.7m in Home to School Transport linked to growth in Education & Health Care Plans (EHCPs).
- Better Buckinghamshire, the Council's transformation programme since 2020, continues with its aim to deliver better outcomes for residents and businesses in the most cost-effective way.

# Overall Budget

- The Budget Proposal is a balanced three-year Revenue Budget 2024/25 – 2026/27 and a four-year Capital Programme 2024/25 – 2027/28. The Budget Scrutiny Inquiry Group spent an intense three days scrutinising the proposal. 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 portfolio areas, but we begin with a recommendation relating to the overall budget and the Leader's Portfolio which is responsible for, amongst other areas, the overall financial strategy and Corporate Plan.
- Members acknowledge the difficulty of putting together a budget in the context of ongoing inflationary pressures and increased service demands and case complexity. This continues to be an unprecedented time which is reflected in the significant risks in the budget proposal.
- 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, achieving savings targets and improving council services.
- The Budget Scrutiny Inquiry Group welcome the significant work that has gone in to producing a balanced draft Revenue and Capital Budget.

# Leader

- The Leader's Portfolio has a total spend of £4.8m, offset by income of £0.25m.
- Risks and opportunities include delivering the Housing Infrastructure Fund (HIF) programme; targeting levelling up in wards through Opportunity Bucks; and exploring 'level 2' devolution with government.
- Significant challenges include sustaining levels of investment in non-statutory services given the wider pressures on council budgets.

## Key Council Strategies

- Throughout the week, a number of emerging strategies were highlighted by the Cabinet Members which included the Leisure Strategy and the Parking Strategy. Whilst the group appreciate the complexities of developing these Strategies, both have been cited as examples over the past two years of Budget Scrutiny.
- The group hope that the timeline of delivering future strategies will be accelerated.

# Leader

## Revenue Budget

- The Council's budget is driven by the Corporate Plan which is refreshed annually. Comments from the residents' survey are also taken into account.
- There is currently overspend in four main areas: Adults Social Care, Children's Care, Home to School Transport and Temporary Accommodation. Portfolio action plans are in place to address this.
- The Leader notes that these are statutory services that are 'budget-blind' as they must be delivered. Members agreed that the budget reflects the challenges being faced across all Local Government.
- Members noted the narrative risks, challenges and assumptions presented across all portfolios. Challenges highlighted by the Leader include council tax base not growing to expected levels and new waste legislation being implemented at household recycling centres.
- Fees and charges had been reviewed with a starting assumption of a 7% increase.
- Overall, debt recovery and credit control performed well (e.g. council tax collection) although the Council always looks to improve and seek best practice.



# Leader

## Revenue Budget continued

- Opportunity Bucks, the Council's levelling-up programme, was funded by the Council, not central Government, and aimed to address historical areas of deprivation in the county. Discussion was had regarding the relationship between the budget and the programme.
- It was noted that the budget risk contingency figure dropped significantly from £15.5m in 23-24 to £10.8m in 24-25. Members questioned its sufficiency in light of current budget pressures the Council is facing.
- Members considered potential savings in senior management costs but the Leader advised that the current arrangement had been reviewed in 2019/20 during the Shadow Council and was required to ensure delivery of the significant savings proposed in the budget.
- The Leader's portfolio included Policy & Communications which included a saving of £40k by reducing the frequency of the resident magazine from three per year to one annual edition. The Communications service had downsized considerably in the past 12 months.
- The group value the investment from economic regeneration given its potential **net-positive and prosperity to residents.**

# Leader

## Revenue Budget continued

- Members welcome the new style budget paper pack, which is consistent across all portfolios, and also acknowledge how well-prepared Cabinet Members were to answer questions from the inquiry group.
- At the time of writing, the group are still awaiting further information that was requested during the week.

***It is challenging for scrutiny members to receive additional information they request due to the tight timescale between the draft budget being published and budget scrutiny week.***

## Strategic Transport & Infrastructure

- Members heard that the strategic infrastructure team is regularly involved in lobbying central Government for funding and is responsible for leading on key HIF projects included within the Capital Programme.
- £84m is committed in 2024/25 to deliver key projects such as Princes Risborough Relief Road, SEALR and Stoke Mandeville Relief Road.
- Cost increases due to inflation had led to protracted discussions with Government, Homes England and HS2 regarding revised funding figures.

