

**OVERVIEW AND SCRUTINY
 MANAGEMENT COMMITTEE
 24 NOVEMBER 2016**

PRESENT: COUNCILLOR P J O'CONNOR (CHAIRMAN)

Councillors Mrs A M Newton (Vice-Chairman), C J T H Brewis, M Brookes, G J Ellis, R L Foulkes, A G Hagues, C E H Marfleet, Mrs M J Overton MBE, R B Parker, C L Strange, Mrs C A Talbot and R Wootten.

Added Members

Church Representatives: Mr S C Rudman.

Parent Governor Representatives: Dr E van der Zee.

Simon Evans (Health Scrutiny Officer), David Forbes (County Finance Officer), Cheryl Hall (Democratic Services Officer), Tracy Johnson (Senior Scrutiny Officer), Jasmine Sodhi (Performance and Equalities Manager), Daniel Steel (Scrutiny Officer) and Nigel West (Head of Democratic Services and Statutory Scrutiny Officer).

58 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

Apologies for absence were received from Councillors A Bridges, Mrs J Brockway, A J Jesson, C E D Mair and Added Members: Mrs P J Barnett and Mr P Thompson.

An apology for absence was also received from Richard Wills (Executive Director for Environment and Economy).

It was noted the Chief Executive, having received a notice under Regulation 13 of the Local Government (Committees and Political Groups) Regulations 1990, had appointed Councillor G Ellis as a replacement member of the Committee in place of Councillor P M Dilks, for this meeting only.

59 DECLARATION OF MEMBERS' INTERESTS

No interests were declared.

60 MINUTES OF THE MEETING HELD ON 27 OCTOBER 2016

RESOLVED

That the minutes of the meeting held on 27 October 2016 be approved and signed by the Chairman as a correct record.

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No Call-Ins had been received.

62 PROPOSAL FOR SCRUTINY REVIEWS

No proposals for Scrutiny Reviews had been received.

63 CONSIDERATION OF COUNCILLOR CALLS FOR ACTION

No Councillor Calls for Action had been received.

64 CHAIRMAN'S ANNOUNCEMENTS

The Chairman advised that he had attended the last meeting of the Executive on 1 November 2016. The Executive had considered three reports which had been subjected to pre-decision scrutiny including the Lincolnshire Minerals and Waste Local Plan: Site Locations (Pre-Submission Draft); The A15 Lincoln Eastern Bypass – Construction Contract; and Children's Health Services Model and Commissioning Plan. The Chairman had presented the comments of the relevant scrutiny committees.

The Chairman provided Members with an update on Devolution. It was noted that out of the ten authorities in Greater Lincolnshire, eight had voted in favour and two against. The Leader had deferred his final decision, which was due to be taken on 21 November 2016, until the County Council had received the final order from Government.

65 FINANCIAL STANDING OF THE COUNTY COUNCIL IN ADVANCE OF
THE 2017/18 BUDGET CYCLE

Consideration was given to a report by David Forbes (County Finance Officer), which provided an estimate of the budget shortfall being faced by the County Council over the next three financial years in the wake of the acceptance of the four year funding deal from Government.

The report also provided the foundations for the forthcoming budget cycle and it had recently been provided to all councillors in preparation for the Scrutiny Committee budget workshops that were now underway.

The County Finance Officer presented the report to the Committee and in doing so, highlighted the current projected budget shortfall; the balance of the County Council's reserves; an update on the capital programme; and the timetable for the budget approval process.

Members were advised that the Government's Autumn Statement, which had been announced on 23 November 2016, had not provided any relief to local government nor had it recognised the budget pressures being experienced by Adult Care authorities. It was noted that the Provisional Local Government Grant Settlement was

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due to be announced late November/early December 2016, which meant that the Executive could consider budget proposals at its meeting on 20 December 2016, which would form the basis of public consultation.

