



County Offices  
Newland  
Lincoln  
LN1 1YL

21 November 2018

**Overview and Scrutiny Management Board**

A meeting of the Overview and Scrutiny Management Board will be held on **Thursday, 29 November 2018 at 10.00 am in Committee Room One, County Offices, Newland, Lincoln LN1 1YL** for the transaction of the business set out on the attached Agenda.

Yours sincerely

A handwritten signature in black ink that reads 'Keith Ireland'.

Keith Ireland  
Chief Executive

**Membership of the Overview and Scrutiny Management Board (11 Members of the Council and 4 Added Members)**

Councillors R B Parker (Chairman), R Wootten (Vice-Chairman), Mrs J Brockway, M Brookes, Mrs K Cook, B M Dobson, R L Foulkes, C S Macey, C E H Marfleet, N H Pepper and E W Strengiel

**Added Members**

Church Representatives: Reverend P A Johnson and Mr S C Rudman

Parent Governor Representatives: Mrs P J Barnett and Miss A E I Sayer



**OVERVIEW AND SCRUTINY MANAGEMENT BOARD AGENDA  
THURSDAY, 29 NOVEMBER 2018**

<b>Item</b>	<b>Title</b>	<b>Pages</b>
<b>1</b>	<b>Apologies for absence/replacement members</b>	
<b>2</b>	<b>Declarations of Interests</b>	
<b>3</b>	<b>Minutes of the meeting held on Thursday 25th October 2018</b>	5 - 12
<b>4</b>	<b>Announcements by Chairman, Executive Councillor for Resources and Communications and Chief Officers</b>	
<b>5</b>	<b>Consideration of Call-Ins</b>	
<b>6</b>	<b>Consideration of Councillor calls for action</b>	
<b>7</b>	<b>Performance of the Corporate Support Services Contract</b> <i>(To receive a report from Sophie Reeve (Chief Commercial Officer), which reviews the recent re-provision of the corporate support services work and how it might impact on how the Overview and Scrutiny Management Board carry out future overview and scrutiny of corporate support services)</i>	13 - 46
<b>8</b>	<b>Microsoft Enterprise Agreement</b> <i>(To receive a report from John Wickens (Chief Digital Officer), which invites the Board to consider a report on the Microsoft Enterprise Agreement, which will be presented to the Executive Councillor for Highways, Transport and IT between the 3-14 December 2018)</i>  <i>The views of the Board will be reported to the Executive Councillor as part of his consideration of this item)</i>	47 - 54
<b>9</b>	<b>2018/19 Council Business Plan Quarter 2</b> <i>(To receive a report from Jasmine Sodhi (Performance and Equalities Manager), which invites the Board to consider a report on the 2018/19 Council Business Plan Quarter 2, which will be presented to the Executive on 18 December 2018.)</i>  <i>The views of the Board will be presented to the Executive as part of its consideration of this item)</i>	55 - 72
<b>10</b>	<b>Treasury Management - Quarter 2 Update Report 2018/19 to 30 September 2018</b> <i>(To receive an update from Karen Tonge (Investment and Treasury Manager), which provides an update on the Treasury Management activities undertaken for the first half of the 2018/19 financial year)</i>	73 - 98

- 11 Scrutiny Committee Work Programmes** 99 - 112  
*(To receive a report which sets out the work programmes of the Adults and Community Wellbeing Committee; and the Health Scrutiny Committee for Lincolnshire, in accordance with the Board's agreed programme)*
- 12 Overview and Scrutiny Management Board Work Programme** 113 - 124  
*(To receive a report which enables the Board to consider and comment on the content of its work programme for the coming year to ensure that scrutiny activity is focussed where it can be of greatest benefit)*

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**Please note:** for more information about any of the following please contact the Democratic Services Officer responsible for servicing this meeting

- Business of the meeting
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## OVERVIEW AND SCRUTINY MANAGEMENT BOARD 25 OCTOBER 2018

### **PRESENT: COUNCILLOR R B PARKER (CHAIRMAN)**

Councillors R Wootten (Vice-Chairman), Mrs J Brockway, M Brookes, Mrs K Cook, B M Dobson, R L Foulkes, C E H Marfleet, N H Pepper and E W Strengiel

### **Added Members**

Church Representatives: Mr S C Rudman

Parent Governor Representatives: Mrs P J Barnett

Councillors: R Butroid, L Cawrey, B Young and M Whittington attended the meeting as observers

Officers in attendance:-

Debbie Barnes OBE (Executive Director, Children's Services), David Forbes (County Finance Officer), Tracy Johnson (Senior Scrutiny Officer), Sue Maycock (Head of Finance (Corporate)) Fiona Thompson (Service Manager - People), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer) and Emily Wilcox (Democratic Services Officer)

### 51 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

Apologies for absence were received from Councillor C Macey.

### 52 DECLARATIONS OF INTEREST

There were no declarations of interest at this point in the meeting.

### 53 MINUTES OF THE MEETING HELD ON THURSDAY 27TH SEPTEMBER 2018

#### **AGREED:**

That the minutes of the meeting held on Thursday 27<sup>th</sup> September 2018 be approved as a correct record and signed by the Chairman, subject to the addition of the below sentence:

"Officers explained that Agresso had not worked to its full potential due to the way the Council had originally configured it. And that, as a result, a number of workarounds were necessary"

**OVERVIEW AND SCRUTINY MANAGEMENT BOARD  
25 OCTOBER 2018****54      ANNOUNCEMENTS BY THE CHAIRMAN, EXECUTIVE COUNCILLOR  
FOR RESOURCES AND COMMUNICATIONS AND CHIEF OFFICERS**

The Chairman welcomed councillors, officers and members of the public to the meeting.

The Chairman announced that he had attended the meeting of the Executive on 2<sup>nd</sup> October 2018, where the Corporate Support Services Re-commissioning was considered. The Board's comments and reservations in relation to the performance of the existing contractor for Fire and Rescue Payroll had been presented at the meeting.

The Chairman had been advised that Councillor B Young, Executive Councillor for Community Safety and People Management, would liaise with the Chairman of the Public Protection and Communities Scrutiny Committee to obtain further information regarding the reservations of the Fire and Rescue service, as it was not known to be an ongoing issue.

**55      CONSIDERATIONS OF CALL-INS**

None were received.

**56      CONSIDERATION OF COUNCILLOR CALLS FOR ACTION**

None were received.

**57      REVIEW OF FINANCIAL RISK ASSESSMENT**

The Board received a report from the Head of Finance (Corporate), which provided an updated review of the Council's financial risks.