# Leader

## Capital Programme

- The programme requires certainty over the four-year period due to tendering, planning and business cases. The programme has also been susceptible to inflation in the construction industry which was currently around 20%.
- Due to time constraints, Members were not able to interrogate the overall Capital Programme with the Leader but did so with each individual Cabinet Member. This timing allocation will be revised for January 2025.
- Members feel that the current programme still does not adequately demonstrate to Buckinghamshire residents and Members the work that is being undertaken to develop longer term projects in priority areas .
- However, the group are pleased to note the planned implementation of capital investment schemes to ease revenue pressures which had been recommended in last year's Budget Scrutiny report.

***We acknowledge the capital programme's intention to deliver revenue savings across a number of portfolios, however there are instances where an acceleration of capital projects would be welcomed by the group.***

# Leader

## Recommendation 1

**The Capital element of the MTFP should be presented with an additional section containing an outline of projects that are realistic but do not yet have a finalized business case and funding agreed to give Members and residents a clearer understanding of the long-term ambition for the capital investment programme. Members note that similar recommendations have been made in 2020, 2021 and 2023.**

# Communities

- This directorate has a total spend of £8.4m offset by an income of £1.9m.
- Key financial risks include changes to government funding; capacity issues for delivering any new statutory duties; residents experiencing financial hardship; and capacity to work locally.

## Community Boards

- Members heard about an upcoming review of Community Boards. It was important that Community Boards were seen as a local facilitator that leveraged external matched-funding for projects.
- The group expressed concern with the proposed budget reduction to Community Boards due to their importance locally. Members shared experiences of their Community Boards and their positive local impact and suggested that they could become more efficient through reduced central bureaucracy (which would reduce running costs).

***The experience of Community Boards differs between areas, and Members have an important role to play in engaging with their local communities.***

# Communities

## IDVA

- Members acknowledge the importance of this work and note the budget remains in place for 24/25.

## Devolution and Special Expenses

- Three community centres in Aylesbury are progressing for devolution to Aylesbury Town Council.
- The Standards Committee would consider any potential future governance arrangement for the centre of High Wycombe.
- Members note the importance of devolution to Buckinghamshire Council and the long-term benefit of reducing asset maintenance costs.

***It would be helpful in future budgets to clarify that special expenses are cost neutral to the Council.***

## CCTV

- The Inquiry Group welcome the capital investment into CCTV that was recommended last year and are pleased to note the reduced cost of the CCTV control room.
- Members sought assurance from the Cabinet Member that he was satisfied the CCTV quality would be sufficient to provide good evidence in court.

# Transport

- The overall Portfolio has a total revenue budget of £86.2m, offset by income of £19.6m, made up mainly from customer and client receipts from parking operations.
- Key risks include Home to School Transport pressures; increased costs from demand on Pupil Referral Unit (PRU), post-Covid parking income recovery, inflationary costs on the Highways contract, impact of HS2 & EWR on the asset and ongoing affordability of construction materials for highway infrastructure projects.

## Parking

- Parking patterns had changed since Covid. Q2 2023-24 reported a £700k parking income shortfall.
- Members welcome the forthcoming Parking Strategy coming to February 2024 Cabinet although note that its development was also referenced last year.
- Hampden House's closure would not impact local car parking due to sufficient capacity nearby. The completion of Winslow car park would lead to income generation.
- The Inquiry Group questioned the assumptions behind parking income projections post-Covid and were advised that on-street was similar whilst off-street had reduced circa 20%. These numbers would form the baseline of the Strategy. Of the projected £10.8m income, £8.6m would be from off-street and £2.2m would be from on-street.
- Increases to parking fees were broadly in line with inflation and not subject to consultation.

***Members felt the Parking Strategy should reflect the suitability of locations for short-stay and long-stay parking and encourage space turnover where this would benefit the local economy & services.***

# Transport

## Enforcement

- The group highlighted dangerous parking on highways and pavements, and the challenging split in responsibility between Thames Valley Police and the Council. The Cabinet Member advised legal enforcement was in the budget for Council enforcement e.g. blocking a cycle lane.
- Members commented that there was an appetite to devolve elements of parking enforcement to Parish and Town Councils who might wish to target hotspots.

## Buckinghamshire Highways Contract & Maintenance

- The Council was in its first year with Balfour Beatty Living Places and had completed 26,000 pothole repairs so far.
- A number of Members commended the continued development of [Fix My Street](#).