It was highlighted that the main budget pressures for 2017/18 for the County Council currently comprised the following: -

- Adult Care demography and minimum wage increase - £8.5m;
- Increase in the number of Looked After Children - £1.8m;
- Waste Disposal (volume and price impact) - £1.0m;
- Microsoft licences - £1.4m; and
- County Council Elections (one year only) - £1.1m.

NOTE: Councillor Mrs C A Talbot declared an interest as she was currently participating in research undertaken by Durham University on the funding for Public Health services.

Members were provided with an opportunity to ask questions, where the following points were noted: -

- The total of the County Council's long term debt was approximately £480m, with a total interest rate of 4%. A large proportion of the long term debt was of a historic nature. Further to this, it was noted that any new borrowing would be at a rate of approximately 2-3%, as it was currently a favourable time to borrow. It was also noted that the County Council's long term debt was in the average range, compared to other local authorities;
- A Councillor commented that the County Council should be using its capital to encourage business growth, rather than predominantly being spent on housing developments;
- Government had introduced a new three year concession, which had provided upper tier local authorities with more flexibility in the way of which they could use capital receipts. This meant that the County Council could fund certain revenue costs for transformation change (for example, redundancy costs) by using capital receipts and thereby freeing up the revenue budget allocation in those three years. It was noted that upper tier authorities were lobbying Government to make this concession permanent, similar to combined authorities;
- A Councillor suggested that the County Council explored the possibility of replacing Microsoft with alternatives, such as Open-source software;
- It was recognised that £1m of the County Council's income was generated by the Energy from Waste plant;
- It was also recognised that the Rural Services Delivery Grant contributed to the Council's budget by 8%;
- It was assumed that the increase in the number of Looked After Children had included the 50 additional unaccompanied asylum seeking children, which the Council had accepted into its care through the Government scheme;
- A concern was raised regarding the contributions of £15.9m from Health into the Lincolnshire Better Care Fund, and whether this would be realistic going

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forward considering the budget pressures clinical commissioning groups were currently facing;

- It was confirmed that where grants and contributions from Government and other bodies had been allocated for specific purposes, if they were not used for those purposes, the grants and contributions had to be returned. However, it was not anticipated that all grant funding would be spent on its specified purpose;
- Members raised significant concerns with the Government's Autumn Statement and stressed its inadequacy to address the pressures facing Adult Care authorities. Further to this, it was suggested that the Executive be requested to respond to Government outlining the Council's concerns in relation to the underfunding of Adult Care pressures;
- Members also raised concerns that there was no provision for price inflation within the budget, with the exception of pay inflation which was limited to 1%, other than the use of the revenue contingency budget. However, it was noted that in the first instance directorates would try to fund the price inflation within its budget. It was agreed that the Executive be requested to encourage directors to fund any price inflations through the revenue contingency budget, as it was deemed unfair that they should fund it within their allocated budgets;
- A Councillor suggested that the County Council continued to lobby government on the funding shortfall for rural authorities.

The Chairman thanked the County Finance Officer for his detailed report.

RESOLVED

That the comments of the Committee be passed onto to the Executive for its consideration.

66 REVIEW OF FINANCIAL RISK ASSESSMENT

A report from David Forbes (County Finance Officer) was considered, which provided an update on the outcomes from the financial risk assessment for 2015/16. The report also provided an update on the risk assessment to help determine an appropriate target level for the Council's general reserves for 2017/18. The Council's Financial Risk Register was attached at Appendix A to the report, which consisted of 15 potential risks.

The County Finance Officer presented the report to the Committee and highlighted that the net total of the risks was approximately £12.265m. This could be interpreted as the total cost to the County Council should all the items listed within the Financial Risk Register occur in 2017/18. It was noted that the County Council should maintain its general reserve at a sum at least equivalent to the net total risk.