Members were referred to Appendix A of the report, which set out the Council's financial risk register for 2019/20.

It was highlighted that the net total of the identified risks currently stood at £13.643m, which was lower than the previous assessment in October 2017, where the net total risks were £15.210m. The reason for the reduction in the net total was explained in relation to Appendix B of the report, which focussed on the 2017/18 risk register outcomes.

The requirement of the Council's Financial Strategy in relation to general reserves was based on its financial risk assessment. It was noted that the Council's reserves as at 31 March 2018 stood at £15.2m, which was equivalent to 3.5% of its budget requirement at that time. The purpose of the risk assessment was to ensure that the reserves were at the right level. The current requirement was that the Council was to maintain its general reserves within a range of 2.5% to 3.5% of its annual budget requirement.

Members were informed that CIPFA (Chartered Institute of Public Finance and Accountancy) had launched a consultation on the new index to measure the financial resilience of council's which would be taking place in the coming months. There were two measures in the index which both related to financial reserves:

- The total level of reserves
- The total % of reserves over the a three-year period

Members requested that the results of the CIPFA assessments be brought back to the Board once the assessments had been carried out.

Questions and comments from members and officers included the following:

- The County Finance Officer explained that it was unlikely that there would be a large rise in interest rates as a result of Brexit, but that most of the borrowing was on fixed rates, so would be unaffected.
- It was reported that the rise of interest rates as a result of Brexit had been assessed as a risk at £1m and accounted for within the risk register.
- Officers explained that the 'costs of change' budget would differ from service to service, as each service area had different plans for change.
- The Chairman requested that a report on the CIPFA financial resilience of Council's be brought to the Board when it was available.
- It was agreed that for comments from the Board to the Executive Councillor would be passed on through the Executive Support Councillor.

RESOLVED:

1. That the report be noted.
2. That the results of the CIPFA assessments be brought back to the Board when completed.
3. That for future reports, any comments from the Board to the Executive Councillor be passed on through the Executive Support Councillor.

58      COUNCIL PEOPLE MANAGEMENT AND WORKFORCE PLAN 2018 - 19  
PROGRESS REPORT

The Service Manager (People) presented a report which provided a summary of current HR and workforce performance data; actions which were being implemented; and an overview of the medium/longer term corporate projects.

It was noted that there had been significant efforts to input and validate data over the last 12 months and Managers had received assistance from the Business Support and HR teams.

It was highlighted that there had been 6.45 days lost per FTE (full time earner), which was lower than the target of 7.5 sickness days. It was noted that the target would be reviewed next quarter based on recent performance.

## **OVERVIEW AND SCRUTINY MANAGEMENT BOARD**

### **25 OCTOBER 2018**

Members were informed that as of 11<sup>th</sup> October 2018 the appraisal meetings of 79% of all eligible employees had been recorded on BWON.

Members were referred to Appendix B of the report, which set out the Corporate People Management and Workforce activity, including the benefits that had been achieved to date and future plans.

The Service Manager (People) was pleased to inform the Board that there were now 128 apprentices employed by the Council as of September 2018, compared with 40 employed in the previous year.

Questions and comments from members and officers included the following:

- The Service Manager (People) agreed to share more detailed information surrounding sickness absences as a result of mental health, and the categorisation of these.
- It was agreed that officers would circulate further information on employees with disabilities and how they were supported.
- In response to a question, it was clarified that in line with current policy, People Management were expected to respond to grievance complaints without unreasonable delay and the outcome of any grievance meeting will be communicated within 5 working days
- One member asked what policies were in place to deal with the reasons reported for sickness absences, in particular 'stomach complaints', which was the highest reported reason for short term absences. It was questioned whether could be any focus on hygiene to reduce stomach illnesses, such as introducing antibacterial gels. In response, officers explained that they worked closely with Public Health to update the employer Health and Wellbeing policy, and would highlight the concerns raised by members regarding hygiene.
- It was noted that a significant proportion of the adult services offered by the council were commissioned out, which is why staffing levels appeared to be lower than other departments.
- Officers agreed to circulate information on apprenticeship reforms to members of the Board.
- Members were pleased to see the rise in apprenticeship numbers.
- The Executive Director of Children's services confirmed that the council offered supported internship opportunities to young people with learning disabilities.
- One member asked whether the council offered any mental health courses to employees as part of the mindful employer programme. In response, officers confirmed that training was already offered to staff members in roles that were considered 'high stress', and there were also plans to offer mental health training to all employees. It was noted that within schools, mental health training would be offered to staff, would which include training on how to assist pupils with mental health issues.



**OVERVIEW AND SCRUTINY MANAGEMENT BOARD**  
**25 OCTOBER 2018**

- In response to a question, it was reported that succession planning was proving highly successful in some departments, particularly in hard to recruit areas, but more work was needed in other areas.
- Members sought reassurance that the vacant senior leadership roles would be filled by capable officers. Officers felt confident that they would find the right candidates for the roles.
- It was acknowledged that the two senior finance positions were more difficult to recruit for, but the Board was assured that they were working with a consultant to ensure the right candidate was appointed.
- Officers agreed to submit a report regarding agency spending to a future meeting of the Board.
- It was noted that challenges with the aghorro system had meant that past data was unavailable, so it was not possible to make year to year comparisons at this stage. Members were assured that officers were working with the Chief Executive to improve the system. It was hoped that the changes would ensure that progress reports would be automatic and future reporting would be an easier process.
- It was agreed that an update on workforce actions being taken as a result of HR management information should be included in the quarterly performance updates for the relevant scrutiny committees, and that the People Management and Workforce Plan progress report should be brought to the Board on a six monthly basis.

**RESOLVED:**

1. That the report and comments made be noted.
2. That the following information be circulated to members of the Board:
  - Further information on employees with disabilities and how they are supported
  - Further information on apprenticeship reforms
  - Further information on sickness data including detailed information surrounding sickness absences as a result of mental health, and the categorisation of these.
3. That a report on agency spending be submitted to a further meeting of the Board.
4. That workforce action updates be included in the quarterly performance reports presented to the relevant scrutiny committees.
5. That the People Management and Workforce Plan progress report be reported to the Board on a six monthly basis.

**59      SCRUTINY COMMITTEE WORK PROGRAMMES**

The Board reviewed the Work Programmes of two of the Scrutiny Committees:

**Environment and Economy Scrutiny Committee:**

The Chairman of the Environment and Economy Scrutiny Committee highlighted some of the key issues that the committee had considered since the last OSMB meeting.

It was noted that the committee had considered a report on high street vitality, and as a result, a working group had been set up which would focus on high street vitality within Lincolnshire.