***Communication between Members and officers and the quality of road repairs have improved under the new Bucks Highways contract.***

- Weed spraying would not feature as one round cost £350k and multiple sprays were often required, and the Council would be more reactive on its verge budget.
- The Council was in Year 3 of its annual gulley cleansing programme with silt data collection informing the future programme of gulley maintenance.



# Transport

## Home to School Transport and SEND Transport

- This was a budgetary pressure with 2023/24 Q2 reporting an adverse variance of £1.3m due to provider costs. This is a statutory service and reflected the national picture. The driver in Buckinghamshire was a 45% increase in Education, Health & Care Plans (EHCPs) since 2019, as well as complexity of cases.
- 1,300 contracts had been re-procured with providers to extract best value and some contracts had been returned to the Council for re-procurement due to higher delivery costs due to inflation. The Cabinet Member acknowledged the challenges in the provider market which included increased costs to staffing, fuel, licensing and vehicle maintenance. This was a national issue with Local Authorities lobbying for changes.
- The county's rural nature limited options in the provider market.
- The Cabinet Member advised that the service was promoting Personal Transport Budgets (PTBs) to mitigate costs with around 400 in place. PTBs are paid at the Council's discretion and can offer more cost effective and flexible solutions to families, where they best meet the child's needs.
- Potential capital expenditure to introduce safe walking routes was mentioned by the Cabinet Member.

# Transport

## Home to School Transport and SEND Transport continued

- Members were advised that the future budget was dynamic and based on cross-portfolio referrals from Children's Services which had started promoting choice and independence to families from the outset.
- The criteria to receive free Home to School Transport was not means-tested and was based on Government guidance.
- The Spare Seats Scheme had generated savings of £3m that were then re-allocated elsewhere in the portfolio to meet cost pressures.
- The Inquiry Group recognise there is a national system issue and acknowledge that market costs and contracts have increased.

***We welcome the possibility of capital expenditure to introduce safe walking routes in Home to School Transport cluster areas.***

- However, Members feel a more dynamic and proactive solution should be considered with an invest-to-save capital approach in line with other portfolios.
- Whilst acknowledging the rural nature of the county, we believe a business case for capital investment must be considered for the Council to pilot its own Home to School fleet in high-demand urban cluster areas.

# Transport

## **Home to School Transport and SEND Transport continued**

- This would demonstrate the Council's willingness to challenge the current market rates that have increased over the past two years and address the revenue pressures forecast until 2027.
- The group appreciate that this solution may not be suitable across the county, but it could be targeted in high-cost and high-demand urban cluster areas.
- Additionally, Members would welcome a more detailed, confidential report on the topic of Home to School Transport given its significant budgetary implications.

## **Recommendation 2**

**The Council must consider proactive intervention in the Home to School Transport market for instance through capital investment in a pilot-fleet to address escalating service costs. This would be a significant indicator to the market that the Council is willing to challenge the current market rate by delivering a proof of concept.**

## **Recommendation 3**

**The Finance & Resources Select Committee should receive an in-depth confidential report on Home to School Transport costs which also includes information on the growth model.**

# Transport

## Electric Vehicle Charging

- The capital budget of £900k did not represent the totality of investment. Instead, it represented bridge funding to cover gaps in Government grants.
- On-street EV charging solutions were being piloted in Buckinghamshire.
- The Council continued to bid for Local EV Infrastructure Funds which would allow for several hundred chargers across urban and rural areas.

## Footways

- Discussion was had regarding the level of the budget and therefore its ability to deliver meaningful improvements.
- The £2m programme covered 20 schemes. Longer and more expensive schemes were broken down into phases. The Cabinet Member advised that a balance needed to be struck on schemes against the priorities and needs across the portfolio.

## HS2

- The Council continues to hold HS2 to account and would secure road repair contributions wherever possible. The £93k pothole fund provided by HS2 is deemed inadequate by the Cabinet Member.
- Bucks has an HS2 Road Safety Fund of £4m allocated in a series of tranches.

# Accessible Housing and Resources

- This portfolio has a spend of £168.2m offset by £114.2m income, mainly Government Grants through the Revenue & Benefits service and council asset income.
- Key risks include economic uncertainty for rental income opportunities and capital receipts; property rationalisation savings and increased legal costs & demand.

## Staffing

- The portfolio accounts for circa 30% of all Council staff across a range of services. Employee sentiment would continue to be measured bi-annually with the recent survey showing 87% of staff having a positive relationship with their manager.
- The budget would continue to deliver its staff engagement activities.