Members were provided with an opportunity to ask questions, where the following points were noted: -

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- In relation to reference number 15 – *Major emergencies or disasters*, Members were assured that the County Council's threshold for the Bellwin Scheme for Emergency Financial Assistance had been lowered to £800k, provided that the incident was eligible for assistance under the Bellwin scheme;
- Members supported a suggestion to create a Reputational Risk Register and requested an item on it at a future meeting. Further to this, it was suggested that the register should also cover communications and public relations.

RESOLVED

- (1) That the content of the report be noted.
- (2) That the comments of the Committee be presented to the Executive Councillor responsible for Finance.
- (3) That an item on the creation of a Reputational Risk Register, including Communications and PR, be presented to a future meeting of the Committee.

67 PROPOSED NEW SCRUTINY ARRANGEMENTS

Consideration was given to a report by Councillor R B Parker (Chairman of the Review of Scrutiny Working Group), which set out the findings of the Working Group and proposed new scrutiny arrangements to be implemented in the period before and after the election of the new Council in May 2017.

The report was introduced by Nigel West (Head of Democratic Services and Statutory Scrutiny Officer), who updated the Committee on the work of the Working Group.

The Chairman of the Working Group presented the Group's fourteen recommendations, as detailed on pages 34-41 of the report, which included:

- Recommendation A – Overall Structure;
- Recommendation B – Frequency of Scrutiny Committee Meetings;
- Recommendation C – Flood and Drainage Management Scrutiny Committee;
- Recommendation D – Crime and Disorder Committee;
- Recommendations E and F – Scrutiny Panels – Chairmen and Vice-Chairmen;
- Recommendations G and H – Scrutiny Panel Membership;
- Recommendation I – Meetings of Scrutiny Panels;
- Recommendation J – Work Programme Development;
- Recommendation K – Prioritisation Tool – Scrutiny Review;
- Recommendation L – Corporate Parenting Sub-Group;
- Recommendation M – Safeguarding Boards Scrutiny Sub-Group; and
- Recommendation N – Special Interest Roles.

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The Chairman of the Working Group thanked all those Councillors and Officers involved in the Review.

Members were provided with an opportunity to ask questions, where the following points were noted: -

- Two Councillors raised concerns relating to the anticipated size of the workload for the proposed Environment, Economy and Transport Scrutiny Committee. In response, Members were advised that this Committee would have sufficient capacity to handle the combined workload and this should be managed through the use of the proposed prioritisation tool;
- Members were advised that the frequency of scrutiny committee meetings was a proposal at this stage and for the timing and frequency of individual committees would be decided later. The proposed frequency within the report was the suggested maximum number of meetings that could be held per committee;
- The days in which meetings fell and their start times, had yet to be agreed;
- It was requested that a review of the proposed arrangements should be programmed after one year, in order to ensure that the committees workloads were well balanced;
- The Committee was assured that the number of Parent Governor and Church representatives would remain the same in the proposed structure;
- A number of Councillors were supportive of the proposal to introduce Special Interest Roles;
- A Councillor highlighted the need to consider the purpose of scrutiny, and for the need for skills, interest and expertise to be effectively matched in order to get the best out the process. It was also highlighted that workload had already been reviewed as part of the working group activity;
- It was identified that there would be a need for the Chairmen to review the workload of their respective committees to ensure it was manageable and ensure effective prioritisation;
- Members supported the use of Scrutiny Panels to undertake more focused work outside of the formal committee setting. Further to this, it was encouraged that all scrutiny committees met more frequently away from County Offices to encourage public participation;
- A Councillor supported the proposal to introduce an Environment, Economy and Transport Scrutiny Committee and reiterated that the workload would be achievable should it be managed correctly;
- Members were assured that the Review of Scrutiny would be reviewed after 12 months of its implementation to provide an opportunity to highlight any areas of concern. It was suggested that this should be included in the recommendations to full Council;
- It was suggested that the Councillor Development Group could consider how the specialist members would be identified as part of the induction process.

The Chairman thanked all those involved in the Review of Scrutiny and for the comprehensive report.

