

**EXECUTIVE
 7 FEBRUARY 2017**

PRESENT: COUNCILLOR M J HILL OBE (LEADER OF THE COUNCIL)

Councillors Mrs P A Bradwell (Executive Councillor for Adult Care, Health and Children's Services) (Deputy Leader), C J Davie (Executive Councillor for Development), R A Shore (Executive Councillor for Waste and Recycling), C N Worth (Executive Councillor for Culture and Emergency Services) and B Young (Executive Councillor for Community Safety and People Management).

Councillors: C J T H Brewis (Chairman of the Community and Public Safety Scrutiny Committee and Vice-Chairman of the Health Scrutiny Committee for Lincolnshire), A Bridges (Chairman of the Economic Scrutiny Committee), J D Hough (Chairman of the Children and Young People Scrutiny Committee), P J O'Connor (Chairman of the Overview and Scrutiny Management Committee) and Mrs C A Talbot (Chairman of the Health Scrutiny Committee for Lincolnshire) were also in attendance.

Officers in attendance:-

Tony McArdle (Chief Executive), Debbie Barnes (Executive Director, Children's Services), David Forbes (County Finance Officer), Glen Garrod (Executive Director of Adult Care and Community Wellbeing), Cheryl Hall (Democratic Services Officer), Judith Hetherington Smith (Chief Information and Commissioning Officer), Pete Moore (Executive Director, Finance and Public Protection), Jasmine Sodhi (Performance and Equalities Manager), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer), Richard Wills (Executive Director, Environment and Economy) and Simon Wright (Principal Officer (Regeneration)).

49 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors R G Davies, Mrs A M Newton and Mrs S Woolley.

50 DECLARATIONS OF COUNCILLORS' INTERESTS

There were no declarations of interests made at this point in the proceedings.

51 ANNOUNCEMENTS BY THE LEADER, EXECUTIVE COUNCILLORS AND EXECUTIVE DIRECTORS

There were no announcements.

52 MINUTES OF THE MEETING OF THE EXECUTIVE HELD ON 4 JANUARY 2017

RESOLVED

That the minutes of the Executive held on 4 January 2017 be agreed and signed by the Chairman as a correct record.

53 REVENUE AND CAPITAL BUDGET MONITORING REPORT 2016/17

Consideration was given to a report from the Executive Director of Finance and Public Protection, which provided an update on spending compared with budgets for the financial year which started on 1 April 2016.

The County Finance Officer presented the report to the Executive and in doing so, advised that the tables in the report had shown the actual income and expenditure for nine months of the financial year, along with projections for spending and a comparison of the projections against the approved budgets.

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

- It was requested that the narrative, as detailed at paragraph 1.27 of the report, in relation to an underspend of £1.724m within the community wellbeing commissioning strategy was expanded;
- It was noted that the Executive Director for Adult Care and Community Wellbeing was continuing to work with the districts in developing a memorandum of understanding with the seven district councils on the expenditure of the Disability Facilities Grant. Officers were still awaiting national guidance on this matter.

The Chairman of the Overview and Scrutiny Management Committee advised that the Committee had considered a report on the *Revenue and Capital Budget Monitoring Report 2016/17* at its meeting on 26 January 2017. It was noted that the Committee had supported the recommendations contained in the Executive's report and its comments were detailed in the additional information pack.

A discussion took place regarding the issues around delayed transfers of care in hospitals and Members were assured that officers from the County Council were working with the local NHS to find solutions to the matter. The County Council had officers from Adult Care located in surrounding hospitals to assist with the flow of patients. The Executive wished its thanks to those teams be noted.

RESOLVED

That the current position on the revenue and capital budgets be noted.

54 COUNCIL BUDGET 2017/18

Consideration was given to a report from the Executive Director of Finance and Public Protection, which invited the Executive to consider its final proposals for the Council's budget and council tax in light of consultation comments on its initial proposals. The Executive was also asked to consider prudential targets in relation to capital financing and other treasury management matters and to recommend to full Council the Flexible Use of Capital Receipts Strategy for 2017/18.