The Committee had also received an update on the Greater Lincolnshire Local Industrial Strategy, and reported that it looked positive for businesses looking to relocate to Lincolnshire.

Concerns had been raised over the permitted development for shale gas exploration and the Committee had unanimously endorsed the need for timely planning decisions whilst also ensuring local communities were fully involved in planning decisions for developments that will not impact on them.

In relation to the Joint Municipal Waste Strategy, members were informed that the food waste trial in South Kesteven was proving successful. There was also a focus on controlling contamination of recycling within the districts.

Some Members of the Board felt that more work needed to be done to ensure that there was a common strategy between the districts. It was clarified that the Joint Municipal Waste Strategy was focussing on partnership working and a common strategy for the County.

**Highways and Transport Scrutiny Committee**

The Chairman of the Highways and Transport Scrutiny Committee provided an update on the work of the Highways and Transport Scrutiny Committee over recent months.

The Committee had considered the Highways Infrastructure Asset Management Plan and had supported a robust Asset Management Plan as an instrumental tool towards achieving the aim of maintaining Band 3 Highways status and align with the Well Maintained Highways – Code of Practice. The Committee had unanimously supported the recommendations to the Executive Councillor on this item.

It was noted that the Committee had reviewed the CCTV enforcement trial which had been implemented outside eight schools within the County in an attempt to monitor motorist's behaviour on school clear markings. Members were informed that the

Committee had endorsed that the trial be extended for a further 12 months until the end of 2019.

In response to a question, the Chairman of Highways and Transport Scrutiny Committee explained that the parking situation had improved when CCTV vehicles were present as cameras were acting as a deterrent, but the introduction of fixed cameras was considered too costly.

The Parent Governor Representative reported that at Baston C of E Primary School, staff members had actively worked to improve the parking situation and it had proved to be extremely successful. The Parent Governor agreed to put together an action plan based on measures taken at Baston C of E Primary School and share them with the Chairman of the Highways and Transport Scrutiny Committee.

One member suggested that districts should be consulted in the development of the cycling strategy, as some districts had their own cycling strategies in place.

**RESOLVED:**

1. That the Board was satisfied with the content of the Work Programmes of the Environment and Economy; and the Highways and Transport Scrutiny Committee's.
2. That the Parent Governor Representative produce an action plan based on previous measures taken at Baston C of E Primary School to resolve parking issues

60      OVERVIEW AND SCRUTINY MANAGEMENT BOARD WORK  
PROGRAMME

The Board was provided with an opportunity to review its own Work Programme.

It was noted that the Capital Strategy item would be deferred until 31<sup>st</sup> January 2019.

Members were informed that the IMT Working Group was progressing positively, and that members were using the working group as an open space to raise issues and explore and develop different ideas. It had emerged that the Chief Executive was keen to resolve IMT issues. It was noted that all issues could not be blamed on the client side, as there had been problems with the way that it had been implemented internally.

The Chief Digital Officer had shared some proposals for the IMT Strategy which the working group had supported.

It was agreed that the Board would receive a report on the progress of the IMT Working Group in due course.

**OVERVIEW AND SCRUTINY MANAGEMENT BOARD  
25 OCTOBER 2018**

RESOLVED:

1. That the Board was satisfied with the content of the Work Programme.
2. That the Board receive a report on the progress of the IMT Working Group in due course.

The meeting closed at 12.27 pm

**Open Report on behalf of Sophie Reeve, Chief Commercial Officer**

<b>Report to:</b>	<b>Overview and Scrutiny Management Board</b>
<b>Date:</b>	<b>29 November 2018</b>
<b>Subject:</b>	<b>Performance of the Corporate Support Services Contract</b>

**Summary:**

This report reviews the recent re-provision of the corporate support services work and how it might impact on how the Overview and Scrutiny Management Board (OSMB) want to carry out future overview and scrutiny on corporate support services.

The report provides an update of Serco's performance against;

- contractual Key Performance Indicators specified in the Corporate Support Services Contract between July and September 2018; and
- Serco's progress against key IMT-related transformation and transactional projects set out in Appendix A.

**Actions Required:**

The Board is asked to:

1. Consider how it wishes to carry out future overview and scrutiny of corporate support services;
2. Seek reassurance about the performance of the Corporate Support Services Contract;
3. Review progress against the top 20 priority IMT projects in Appendix A;
4. Provide feedback and challenge as required.

## 1. Abbreviations

<b>CSS</b>	Corporate Support Services	<b>F</b>	Finance (Exchequer)
<b>KPI</b>	Key Performance Indicator	<b>ACF</b>	Adult Care Finance
<b>TSL</b>	Target Service Level	<b>CSC</b>	Customer Services Centre
<b>MSL</b>	Minimum Service Level	<b>RAG</b>	Red/ Amber/ Green
<b>IMT</b>	Information Management and Technology	<b>CMDB</b>	Configuration Management Database (list of IMT assets)
<b>LRSP</b>	Lincolnshire Road Safety Partnership		

## 2. Background

- 2.1 This report provides an update on Serco's performance against the contract KPIs between July and September 2018, on the 20 priority projects previously agreed by the Board (Appendix A) and suggests a way forward for OSMB's consideration.
- 2.2 Serco's performance against the KPIs and IMT priority projects were last reviewed on the 30 August 2018. Since then on the 27 September OSMB recommended to Executive that the CSS contract was extended with Serco and on the 2 October the Executive;
- Approved a contract extension covering the period 1<sup>st</sup> April 2020 31<sup>st</sup> March 2022;
  - Approved the insourcing of some small discrete services;
  - Delegated to the Chief Executive in consultation with the Leader and the Executive Councillor for Community Safety and People Management decisions relating to Professional People Management; and
  - Delegated to the Chief Executive in consultation with the Leader the authority to agree the final terms of the extension and insourcing.
- 2.3 In the period May-September inclusive all of the measured KPIs were green except for May where there was one amber KPI and in June where there were 4 amber KPIs and one red KPI all in IMT. Serco has appealed June's KPIs and may be successful turning the disputed KPIs green. Performance against KPIs has therefore been consistently strong see section 6 below. As a result the Council has already streamlined its contract governance with the introduction of a single monthly Partnership Board and lighter touch service review meetings.
- 2.4 A factor which was considered in the extension was Serco's improvement in performance across the services and recognition by the Chief Executive of the need for better partnership working between the Council and Serco to address remaining qualitative issues and to meet key challenges.