***We note the reduction in sickness absence across the Council and are pleased to see our sickness numbers buck the national ONS trend.***

- Savings were being realised through the removal of vacant posts, reducing use of agency staff and staff re-deployment to vacancies with training provided if required. Consequently, overall staff turnover had reduced.
- There is a new Horizon Scheme for new starters and apprenticeships across all entry levels.

# Accessible Housing and Resources

## Property and Assets

- Members note the significant reduction in rental income in the draft budget. In response to questions, the Cabinet Member advised the new Strategic Property Finance Board had been set-up to consider this going forward.
- There are in principle plans for a new tenant in Units 1-3 at Vale Retail Park and a potential deal for capital receipt at Wycombe Air Park.
- Members understand the need for the Council's assets to balance commercial income generation and accessible housing need for local residents. The Cabinet Member reiterated that each site's usage is considered on a case-by-case basis in line with the corporate plan.
- The Capswood office had closed with the lease in place until December 2026 however discussions were ongoing regarding its early termination.

***Members are pleased to hear that a proposal for County Hall tower block will come forward to Cabinet shortly as it is important to rationalize the Council's office accommodation now that working styles have significantly changed.***

- The Woodlands site had planning permission agreed for a mixture of residential, commercial, leisure and local amenities. The Cabinet Member was confident that a joint-partner developer from the private sector would emerge to assist in its funding.

# Accessible Housing and Resources

## Use of Artificial Intelligence

- The Council was in early-stages of using AI to deliver savings and had purchased 300 Microsoft Co-pilot licenses to investigate this possibility. The Council wanted to be clear on how AI could be used and develop confidence before any wider rollout. Budgeted savings were realistic and would be updated if progressed.
- Potential usage included answering basic resident enquiries and the automation of customer services CRM wrap-up time (5 minutes down to 3 minutes).
- Caution is required in this area due to ensuring all sensitive data remains secure and further confidential aspects needed to be investigated e.g. NHS.
- The Council was currently highly-regarded by the Local Government Association in its developing use of AI in service delivery.

***The group welcomes the emerging use of AI through purchasing Microsoft co-pilot licenses and potential savings this may generate.***

## Legal

- All new and existing legal cases are reviewed and around 50% of cases were in Children's Services. The number of cases outsourced to King's Counsel had been reduced. There was parity between the number of cases opened and closed.

# Culture and Leisure

- The Culture and Leisure portfolio has a total spend of £8.5m, offset by income of £4.6m.
- Key risks include sustaining levels of non-statutory services and facilities due to budgetary pressures; availability of capital investment to maintain facilities and generate income; monitoring the impact of increases to fees and charges; and recruitment and retention of volunteers.
- The Cabinet Member advised that the portfolio had reduced the portfolio's spend by 50% over the years without reducing services.

## Libraries

- The service is delivered through a mixed model of Council run; supported through volunteers; and community organisations on the Council's behalf. Members were re-assured that efficiencies did not aim to close any of the 29 libraries in the county, instead this related to expanding technology usage e.g. e-books.

***Members acknowledge the importance of libraries in providing valued community spaces and supporting cross-portfolio messaging e.g. Public Health with blood-pressure testing machines.***



# Culture and Leisure

## Leisure Centres

- Members questioned the value of the existing contracts and the need for robust contract management, and whether opportunities for income generation were being maximised e.g. café opening hours at Chilterns Lifestyle Centre.
- The Cabinet Member was satisfied in the performance of leisure centres and noted areas that have improved e.g. cleanliness, car parking and planting areas.

## Country Parks

- The Inquiry Group acknowledge the importance of country parks in supporting the health and wellbeing of Buckinghamshire residents and we heard that the parks were still busy despite a slight decline in visitor numbers which was likely a flattening of the visitor spike during the pandemic.
- Increase in fees had not deterred visitors and was still deemed value for money.
- South Bucks Country Park was still budgeted for with a full opening scheduled in later in 2024-25.

## Leisure Strategy

- There was a commitment to bring this to Cabinet around Q1/Q2 in 2024-25.

# Culture and Leisure

## Farnham Park Trust

- Members heard that the £67k spend reduction was a reversal of a previous growth item. It was acknowledged that the existing model of financial management is challenging for sustainability. Members were advised that the emerging Leisure Strategy would support this.
- The Group was also advised that the Audit & Governance Committee had raised concerns over the past 3-4 years about the ongoing sustainability of the charity when it had considered the Trust's annual report and financial statements.