The County Finance Officer introduced the report to the Executive and guided them through those updates to the Council Budget 2017/18, tabled at the meeting, which had taken place since the meeting on 4 January 2017. Some of the changes included the following: -

- Members were reminded that this was a one year budget only for 2017/18;
- The current net increase in income from growth in the council tax base, plus the surplus on the council tax collection fund, less the deficit on the business rates collection fund had increased the Council's income for 2017/18 by £9.586m (previously £6.397m);
- The changes to grants and revenue expenditure, as detailed within the tabled update, had added additional costs of £1.527m to the Council's budget;
- The government grant allocations assumed in the budget proposals were those announced in the Provisional Local Government Finance Settlement and therefore may be subject to change. The Final Settlement was expected on 20 February 2017;
- Consultation comments on the budget proposals were detailed at Appendix H to the report.

The Executive was asked to consider the potential use of the net additional income of £8.059m. The following three options were put to the Executive: -

- To reduce the amount of funding required from the Financial Volatility Reserve to set a balanced budget in 2017/18;
- To fund additional spending by the Council or reduce the savings required to be made; or
- To reduce the planned increase in Council Tax of 3.95%.

The Executive supported the recommendation that the net additional funding was used to reduce the contribution required from the Council's Financial Volatility Reserve to meet the 2017/18 budget shortfall.

The Chairman of the Overview and Scrutiny Management Committee advised that comments from the overview and scrutiny committees on the *Council Budget 2017/18* were detailed at Appendix H.

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

- The Adult Care budget was set in the context of increasing demographic pressure and cost pressures related to service provider fee increases in order to accommodate the increasing cost of employment, as a result of the National Living Wage. This resulted in a cost pressure of £6.670m in 2017/18. Therefore the income from the Adult Care element of the precept of £5.2m would not cover the cost pressure;
- Members recognised the importance of adding any additional income to the Volatility Reserve, as it had proved vital in balancing the budget in previous financial years;
- Overall levels of funding to local government were reducing and would continue to reduce in future years. The use of any additional funding to smooth the effect of the budget reductions would allow the Council more time to develop robust new service models;
- It was suggested that delegated authority should be given to the Leader to review and amend the Executive's budget recommendations to the County Council, as appropriate, in light of the final Local Government Settlement once it had been received and business rates information from the Lincolnshire district councils if received between the Executive meeting and the County Council on 24 February 2017;
- Although the County Council had faced significant funding pressures over the past four years, it had maintained frontline services. However, Members recognised that further difficult decisions would have to be made to balance the County Council's budget in future years. It was agreed that it was due to prudent accounting, including the managing of reserves, that the County Council could balance its budget.

RESOLVED

That the Executive:

- (1) Consider the effect of the updated funding available and revenue expenditure as noted in paragraphs 1.2 to 1.22 and Appendix A of the report;
- (2) Consider the Equality Impact Analysis at Appendix B and the consultation comments as shown in Appendix H and presented at the meeting;
- (3) Subject to recommendation 4 below, approve for recommendation to full Council:
 - a) the revenue budget shown in Appendix C of the report;
 - b) the capital programme shown in Table A and Appendix D of the report;

- c) the levels of council tax proposed in Table B of the report including the increasing of council tax in 2017/18 by 3.95%;
 - d) the prudential indicators shown in Appendix F of the report; and
 - e) the Flexible Use of Capital Receipts Strategy attached at Appendix G of the report.
- (4) Request the Leader, to review and amend the Executive's budget recommendations to the County Council, as appropriate, in light of the final Local Government Settlement, council tax and business rates information from the Lincolnshire district councils if received between the Executive meeting and the County Council on 24 February 2017.

55 SOUTH LINCOLNSHIRE FOOD ENTERPRISE ZONE AND PEPPERMINT JUNCTION IMPROVEMENTS, HOLBEACH

Consideration was given to a report from the Executive Director for Environment and Economy, which sought the approval of the Executive to a range of interlocked activities at Peppermint Junction on the north western edge of Holbeach, which would see the creation of a Food Enterprise Zone (FEZ), the provision of enabling highways improvement works and the delivery of circa 900 new dwellings.