- 2.5 A good example of effective partnership working has been on Payroll and HR Administration. In November 2018 the Council's internal audit team released the outcome of their further review of the payroll control environment where assurance has moved from "limited" to "substantial" in recognition of the significant improvements made. There is still further work to do (see comments below in section 4). Serco and the Council are committed to continued joint working to achieve these improvements.
- 2.6 The extension discussions are proceeding well and it is anticipated that the Agreement should be finalised very shortly. In the extension we will take the opportunity to (i) co-locate Serco and the Council's IMT teams and to (ii) acknowledge that going forward the Council will be responsible for the Agresso system whilst Serco continue to provide both the people and processes to deliver the payroll service. Both of these actions will deepen the ongoing partnership working.
- 2.7 The re-provision work has recognised the absolute priorities of maintaining high standards of payroll provision and stabilising and improving the IMT service and system.
- 2.8 The Council has recently established the Agresso Programme Board, chaired by the Chief Executive. All the required system developments relating to Payroll improvements are included in the Programme Deliverables, prioritised into either Phase 1 to be completed by March 2019, or into Phase 2 April 2019 - March 2020. The programme will include a rebuild of the Agresso configuration in line with the standard configuration and a consequent re-design of the associated business processes.
- 2.9 The Chief Executive has also decided to set up and chair an IMT Board to ensure that IMT improvements are given the highest priority and that impetus is maintained. The Board will deal with all major IMT service, system and infrastructure improvements whether delivered by Serco or by other third parties. One of the first things it will consider is the adoption of an IMT Strategy anticipated to be available in draft this calendar year. Other Board projects will be the Web Site project and related work which may include a "Digital Transformation" program.
- 2.9A The IMT Strategy is likely to consist of 3 sub strategies;
- Information Management Strategy – how data and information is used, protected and retained to deliver services and add value within a secure environment;
  - Service Delivery Strategy – how the required resources, people, tools and assets will be provided, how change will be delivered and how necessary partners and suppliers will be secured;
  - Technical Strategy - how the business goals and strategies and risks will be enabled by changes to the technical environment and how that will be maintained and kept fit for purpose.

- 2.10 Serco's recent appointment of an Operations Director dedicated to the account on a full-time basis has added senior capacity and speeded up decisions, making Serco more responsive to operational issues.
- 2.11 The CSS contract price varies with volume. In many of the service areas the Council will pay less if it is able to reduce demand. Serco has also agreed that in some areas of activity where the Council becomes more efficient and as a result the cost of Serco delivery falls even where volume is maintained, Serco will pass back that cost saving to the Council. This places a focus on "Council housekeeping", or cost avoidance, another priority of the Chief Executive (see section 3 below).
- 2.12 Whilst past scrutiny of Serco's KPI performance by OSMB has been a material factor in improving performance it makes little sense in light of the above to continue with the same approach focusing simply on Serco's performance. Instead OSMB may prefer to adopt an approach which reflects the positive changes in performance, partnership working and governance and which more closely focuses on Council priorities.

### **3. Council Housekeeping**

#### **3.1 Possible housekeeping initiatives include:**

- A reduction in the number of Council end user devices in use;
- A reduction in email accounts (particularly in relation to leavers);
- Greater Council use of the IMT self-serve portal (including password reset);
- Improvements in the Accounts Payable processes:
  - Possible introduction of a supplier portal (checking of invoice status by suppliers and direct upload of invoices to the system);
  - Possible reduction in the use of value orders;
  - Possible reduction in the number of exceptions given where a purchase order is not required;
  - Reduction of Council coding errors (particularly in relation to VAT recoding);
  - Review and reset of supplier payment terms where appropriate;
  - Possible reduction in the use of 'one time' suppliers;
- Revised use of IVR dependent on Avaya telephone upgrade.

#### **3.2 Where appropriate each initiative could be managed as an 'individual' project led by the Council's Commercial Director with a measurable target to be achieved against a timeline and sponsored by Corporate Management Board (CMB). Performance against these targets could be reported to OSMB at regular intervals.**

#### **3.3 Where appropriate targets could include Payroll and HR Administration activity coming out of the Audit assurance review of Payroll and HR Administration (see paragraph 4 below). If targets were not appropriate then overall progress against the further improvements could be reported.**



#### **4. Payroll and HR Administration Further Improvements**

- 4.1 There is further work to be done by Serco on the development of the work instructions and documentation of all payroll processes and regular updating of these when processes change. Comprehensive training of staff and quality checking of work will continue to be in place to ensure these are understood and followed.
- 4.2 The Council shall continue with the review of the Lincolnshire Fire & Rescue (LFR) Pay and HR processes to improve efficiency and ease of use for both Serco back office and LFR to reduce double entering into multiple systems.
- 4.3 An interim solution has been put in place where Business Support assist managers to submit payroll forms accurately and on time. The Corporate Management Board is monitoring the direction of travel through monthly assessment of volumes of late and incorrect data submitted to Serco, to ensure the provision of targeted support to Managers. It is recognised that the error rate will reduce with system and process improvements and training.
- 4.4 Incorrect and late data is still a challenge in schools. There continues to be support provided to schools, regular reminders in the schools newsletter and Serco are working jointly with the Council's Finance Team to provide support on processes and developments.
- 4.5 Serco and the Council continue to work together on;
  - building revised and fully itemised payslips to comply with new legislative requirements before April 2019;
  - Improving electronic HR Forms with mandatory fields pre-populated from the system with the relevant employee data;
  - Review of expenses, allowances and other Payment and Deduction codes to remove unused codes; improve code descriptions; and removing duplication;
  - Cleansing data within the system in order to ensure each mandated field has relevant data added;
  - Reducing manual workarounds.

#### **5. Possible Approach to Future Overview and Scrutiny**

##### **Overview Role of OSMB**

- 5.1 Now that the corporate support services are improving and performance stabilising, OSMB may wish to exercise a wider overview and look to the future delivery of the support services, say on a 6 monthly basis. Matters in relation to a forward looking overview on corporate support services which could be discussed might be;

- The different remits of the Executive, OSMB, IMT and Agresso Boards and the Corporate Management Board;
- How we might make savings and/or improve the quality of service, learning from the experience of our partners and others in the public sector;
- What role does technology play in this and how do we manage the changes this delivers effectively; and
- How we might best balance and resource the needs of staff, managers and councillors within the organisation with the needs of Lincolnshire residents.