## Recommendation 4

**In light of historic and ongoing concerns raised by the Audit & Governance Committee, the financial management model and/or the adverse financial position of Farnham Park Trust must be resolved in 2024-25 in conjunction with the delivery of the Leisure Strategy.**

# Health and Wellbeing

- This portfolio has a total proposed revenue budget of £290.1m, offset by income of £92.7m. 2023-24's Q2 position cited £3.4m variance due to growth in client numbers and complex case packages.
- Significant risks that could impact on the 2024/25 position include further self-funders with depleted funds; hospital discharge to assess process; inflationary pressures, most notably on the care market; shortage of professional, qualified staff; Care Quality Commission (CQC) inspections; and increasing bad debt levels.

## Better Lives Strategy

- This strategy continues to deliver savings and aims to encourage independence and home living rather than high-cost residential care. Domiciliary care costs around £369 per week compared to around £1,200 per week in a residential or care home.
- With frailty increasing, there was still a need for mixed-service provision.

***Members commend the intervention work of the Reablement Team - 66% of their clients do not require ongoing domiciliary care.***

## Staff Recruitment & Retention

- Recruitment had continued and retention incentives were included in the budget. Additionally, Members heard that 'stay interviews' were being piloted.
- Agency numbers had reduced and six staff had been recruited as part of a return to social work scheme which aimed to retain industry knowledge.
- The Inquiry Group recognise that a shift is required nationally to establish parity of esteem between care workers and other professions.

# Health and Wellbeing

## Capital

- Members note that no capital expenditure is planned for the portfolio, unlike other high demand areas of Children's Services and Homelessness. The Inquiry Group considered how housing need for an increasingly elderly population could be met through a mixed market e.g. use of Council assets; day centres; retirement homes; residential & care homes; links to the Planning and Homelessness portfolios; and the Buckinghamshire Local Plan.
- Other ideas included a Dementia Village and/or an Older People's Housing Strategy as a part of the Housing Strategy.

***The group note cross-portfolio plans to meet the needs of an aging population, such as appropriate accommodation provision in Planning, and hope capital plans may emerge in the coming year.***

## Self-funders and Debt Collection

- Members were concerned to see the number of self-funders decline and the likely increase in client numbers for the Council.
- Cost collection was over 90%, with plans to improve further, and the collection rate was monitored by the Audit & Governance Committee. The national slowdown in property sales had impacted those requiring to sell their homes to self-fund care.

# Health and Wellbeing

## Public Health

- The £23m budget is funded by a ring-fenced grant. The Public Health Team is relatively small, and services delivered are statutory, so savings opportunities are difficult to identify. The aim is to reduce health inequalities in the county.
- Public Health works closely with Opportunity Bucks (e.g. promoting the Healthy Start campaign) and the NHS (e.g. improving outcomes for pregnant women in deprived areas or specific community groups).
- Members acknowledge the risk regarding the Public Health Grant not keeping pace with inflation rates. The group commend the service for agreeing major contracts for five years last year which matched the grants.
- The Inquiry Group appreciate that Public Health cross-cuts all portfolios and assist with preventative measures to reduce demand on NHS and/or care services. Members explored the potential impact of savings on non-statutory functions e.g. supporting communications on Dry January campaign.
- The NHS leads on the Covid vaccination programme however Public Health worked to promote it and inform lessons learnt on community engagement. Healthwatch Bucks are investigating low vaccine take-up in hard-to-reach communities which would inform future activities.

# Homelessness and Regulatory Services

- This portfolio area has a total spend of £21.6m, offset by income of £11.6m. The capital programme proposes £10.5m spend, funded by £9.2m income.
- Key risks to the budget include further increases to temporary accommodation (TA) costs and homelessness numbers; growing Bucks Home Choice applicants; legislative changes; implementing recently adopted policies on Taxi Licensing, Licensing & Gambling; and delivering capital schemes to provide increased TA.

## Capital & Temporary Accommodation

- Members are pleased to note commitments to capital schemes to provide further TA solutions which had been recommended last year.
- Members discussed the purchase of Harrington House, Stoke Mandeville, with a view to repurposing as TA when its NHS lease was set to expire. Since the purchase, NHS plans changed, and the lease was extended to March 2024. The current arrangement was cost neutral to the Council and planning permission to convert was yet to be submitted.
- Members were advised that additional schemes (Holmers House and Jasmine Court) were being delivered instead and would be ready earlier.
- The Group hope that plans for Harrington House will proceed at pace in 2024.