The Leader of the Council and the Executive Councillor for Culture and Emergency Services introduced the report and advised that the proposals would boost the local economy and improve road safety within the area.

The Principal Officer – Regeneration advised that the South Lincolnshire FEZ would provide an opportunity to create new, purpose-built employment space, using a simplified planning process for the benefit of the agri-sector across south Lincolnshire.

The completion of the South Lincolnshire FEZ (the development of both Lincolnshire County Council and private owned land) would lead to the creation of approximately 59,400sq m of new business space which would in turn accommodate over 2,000 jobs.

The Chairman of the Overview and Scrutiny Management Committee advised that the Committee had considered a report on the *South Lincolnshire Food Enterprise Zone and Peppermint Junction Improvements, Holbeach* at its meeting on 26 January 2017. It was noted that the Committee had supported the recommendations contained in the Executive's report and its comments were detailed in the additional information pack.

RESOLVED

That the Executive:-

- (1) approve the carrying out of highway improvement works on the A17 and A151 at Holbeach as described in the Report and the appropriation of County Farms Estate land to use for the highway improvement works;
- (2) delegate to the Executive Director for Environment and Economy, in consultation with the Executive Councillor for Highways, Transport and IT and the Executive Councillor for Culture and Emergency Services, authority to determine the final form and approve the entering into of the contract for the highway works;
- (3) approve the development of a Food Enterprise Zone (FEZ) on land to the west of the A151 at Spalding as more fully described in the Report to include:-
 - a) The use of Council land for such purposes including to the extent required the appropriation of County Farms Estate land to use for the Food Enterprise Zone (FEZ);
 - b) The acquisition of privately owned land for such purposes;
 - c) The carrying out of servicing and other enabling works on the FEZ site and disposal of serviced sites
- (4) approve the sale of approximately three acres of Council-owned land on the site of the FEZ to the University of Lincoln for new campus facilities and the acquisition/disposal by the Council of various leasehold and freehold property interests of the University of Lincoln at the existing University of Lincoln Holbeach Campus.
- (5) approve continued discussions with South Holland District Council over commercial terms for working in partnership to deliver the FEZ including shared property ownership.
- (6) delegate to the Executive Director for Finance and Public Protection, in consultation with the Executive Councillor for Highways Transport and IT and the Executive Councillor for Culture and Emergency Services, the authority to determine the terms of any land appropriations, disposals and acquisitions relating to paragraphs 1, 3, 4 and 5 or otherwise relating to the highway works or the FEZ and to approve the entering into of any legal documentation necessary to give effect to such appropriations, acquisitions and disposals;

- (7) delegate to the Executive Director for Environment and Economy, in consultation with the Executive Councillor for Culture and Emergency Services, authority to make decisions on how to bring forward the development of the FEZ including decisions as to the programming of land acquisitions and works and partnership working with South Holland District Council.

56 RESPONSE TO THE SUSTAINABILITY AND TRANSFORMATION PLAN

A report from the Executive Director Adult Care and Community Wellbeing was considered, which invited the Executive to note the content of the Sustainability and Transformation Plan (STP) and its accompanying Public Summary and sought approval to make a response to the STP, based on the points in Appendix C.

The Executive Director Adult Care and Community Wellbeing advised that the STP was launched in December 2016. The Plan itself and a *Public Summary* had been produced. Formal consultation on major service change contained in the finalised STP was not expected until May 2017.

The Plan had been considered by County Council on 16 December 2016, when it had been resolved to establish a cross-party working group to consider the likely financial and other impacts on county council services and make recommendations to the Executive. Comments from the Working Group were circulated at the meeting of the Executive.

It was noted that the Health Scrutiny Committee for Lincolnshire had considered reports on the *Sustainability and Transformation Plan* at its meetings on 12 and 18th January 2017. The initial response of the Health Scrutiny for Lincolnshire on the Lincolnshire STP was attached to the report at Appendix D.