## **Scrutiny Role of OSMB**

- 5.2 In addition to the above overview report, reports could be taken focusing on more scrutiny like matters. A report could confirm that the good performance on Serco KPIs and on payroll was being maintained. It could also look at new "housekeeping" initiatives by the Council focusing first on those matters coming out of the CSS re-provision set out in section 3 above before potentially looking at wider corporate support services issues.
- 5.3 A separate scrutiny type report could be taken to OSMB reporting on IMT issues (excluding routine IMT service performance covered by the KPIs which would be dealt with in the report above). The report could cover
- Progress made by the IMT Board on a programme of high priority projects;
  - Progress made against top twenty IMT projects.
- 5.4 As part of its scrutiny role OSMB may want to understand whether the benefits anticipated by key IMT projects and services were realised. To support OSMB in this a benefit realisation review could take place say 6 months after the project was completed for presentation back to OSMB. This approach could be adopted to understand how the investment made in IMT has addressed those staff, member and Councillors concerns expressed in the work carried out earlier this year by an external consultant.

## **6. Performance Against KPIs**

Table 1 below provides summary Red/ Amber/ Green (RAG) status of the Key Performance Indicator (KPI) results for the six months of service delivery from April to September 2018.

Red status indicates that Serco's performance against the KPI has failed to meet the Minimum Service Level (MSL). Amber indicates a failure to meet the Target Service Level (TSL) but has achieved MSL. Green indicates that Serco's performance as measured against the KPI has either met or exceeded the TSL as set out under the Corporate Support Services Contract.

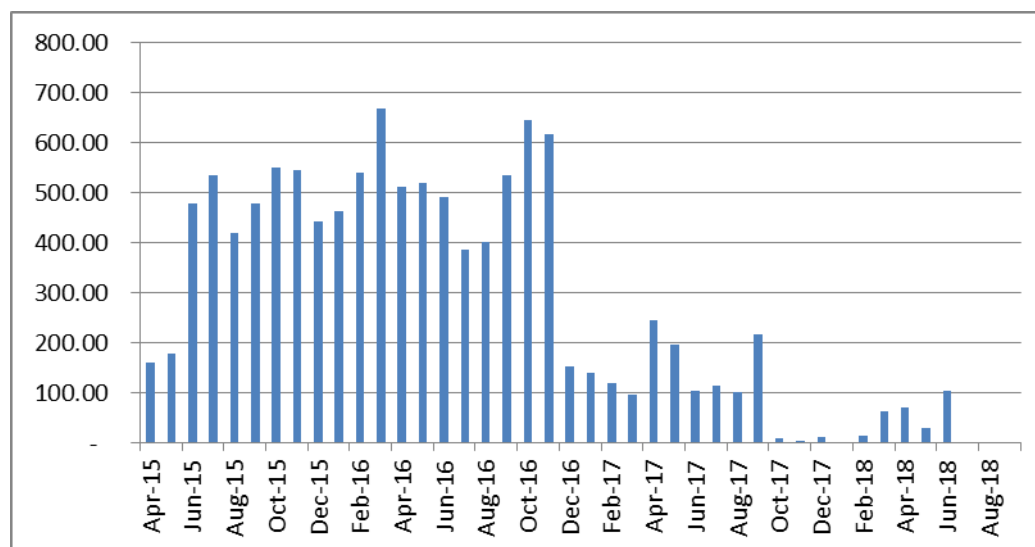
During the review period July-September there are no exceptions in that there are no KPIs which have failed to meet the MSL (red status) or the TSL (amber status).

**Table 1: Overall KPI Summary Performance**

Overall (All Services) Contract Performance	Number of KPIs					
	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
<b>TSL achieved</b>	36	38	32	39	39	39
<b>MSL achieved</b>	2	1	4	0	0	0
<b>Below MSL</b>	0	0	1	0	0	0
<b>Mitigation Agreed</b>	3	2	4	2	2	2
<b>TOTAL</b>	41	41	41	41	41	41

Table 2 shows the total number of abatement points the Serco CSS Contract has attracted in each month since contract start and continues to show a much improved picture.

**Table 2: Total monthly abatement points since contract start to September 2018**



## 7. Appendices

These are listed below and attached at the back of the report:

Appendix A	Top twenty priority IMT projects for review by OSMB
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## **8. Background Papers**

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This main body of this report was produced by Arnd Hobohm and Sophie Reeve who can be contacted on 01522 552563 or 01522 552578 respectively. Alternatively, via email at [arnd.hobohm@lincolnshire.gov.uk](mailto:arnd.hobohm@lincolnshire.gov.uk) or [sophie.reeve@lincolnshire.gov.uk](mailto:sophie.reeve@lincolnshire.gov.uk).

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## Appendix A

### Top Twenty IMT Projects in progress with Serco

#### Introduction:

This document provides an overview of the top 20 Projects agreed to be reported to OSMB following the August 2018 submission of the report, which included a recommendation to replace 5 closed projects originally included in the May 2018 submission with a set of new projects.

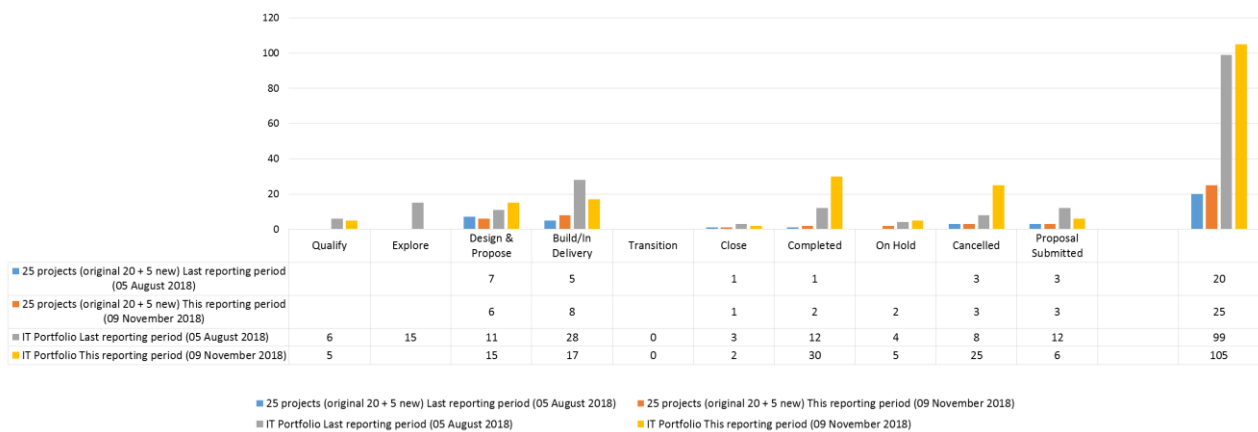
This report covers:

- Overview of Project Status Movement since last reporting period
- Summary of RAG (Red, Amber, Green) Status of 20 Priority Projects:
  - o Summary of Exceptions
  - o Projects in 'Exception'
- Project Dashboards

#### Overview of Project Status Movement since last reporting period

The below table depicts the number of projects within each stage of the Project Lifecycle. For consistency of comparison the movement measured is based on the original 20 projects plus the 5 projects added following the August 2018 report submission.