***Members welcome the capital spend in this area to alleviate Temporary Accommodation revenue costs, but we note the risk for savings included in the budget if there is slippage in the delivery of the Capital programme.***

# Homelessness and Regulatory Services

## Affordable Housing & Homelessness

- When questioned about affordable housing for residents, the Cabinet Member advised that the Housing Strategy aimed to address gaps in provision. Section 106 policies and potential subsidies would also feature in the Strategy, as would increasing affordable housing numbers by 500 each year.
- The outreach service worked to help rough sleepers come off the streets and address any complex issues and needs they may have. In some instances, the Council can contribute towards private rental deposits.
- 686 homelessness cases were closed due to actions such as signposting, mediation & debt advice. The Council also held regular meetings with Registered Providers to monitor performance e.g. void lengths.
- Further efficiencies could be achieved in the service by standardising processes inherited from the legacy councils. This had been delayed post-unitary due to unprecedented service demand from the Everyone In Campaign during Covid.
- Members heard that the Housing Improvement Board would also realise further efficiencies e.g. analysing housing bids on Bucks Home Choice.
- The Group highlighted the need for maintenance at Saunderton Lodge. This was included in the £2m budget for corporate maintenance in the Resources portfolio.

# Homelessness and Regulatory Services

## Fees & Charges

- The Inquiry Group was advised that the proposed increase to fees and charges at crematoria was in line with increased maintenance costs and reasonable in the current market having been benchmarked against other Local Authorities. The group was advised that feedback on the crematoria service was positive.
- Similarly, the Registrars service was complimented and performed well.
- Members appreciated the valuable budgetary contribution towards the portfolio and explored maximising income further but do appreciate the market competitiveness and the need to be sensitive.

***Maintaining inhouse services such as crematoria is important for ensuring accessibility for residents and maintaining high standards of service in the county.***

## Trading Standards

- The Cabinet Member advised that budget increases were due to staff pay awards.
- Concerns had been investigated, such as illicit sales of vapes and alcohol, and it was estimated that Buckinghamshire residents had saved £1.7m in fraud protection.



# Planning and Regeneration

- The Planning & Regeneration Portfolio has a total spend of £16.86m, the majority of which is staffing. This is offset by income of £9.48m generated through fees & charges.
- The Council remains the 2<sup>nd</sup> largest planning authority by application numbers in the country and is the 5<sup>th</sup> highest performing Local Authority for issuing enforcement notices outside London.
- Risks include changes to national planning legislation; impact of inflation on planning income; staff retention to meet service demands; increasing legal costs of planning appeals; and the impact slippage has on funding for regeneration projects.
- Members heard of the priorities to develop the Local Plan and protect communities from speculative development, continue the enforcement agenda and deliver the Buckinghamshire Regeneration Framework.

## Local Plan

- The Cabinet Member is confident that the Local Plan would be developed in 2025 and that the associated £750k savings would be delivered. It is intended that the Local Plan would have few Supplementary Planning Documents but the drafting of these was budgeted for.
- It was noted that the lack of an up-to-date Local Plan in Chiltern & South Bucks areas and the lack of 5-year housing supply in Aylesbury Vale area had led to speculative

# Planning & Regeneration

## Enforcement

- The Cabinet Member committed to continue the current enforcement agenda however lower-priority categories of enforcement may have increased lead times. Members noted the importance of the service to residents.
- Most legal cases were due to appeals against enforcement notices.

***The group welcome enforcement being maintained as a Council priority but acknowledge this will be more challenging with a reduced budget.***

## Economic Growth & Regeneration

- Members explored the proposed capital programme and highlighted that some projects had increased costs compared to historical budgets whereas others had not e.g. Aylesbury Town Centre vs Winslow Centre. The Cabinet Member responded that this relates to funding sources and whether figures had been revised depending on viability and confirmed that funding was ringfenced to its allocated project.
- Budgeted S106 and CIL incomes were already confirmed receipts and work had commenced to review total unspent S106 funds.

## Building Control

- The Council has a 70% market share in a competitive market space which is high compared to other Local Authorities and there is an aspiration to increase this further.

# Climate Change & Environment

- This portfolio has a total spend of £43.25m, offset by income of £19m, the majority of which is attributed to the Energy from Waste (EfW) facility.
- Key risks identified include new restrictions on charges at Household Recycling Centres (HRCs); increased waste rounds due to housing growth; fluctuating EfW income; contract inflation; and fly-tipping.