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RESOLVED

- (1) That the work undertaken by the Review of Scrutiny Working Group be noted.
- (2) That the Scrutiny-Executive Protocol, *Developing Effective Relationships Between the Executive and Scrutiny*, as set out in Appendix A to the report be recommended to the County Council for adoption.
- (3) That the Working Group's proposal for the restructure of scrutiny arrangements at Lincolnshire County Council (Recommendations A – N of the Report) be recommended to the County Council for approval.
- (4) That it be recommended to the County Council to implement the new arrangements in the period before and after the May 2017 County Council.
- (5) That it be recommended to the County Council to make the necessary amendments to the Council's Constitution.

68 COUNCIL BUSINESS PLAN 2016 - 2017 PERFORMANCE REPORT, QUARTER TWO

Consideration was given to a report by Jasmine Sodhi (Performance and Equalities Manager), which presented Quarter 2 performance against the Council Business Plan. Appendix B to the report provided proposals for presenting historical performance trends.

The commissioning strategies which had performed well and those which had seen mixed performance were highlighted in the report and brought to the Committee's attention.

RESOLVED

That the Quarter 2 performance and proposals for presenting historical performance trends be noted.

69 OVERVIEW AND SCRUTINY WORK PROGRAMME

Consideration was given to a report which enabled the Committee to consider its own work programme and the work programmes from the scrutiny committees for 2016/17.

Overview and Scrutiny Management Committee

Further to Minute 53 – 'Review of Financial Risk Assessment', a report on the possible creation of a Reputation Risk Register be added to the work programme in the New Year.

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Members were reminded that the Brexit Working Group would be holding its first meeting during the afternoon of 24 November 2016. Further to this, Councillor Mrs C A Talbot requested to sit on the Working Group, as the membership had been appointed in her absence.

Adults Scrutiny Committee

There were no changes to the published work programme.

Children and Young People Scrutiny Committee

There was one change to the work programme. A report on *Department for Education Innovation Bid*, which would be for pre-decision scrutiny, had been added to the agenda for the meeting on 20 January 2017.

It was queried whether the Committee would be considering the impact of asylum seeking children on County Council services. The Vice-Chairman agreed to raise this at the Committee's next pre-meeting.

Community and Public Safety Scrutiny Committee

There was one change to the work programme. A report on *Citizen's Advice Lincolnshire*, which would be for pre-decision scrutiny, had been added to the agenda for the meeting on 14 December 2016. The report would seek approval of a new Grant Funding Agreement.

Economic Scrutiny Committee

There was one amendment to the work programme. A report on *Progress on international trade relationship with Hunan, China* had been added to the agenda for the meeting on 21 February 2017.

Environmental Scrutiny Committee / Flood and Drainage Management Committee

There were two changes to the work programme. A report on the *Water Recycling Centres Update* scheduled for the meeting of the Flood and Drainage Management Committee on 9 December 2016, would now be considered by the Environmental Scrutiny Committee on 2 December 2016.

The meeting of the Environmental Scrutiny Committee on 17 February 2017 had been rearranged to 3 March 2017, following the meeting of the Flood and Drainage Management Committee.

A Councillor queried whether or not all of the household waste that was sent to waste transfer centres was sent to the Energy from Waste facility, or if it was shipped elsewhere. It was agreed that the Councillor would contact the Executive Councillor for Waste and Recycling for clarification.