#### Overview of Project Status Movement since last reporting period



**\*\*These projects only include projects commissioned with Serco.**

**\*\* Not all stages are mandatory/used within a project lifecycle**

**Project Status:**

The following table outlines the project stages used throughout the delivery lifecycle:

Category	Description
Qualify	Project Brief is triaged and either accepted or rejected to move into the next phase.
Explore	Review the business requirements and potential solution options. Assess the options against the EA. Identify the preferred solution option.  This status is used for requirements capture, investigations or options appraisals
Design & Propose	The scoping and initiation phase of a project, where the Statement of Work or Project Initiation Document is produced
Build/In Delivery	The delivery of the project in line with the Statement of Work or Project Initiation Document
Transition	The transition of the project outputs into Service/Handover to Support. This phase often also covers the project warranty period.
Close	The closure phase of a project
Completed	Project status once the project has been officially signed off and invoices paid
On Hold	The project has been placed on hold and no works is taking place
Cancelled	The project has been cancelled
Proposal Submitted	A Statement of Work or Project Initiation Document has been submitted to LCC for approval to proceed. This status is also used where a change control has been submitted.

<b>Summary of RAG (Red, Amber, Green) Status of the 20 Priority Projects:</b>
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The below table depicts the RAG status of the project timelines of each of the 20 priority projects. Please note that the RAG is against the Time (and not budget or quality criteria). Risks or Issues associated to Budget or Quality criteria are captured and managed through Project RAID-DA Logs (Risks, Assumptions, Issues, Dependencies, Decisions and Actions Logs).

Where a project is Amber or Red, an explanation is also included to support Exception Reporting. For a full overview of each project please section 3: Project Dashboards.

RAG Key:

Red	Milestone/Project is behind baseline plan	2
Amber	Milestone/Project has yet to baseline the Project Plan, or where the plan is baselined the plan is at risk	8
Green	Milestone/Project has a baselined plan and is delivery on target	9
Complete	Milestone/Project Complete	1
NA	Project Cancelled	0
Total		20

## **2.1 Summary of Exceptions**

### **Red Projects**

There are two projects that currently have a red status, both of which have controls in place to enable return to green status within the next period, as reflected in their dashboards below.

### **Amber Projects**

There are eight projects that currently have an amber status, the majority of which are due to progression of the project through a stage boundary. As reported previously, all projects are expected to be at amber status at specific points in their lifecycle, i.e. whilst progressing through a 'stage boundary' (for example from Proposal Submitted to Build/In Delivery). As a result of moving a project through the next phase boundary the Project Plans need to be updated to reflect the next phase activities, tasks and associated timelines. This includes placing orders with third party suppliers and liaison to confirm delivery dates (e.g. hardware orders), securing the resources required for each activity (including Serco, LCC and third party resources), identify dependencies between activities within the project and also any dependencies outside of the project. Once the Project Manager has updated project plans these are presented to the LCC Project Sponsor/Project Board to review and baseline.

In addition, a number of projects are at amber status due to a change in scope generated by a change in customer requirements or through the identification of additional technical requirements.

## Project Dashboards

The below Dashboard provide a summary of the top 20 projects, including a position update since the last reporting period:

Project ID	IMT-093		Project Sponsor	Andrew Jordan
Project Name:	Domain Controller Upgrade		Project Manager	Manjit Kaur
Project Status	Design & Propose		Forecast Closure Date	Qtr 1 2019
Project Description	<p>To upgrade the Operating System and Functional Level of LCCs and LFRs Domain Controllers, which process security authentication requests (logging in, checking permissions etc).</p> <p>Business Outcome: To ensure LCCs and LFRs authentication services are up to date and continue to support LCC users and services to securely access LCC computer resources and facilitate migration to Microsoft Office 365</p> <p>Citizen Benefit: Uplift in security in the Council's network to ensure privacy etc is maintained.</p>			
Position update	<p>The project solution design has been updated and re-issued for approval, following an LCC request for incorporation of additional design elements. Upon approval of the updated solution design a proposal will be produced for the next stage of the project. An updated project stage plan has been agreed.</p>			
Next Milestone Name	Baseline Delivery Date	Forecast/Actual Delivery Date	RAG	Milestone Commentary
HLD Approval	05/10/2018	20/11/2018	<p>AMBER</p> <p>Path to Green: Approve project change control and rebaseline plan.</p>	<p>The project plan has been updated to reflect additional design queries raised. Project RAG status set to amber to reflect the plan has been agreed in principle, but is pending formal approval. Project Change Request pending LCC approval.</p>



Project ID	IMT-096		Project Sponsor	John Wickens/ Andrew Jordan
Project Name:	Web Access Modernisation Phase 3		Project Manager	Pete Smith
Project Status	On Hold		Forecast Closure Date	Q1-2019
Project Description	The project will further exploit the capabilities of Zscaler. Business Outcome: Mitigate significant business risk. To further increase the security of the LCC network. Citizen Benefit: Uplift in security in the Council's network to ensure privacy etc is maintained.			
Position update	This project has been placed on hold in agreement with the Project Sponsor. It will be re-initiated following an upgrade of the LCC corporate firewalls as part of the IMT-251A Lincoln Campus Distribution Network project.  The upgrade to LCC's firewalls will be undertaken prior to wider rollout of Zscaler in order to optimise web access performance.			
Next Milestone Name	Baseline Delivery Date	Forecast/Actual Delivery Date	RAG	Milestone Commentary
Phase 3 completion	On Hold	On Hold	GREEN	On Hold (status to be reviewed in Jan-19)

<b>Project ID</b>	IMT-251A		<b>Project Sponsor</b>	John Wickens/ Andrew Jordan
<b>Project Name:</b>	<b>Lincoln Campus Distribution Network</b>		<b>Project Manager</b>	Pete Smith
<b>Project Status</b>	Design & Propose		<b>Forecast Closure Date</b>	03/06/2019
<b>Project Description</b>	<p>To refresh/replace aged network equipment and increase resilience in the Lincoln Campus communications network.</p> <p>Business Outcome: Mitigate significant business risk. To provide a supportable, more robust network infrastructure to support LCC service areas in delivering their services.</p> <p>Citizen Benefit: Uplift in security in the Council's network to ensure privacy etc is maintained.</p>			
<b>Position update</b>	<p>Project progressing on plan. The initial implementation stages have been delivered, including networking equipment for LCC's IMT-271 Lincoln Retained Infrastructure project and equipment for LCC's public facing network environment.</p> <p>Progress is also being made on the supporting cabling and infrastructure, whilst procurement of hardware and solution design for future phases is being undertaken in parallel.</p>			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
Firewalls complete	TBC	21/12/2018	<b>AMBER</b> Path to Green: Confirm supplier lead times for hardware following order placement.	Project plan to be formally baselined upon confirmation of third party lead times.