## Energy from Waste Income

- Members note the reduced income from the EfW facility compared to last year's budget and were assured that the projected income is accurate despite this being a risk to the budget. The £13m waste reserve from last year had been utilised to smooth the budget and it was expected that £5m would remain in the reserve by end of 23-24.
- Income from 2023-24 was £13m. Projected income for 2024-25 is £8m then £5.5m thereafter.

## Flooding

- Members sought assurance that the budget and capital scheme was sufficient to manage flood incidents in the county. Three-quarters of funding is external, and the Council's role is in Strategic Flood Risk Management - producing flood plans, identifying areas for improvement and resilience, and working with partners such as the Environment Agency.
- Flood defence funding from Government was particularly uncertain and the Council has to bid in competition with other Local Authorities.

# Climate Change & Environment

## Household Recycling Centres

- The Deputy Cabinet Member assured that HRCs will not close however opening hours may change to generate budgetary savings. There was no correlation between HRC opening hours and increased fly-tipping.

***It should be reiterated to all staff at HRCs that ID or proof of address must be asked for upon entry in order to maximise fees and charges from non-Buckinghamshire service users.***

- Change in legislation allowing for DIY waste to be disposed free of charge added around £1m pressure to the portfolio's budget.
- The Buckingham HRC capital provision would progress a feasibility study and land purchase. Enablement works & development is likely to exceed the MTFP.

## Fly-tipping

- The group was advised that the Council was Top 3 in the country for successful prosecutions with around two per month and the team was dedicated to a zero-tolerance approach.
- Cabinet had recently agreed to increase fly-tipping fines as the national cap was £1,000 per Fixed Penalty Notice.

***The group continues to support the zero-tolerance approach to fly-tipping in the county.***

# Climate Change & Environment

## Tree Planting & Climate Change

- 150k trees had been planted in 2023 mostly on Council land. Maintenance contracts are in place with Forestry England which covers replacing dead trees. Maintenance for trees planted on Highways land was budgeted at £80k and allocated to the Transport portfolio.
- Wing Woods is being funded by Forestry England with around 50% planted. Completion is expected over the next three years.
- Other schemes include energy efficiencies on Council buildings, introducing solar car ports on Council land and fleet electrification. Residents are also engaged through the Energy Doctor scheme to assist on reducing bills & energy usage.

## Waste Collection & Garden Waste

- Harmonisation of the garden waste service had been completed and there was a consistent uptake in subscriptions across the legacy district areas. The £400k increased income projection was largely due to increased fees & charges and a modest increase of opt in from residents.
- Additional income is generated from commercial waste in north Buckinghamshire and there are plans to expand this further in the county.

***Members note the improvements made to the waste collection service in the south of the county.***

# Education & Children's Services

## Children's Social Care

- Children's Social Care has a total spend of £112.95m, offset by £12.46m . The portfolio is experiencing increases in demand and complexity as reflected in the Q2 2023/24 forecast adverse variance of £9.8m.
- Challenges include increased demand & complexity for Early Help Services; insufficient national placements; recruitment of permanent social workers; SEND sufficiency; increasing Education Health & Care Plans (EHCPs); Dedicated Schools Grant (DSG) deficit; and unaccompanied asylum-seeking children.

## SEND

- Members note the cross-portfolio increased costs of SEND Transport (see Recommendations 2 and 3). The cause is an increased uptake in EHCPs (currently 6,459 in Bucks compared to 5,365 last year) with the current lead time around 24 weeks vs 20 week statutory. The group was advised that granting an EHCP was based on prescribed national guidance which required sign-off from an Educational Psychologist (EP) – nationally there is a shortage of EPs. The fastest growing group of need is in autism.
- The Children's Services transformation programme will consider earlier identification work as preventative measures are more effective. This had helped to stabilise the number of legal cases which now remain consistent.

# Education & Children's Services

## **Dedicated Schools Grant (DSG)**

- Members raised concerns regarding the DSG deficit (£1.7m in 2022-23; currently £1.6m) and were advised it was expected to grow further in the coming years (estimated £2.9m in 2024-25). The cause was increased EHCPs demand and costly special school placements.
- This is in keeping with other Local Authorities, however the Inquiry Group recognise this may pose a significant risk to the Council's budget.
- When questioned, the Section 151 Officer advised that the Department for Education allows deficits to run (one cited example was a DSG deficit of £200m) as the Government had placed a statutory override on DSG deficits until 2026. A Safety Valve Programme had been introduced by Government to support Councils with significantly high DSG deficits.
- Members appreciate the assurance; however, the group see value in being informed of the end of year DSG position given its future budget risk.