The Vice-Chairman of the Health Scrutiny Committee for Lincolnshire was invited to speak on the item and expressed his doubt over the deliverability of the 44 STP documents across England.

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

- The financial viability of the STP was queried, in particular focusing on the capital requirements and the affordability of the options;
- Councillors expressed their disappointment that the East Midlands Ambulance Services had not been referred to within the STP or the Fire and Rescue's co-responders and in particular the delays at Accident and Emergency departments;
- Consideration should also be given to the STP documents of neighbouring areas, as patients from Lincolnshire may be treated within those areas;
- Concerns were raised in relation to the options for maternity services, as it was felt that as a result of the proposed changes, patients were likely to use Peterborough City Hospital rather than Lincoln County Hospital and therefore the local NHS economy would lose money to a neighbouring Trust;

- Councillors welcomed certain options which would mean services were provided locally, rather than having to travel for services.

RESOLVED

That the Executive:

- (1) Notes the Sustainability and Transformation Plan (STP) and its accompanying Public Summary, those comments currently provided by the Health Scrutiny Committee and the recommendations of the cross-party working group.
- (2) Resolves to make a response to the STP at this stage and work up a response based on the points made in Appendix C to the report as the basis of an initial response to be submitted by the Council to the STP in its current form.
- (3) Agrees that the Executive Director for Adult Care and Community Wellbeing draft a response to be approved by the Leader of the Council for submission.

57 FINAL DRAFT COUNCIL BUSINESS PLAN 2017/2018

Consideration was given to a report from the Chief Executive, which sought approval of the final draft Council Business Plan, as detailed at Appendix A to the report.

The Performance and Equalities Manager presented the report to the Executive and in doing so highlighted that the *final draft Council Business Plan* was scheduled to be considered by the County Council at its meeting on 24 February 2017.

The Chairman of the Overview and Scrutiny Management Committee advised that the Committee had considered a report on the *Final Draft Council Business Plan 2017/2018* at its meeting on 26 January 2017. It was noted that the Committee had supported the recommendations contained in the Executive's report and its comments were detailed in the additional information pack.

In response to the concerns raised by the Overview and Scrutiny Management Committee, the following points were noted: -

- In relation to the reporting of incidents of domestic abuse (measure 7), which was lower than expected, Members were assured that there was no evidence to suggest that domestic abuse incidents were not being recorded by the Police;
- In relation to a request for a chlamydia diagnosis measure for under 15s and another measure for over 50s, in addition to measure 34 for 15-24 year olds, it agreed that this information could be included within the commentary for measure 34. It was explained that whilst it was correct that the Lincolnshire Integrated Sexual Health Service does treat people of all ages, the focus of the service was around this most 'at risk' age group and the numbers of

- people that fall either below 15 or over 50 years of age were likely to be very small and so may skew the perceived performance of the services as a whole;
- It was agreed that a performance trend was included within the commentary for the measures on *People killed and seriously injured in road traffic collisions* and *Children killed or seriously injured in road traffic collisions* to enable longer term monitoring;
 - It was confirmed that the measures which were due to be removed from the Business Plan in relation to *NEET* (measure 34) and *Pupils ages 16-18 participating in learning* (measure 43) would be monitored at service level;
 - The Executive supported the Committee's suggestion to introduce a measure in the Business Plan on antisocial behaviour.

In response to a question, the Executive was advised that although further work was still required the number of exclusions from schools within Lincolnshire had reduced. It was felt that this was in part owing to the introduction of a behaviour outreach service, as well as greater collaboration and challenge across schools.

RESOLVED

- (1) That the recommendation of the outcomes and measures specified in Appendix A as the Council Business Plan for 2017/2018, be approved in principle; and
- (2) That the Leader of the Council be delegated authority to determine any changes to the said outcomes and measures to be recommended to the meeting of the County Council following discussion with Executive Councillors.

The meeting closed at 11.50 am.