<b>Project ID</b>	IMT-232A		<b>Project Sponsor</b>	John Wickens
<b>Project Name:</b>	<b>DMARC Email Compliance</b>		<b>Project Manager</b>	Pete Smith
<b>Project Status</b>	Build/In Delivery		<b>Forecast Closure Date</b>	03/12/2018
<b>Project Description</b>	<p>DMARC (Domain-based Message Authentication, Reporting &amp; Conformance), is an email authentication, policy, and reporting protocol. This project will Implement DMARC on Lincolnshire CC's email system to comply with Central Government requirements for secure mail.</p> <p>Business Outcome: To support LCC in the transition away from GCSX secure email, ensuring that staff can continue to send and receive secure email as appropriate.</p> <p>Citizen Benefit: Uplift in security in the Council's network to ensure privacy etc is maintained. Reduce the ability of third parties to generate SPAM email appearing to come from the council.</p>			
<b>Position update</b>	<p>Additional email security due to be implemented this month. Affected third parties sending emails using lincolnshire.gov.uk addresses have been contacted and provided with guidance on the necessary configuration requirements for continuation of sending emails. Project due to complete in next period.</p>			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
Closure Date	03/12/2018	03/12/2018	GREEN	On Track

<b>Project ID</b>	IMT-117		<b>Project Sponsor</b>	John Wickens/ Andrew Jordan
<b>Project Name:</b>	<b>Telephony Enablement (Avaya Upgrade)</b>		<b>Project Manager</b>	Arno Hopman
<b>Project Status</b>	Design & Propose		<b>Forecast Closure Date</b>	31/03/2019
<b>Project Description</b>	<p>The purpose of the Avaya upgrade project is to upgrade the LCC Avaya fixed corporate &amp; CSC telephone system.</p> <p>Business Outcome: Mitigate significant business risk. To update the current system and improve supportability and provide additional features for the CSC.</p> <p>Citizen Benefit: Call centre leveraged new and improved features to optimise and streamline the call handling service.</p>			
<b>Position update</b>	<p>Project Low Level Design is pending LCC review. The design stage is expected to complete this month (subject to Vodafone, LCC and North Kesteven District Council availability). Following Low Level Design completion, build and testing is expected to take approximately 2-3 months, dependent on the user acceptance testing requirements and any issues identified.</p>			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
Low Level Design Approval	09/11/2018	09/11/2018	GREEN	On Track

<b>Project ID</b>	IMT-273		<b>Project Sponsor</b>	Andrew Jordan
<b>Project Name:</b>	<b>CEC Gap Analysis</b>		<b>Project Manager</b>	Carol Wood
<b>Project Status</b>	Design & Propose		<b>Forecast Closure Date</b>	01/03/2019
<b>Project Description</b>	<p>Identification of areas of weakness within the IT provision in the event of the County Emergency Centre being used in an emergency situation.</p> <p>Business Outcome: To support LCC in ensuring its capability for Business Continuity scenarios.</p>			
<b>Position update</b>	<p>The project has been through a number of iterations of business requirements. Following a recent workshop, the project requirements have been revised and clarified. The project is pending receipt of third party quotes expected in the next period, after which cost estimates will be provided to the CEC in order to feed into a funding bid. The project plan has been re-issued for baseline approval. A project change request will be issued to formalise the target dates.</p>			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
Issue options appraisal to Project Sponsor	TBC	25/01/2019	<b>AMBER</b> Path to Green: Project Sponsor to review and approve project plan.	Plan not baselined yet, due to requirements changing.

<b>Project ID</b>	IMT-315		<b>Project Sponsor</b>	Andrea Bowes
<b>Project Name:</b>	<b>Implement Attachit for SNAP</b>		<b>Project Manager</b>	Karl Dawson
<b>Project Status</b>	Build/In Delivery		<b>Forecast Closure Date</b>	Q1-2019
<b>Project Description</b>	<p>Provide LCC but more specifically the Children's Performance Team with the ability to attach documents to SNAP Surveys for Statutory returns.</p> <p>Business Outcome: Enable the SNAP application usage to be increased as a result of the additional functionality.</p>			
<b>Position update</b>	Project proposal approved by LCC 24 <sup>th</sup> July 2018. Resources are being secured. Inaugural project board being convened to agree the project governance and plan.			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
Design Complete	TBC	TBC	<b>AMBER</b> Path to Green: Project plan to be agreed at inaugural project board.	Project has progressed through a stage boundary. Project plan in development for baselining at the inaugural project board.

<b>Project ID</b>	IMT-334		<b>Project Sponsor</b>	Andrew Jordan
<b>Project Name:</b>	<b>Swap out WAPs 2018</b>		<b>Project Manager</b>	Manjit Kaur
<b>Project Status</b>	Build/In Delivery		<b>Forecast Closure Date</b>	09/11/2018
<b>Project Description</b>	<p>To meet the medium term operational availability requirements of the PN and Corporate Wireless solutions and avoid the time out of WAP's used within the PN wireless solution.</p> <p>Business Outcome: To ensure that LCC staff can continue to access the LCC WiFi networks to support their working.</p>			
<b>Position update</b>	<p>The installation of new Wireless Access Points is progressing. Following completion of phase 1, the project is now undertaking phase 2. A new Wireless Lan Controller has been installed to support the new Wireless Access Points. The project plan has been issued for Project Sponsor approval.</p>			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
Phase 2 WLC build complete	09/11/2018	09/11/2018	GREEN	On Track

<b>Project ID</b>	IMT-274		<b>Project Sponsor</b>	Andrew Jordan
<b>Project Name:</b>	<b>Lincoln Retained Infrastructure</b>		<b>Project Manager</b>	Gil Crisp
<b>Project Status</b>	Build/In Delivery		<b>Forecast Closure Date</b>	
<b>Project Description</b>	<p>Refresh of technical infrastructure within Orchard House/Lancaster House data centres for those services not migrated to SunGard Data Centres (for reasons such as latency, resilience against WAN issues, local internet breakout, optimisation of WAN traffic shape).</p> <p>Business Outcome: Mitigate significant business risk. To provide a more robust, efficient technical infrastructure to support LCC service areas in delivering their services.</p> <p>Citizen Benefit: Uplift in security in the Council's network to ensure privacy etc is maintained. Improved uptime for citizen facing web applications.</p>			
<b>Position update</b>	<p>The new Retain environment has been provisioned and scenario testing has been completed to the satisfaction of Computacenter and HP. The Project Sponsor has requested some additional testing which has been completed. The test report is pending Project Sponsor approval. The handover into support is subsequently delayed and the estimated date for this is now 16/11/18 subject to testing sign off.</p>			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
Environment Ready to Consume	07/12/2018	07/12/2018	<p>RED</p> <p>Path to Green: Project Sponsor to approve test report. Project plan to be re-baselined.</p>	Plan in exception following request for additional testing.