## **Recommendation 5**

**The Finance & Resources Select Committee should receive a report on the Dedicated Schools Grant deficit and the Better Value Programme in 2024 year once figures have been finalized following year-end.**

# Education & Children's Services

## Accommodation & Capital Programme

- Members interrogated the capital programme vs projected revenue savings and were assured that the proposed provision would target the top 25 complex cases which have a combined cost of circa £435k. OFSTED judge that clients with higher complex needs require smaller homes without many other children in residence. The schemes would create 56 beds which exceeded the current need so there may be commercial opportunities to the Council from nearby Local Authorities.

***Members welcome the capital projects for inhouse children's homes but do note the risk to savings should there be slippage and/or difficulty in recruiting staff once built.***

- Members were encouraged to hear ambitions to deliver more SEND provision within existing mainstream schools.

## OFSTED

- The service has an upcoming area OFSTED inspection on 22-26 January to inspect multi-agency decision-making on risk and need.
- The last full inspection was in December 2021, with a window visit occurring in November 2022, so a full inspection is expected in 2024. The Requires Improvement judgement would only change following a full inspection.



# Education & Children's Services

## Fostering and Adoption

- The Inquiry Group note the substantial savings projected in the budget due to ambitions to increase foster carers. The service aims to have 15 new foster families per year for three years and potential incentives were being scoped to encourage take-up.
- Members note that future incentives are subject to Cabinet agreement and require budgetary allocation, and that additional foster families will be required should any existing carers step away from the service.
- Savings in this area are considerable: foster care costs £435 per week vs residential care costs £4.5k per week. Complex needs can cost £43k per week, particularly in more costly unregistered placements.
- The Buckinghamshire Adoption Partnership will bring together the Council's adoption professionals and Parents and Children Together (PACT) as a Regional Adoption Agency to support adoption. Additionally, best practice for promoting fostering and adoption is being sought e.g. Liverpool City Council.

***Recruiting foster carers has been a consistent historic challenge in Buckinghamshire and Members hope that improved incentives and support alluded to by the Cabinet Member will boost these numbers as they provide a better outcome for children whilst also being more financially sustainable.***

# Education & Children's Services

## Unaccompanied Asylum-Seeking Children

- As of September 2023, the service supported 77 UASC, an increase from 26 in September 2021. Members heard that issues related to funding, which was reasonable up until 18 years old, but then significantly reduced aged between 18-25.
- Single accommodation is required for UASC clients.
- The budget forecast took into account those currently aged 15-16 that would turn 18 during the MTFP. Members note this pressure on the budget.

## Staff Recruitment and Retention

- Children's Services would always need to use agency Social Workers (currently 29%) due to a shortage of skilled staff nationally however various schemes had reduced agency usage e.g. case-load reduction, rotating frontline staff and managerial oversight on burnout.
- The structure allows for 16 Educational Psychologists: 12 are in post with 2 joining.
- Members heard that the Social Worker Academy had finished its three-year programme with the focus now being on training social workers through alternative methods e.g. colleges & universities.
- The Cabinet Member commended the helpful inquiries by the Children's & Education Select Committee.

## CAMHS Contract

- Members were advised that procurement of the contract was ongoing. The group are mindful of potential contract inflation in this area.

# Future Improvements

Having concluded its series of meetings, the Inquiry Group picked up a number of areas to further improve the Budget Scrutiny process next year. These points are noted below:

- The pre-briefings for the portfolios on Health & Wellbeing, Education & Children's Services and Temporary Accommodation were welcome, as was the Budget Briefing held prior to the Budget Sessions. Briefings next year may want to cover the four biggest areas of concern for the budget.
- As referenced in the report, more time should be allocated to the opening Leader session to explore all his areas of responsibility.
- Additionally, Members note the challenge of the lead time turnaround for additional information that is requested before and during Scrutiny week which can limit the scope and detail of questions and lines of inquiry.
- As before, limiting the number of attendees at the meetings was helpful.
- Consideration should be given to include confidential sessions on the timetable.
- After discussion, Members feel that, on balance, the current schedule arrangement is suitable and proportionate to allow scrutiny of the draft budget.