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Health Scrutiny Committee for Lincolnshire

i) Grantham Accident and Emergency Department

The Chairman advised that on 23 November 2016, the Committee had considered an item on the temporary overnight closure of Grantham Hospital Accident and Emergency Department. After consideration of the information presented by United Lincolnshire Hospitals NHS Trust, the Committee had made a determination that the closure represented a substantial variation in local health care provision. Furthermore, the Committee was not satisfied that overnight Accident and Emergency Services would be reinstated at Grantham Hospital by 17 February 2017 and concluded that the closure was in effect permanent. The Committee had further determined to refer the matter to the Secretary of State for Health on the basis that the overnight closure would not be in the interest of the residents of Grantham and the surrounding area.

ii) Changes to the Work Programme

The Chairman advised that there was one change to the work programme. A report on the *Lincolnshire Sustainability and Transformation Plan (STP)* had been provisionally added to the agenda for the meeting on 21 December 2016. The Chairman advised that, subject to the relevant approvals from NHS England, the Lincolnshire STP would be published on or around 12 December 2016. It was noted that as of 23 November 2016, 30 of the 44 STPs had been published. STPs were not consultation documents in their own right, but strategy documents from which consultations would be derived on substantial service changes, as and when required. The Chairman speculated whether the publication date of the Lincolnshire STP would be achieved.

iii) Working Group Activity

The Committee had decided to establish a working group to consider delayed transfers of care. The Committee had also agreed to invite Members of the Adults Scrutiny Committee to participate in the working group. In addition to the Chairman, Councillors J Kirk (City of Lincoln Council), Mrs J Renshaw, S L W Palmer and Mrs S Wray had expressed an interest participating in the working group.

The Committee had also established a working group to consider the development of the Five Year Strategy and Change Programme of United Lincolnshire Hospitals NHS Trust. Subject to availability, Councillors Mrs J Renshaw, S L W Palmer, Mrs S Ransome and Mrs S Wray had expressed an interest in participating in the working group, together with a representative from Healthwatch Lincolnshire.

iv) Wainfleet GP Surgery – Temporary Suspension of Registration

On 10 November 2016 the Care Quality Commission had temporarily suspended its registration of Wainfleet Surgery for a period of three months, because of its concerns about patient safety. The 2,200 patients on the Wainfleet list had been

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advised to register temporarily with other local GP practices, such as the Hawthorn Medical Practice in Skegness.

v) Proving Entitlement to NHS Treatment

The House of Commons Public Accounts Committee had been looking at how the NHS could recover costs from overseas patients, who used its services. On 21 November 2016, Chris Wormald, the Permanent Secretary to the Department of Health, as part of his evidence to the Public Accounts Committee, had cited Peterborough and Stamford Hospitals NHS Foundation Trust as an example of a trust where patients attending certain clinics needed to bring a passport and another form of identity in order to be treated.

It was highlighted that the Regional Director of Specialised Commissioning (London), Congenital Heart Disease Programme Implementation, NHS England, would be attending the meeting on 21 December 2016 to present information on the Congenital Heart Disease – Consultation. Staff from Glenfield Hospital had also been invited to attend.

Highways and Transport Scrutiny Committee

There were no changes to the work programme.

A number of concerns were raised regarding the timings of traffic signals. It was noted that in some areas, the timings did not allow traffic to adequately clear resulting in long tail backs forming. It was suggested that timings should be reviewed in order to reflect the volume of traffic.

The Yarborough Road, The Avenue, West Parade junction in Lincoln was cited as an example.

A Councillor raised a concern in relation to the call answer time for the Highways Customer Services telephone number. A concern was also raised regarding changes to the relevant Key Performance Indicator, which would mean that only calls abandoned after 15 seconds wait time would now be counted from December 2016.

Value for Money Scrutiny Committee

There were no changes to the work programme. However, it had been agreed to consider an item on the provision of agency workers and hard to recruit and retain staffing areas at a future meeting.

RESOLVED

- (1) That the content of the Overview and Scrutiny Management Committee Work programme, as set out at Appendix A to the report, be approved.
- (2) That the work programmes from overview and scrutiny committees, as set out at Appendix B to the report, be approved.

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- (3) That the Working Group activity, set out at Appendix C to the report, be noted.
- (4) That the work programmes, in light of the Executive Forward Plan, as set out in Appendix D to the report, be noted.

The meeting closed at 12.40 pm.