<b>Project ID</b>	IMT-277		<b>Project Sponsor</b>	John Wickens
<b>Project Name:</b>	<b>OpenText Migration</b>		<b>Project Manager</b>	Carol Wood
<b>Project Status</b>	Build/In Delivery		<b>Forecast Closure Date</b>	01/04/2019
<b>Project Description</b>	<p>To support LCC and OpenText in migrating the IMP document management system to the OpenText hosted solution.  Business Outcome: Mitigate significant business risk. To provide a robust, better supported platform for IMP (OpenText EDRMS) transferring the hosting and maintenance to OpenText.  To enable LCC to later leverage the benefits offered by the OpenText product.  Citizen Benefit: The new platform will improve the efficiency with which we can archive and delete data in accordance with corporate policy supporting our GDPR obligations to the citizen</p>			
<b>Position update</b>	<p>The project is at the test stage currently. Following initial delays in User Acceptance Testing due to LCC staff illness, a new project baseline plan has been developed and reviewed. As part of the review, an additional test requirement has been identified which is being incorporated in the project plan. The revised target go-live date is the 21st of January 2019 subject to third party availability and incorporation of the newly identified test requirement. A project change request will be raised upon agreement of the new project plan.</p>			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
Service Go live	12/11/2018	21/01/2019	RED Path to Green: Confirm third party availability	Project is in re-planning due to LCC staff illness. New dates have been agreed in principle and subject to third party availability.

<b>Project ID</b>	IMT-323		<b>Project Sponsor</b>	Fiona Railton
<b>Project Name:</b>	<b>X2 Deployment Children Services Frontline Teams</b>		<b>Project Manager</b>	Dominic Jones
<b>Project Status</b>	Close		<b>Forecast Closure Date</b>	13/12/2018
<b>Project Description</b>	<p>Provide the frontline Children's Services staff with the tools to enable them to access key systems while they are out in the field. Business Outcome: Staff able to work more efficiently, and on the move, thus increasing productivity. Provides improved remote access via tablet devices to front line staff.</p> <p>Citizen Benefit: Increased service users contact time and better safe guarding capabilities as improved access to Real Time information.</p>			
<b>Position update</b>	<p>The project rollout is expected to complete by the 20th of November, following a successful deployment with positive feedback received from the LCC users and the Children's Services Director.</p>			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
Deployment Completion	05/01/2019	20/11/2018	GREEN	On Track

Project ID	IMT-341		Project Sponsor	Theo Jarratt
Project Name:	Adult Services SIM enabled laptops		Project Manager	Dominic Jones
Project Status	Close		Forecast Closure Date	02/11/2018
Project Description	<p>To provide the Adults Services staff with sim enabled laptops to enable them to access key systems while they are out in the field. Business Outcome: Adults Services staff provided with new technology which aids their ability to work more efficiently, and on the move, increasing productivity. Provides improved remote access laptop devices to front line staff.</p> <p>Citizen Benefit: Increased service users contact time and better safe guarding capabilities as improved access to Real Time information.</p>			
Position update	The project is now in closure with all required devices deployed and deployment schedule complete.			
Next Milestone Name	Baseline Delivery Date	Forecast/Actual Delivery Date	RAG	Milestone Commentary
Project Completion	23/11/2018	06/11/2018	COMPLETE	

<b>Project ID</b>	IMT-324		<b>Project Sponsor</b>	Helen Tooley
<b>Project Name:</b>	<b>LFR Avaya 999 solution</b>		<b>Project Manager</b>	Dave Betts
<b>Project Status</b>	Design & Propose		<b>Forecast Closure Date</b>	Q1-2019
<b>Project Description</b>	<p>Provide detailed plans for a replacement of LFR's telephone system. Provide an integration of LFR's telephony system to the LCC Corporate telephony system</p> <p>Business Outcome: A robust, modern and supported telephony system that is reliable for LFR HQ and failover 999 services. Integration of LFR's telephony system to the ECHCRC telephony system (which may see a further benefit of reduction of telephony charges).</p> <p>Citizen Benefit: Citizen safety is maintained during technical fault conditions</p>			
<b>Position update</b>	<p>Following completion of the solution design stage, a proposal has been submitted for the implementation stage which is pending LCC approval. In addition to the main project scope, additional LFR requirements in the form of the LFR sick line, Fire Intervention line and CCP server relocations are being reviewed by Vodafone and Capita.</p>			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
LCC/LFR PID/Plan approval complete	20/11/2018	20/11/2018	GREEN	On Track

<b>Project ID</b>	IMT-380		<b>Project Sponsor</b>	Andrew Jordan
<b>Project Name:</b>	<b>EMPSN 10Gb &amp; HSCN</b>		<b>Project Manager</b>	Dominic Jones
<b>Project Status</b>	Proposal Submitted		<b>Forecast Closure Date</b>	Q2-2019
<b>Project Description</b>	<p>LCC have commissioned new services as per the proposal from emPSN/KCom. This project is to provide local assistance and to undertake the design and delivery of the internal engineering changes and hand over to support work required to facilitate the new and uprated connections and ensure the full benefits are realised.</p> <p>The N3 network is connected in to the legacy network and the replacement HSCN network will require logical and physical changes to present this network to LCC's new distribution layer via the internal firewall or in some other suitable topology.</p> <p>Business Outcome: To provide additional LCC Internet access capacity and connectivity to the new Health and Social Care Network to support the secure presentation of key externally hosted Health and Social Care systems.</p>			
<b>Position update</b>	Both of the Statement of Works for each workstream have been re-submitted to LCC on 30/10/2018 and 01/11/2018.			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
SoW Approval	09/11/2018	09/11/2018	GREEN	On Track

Project ID	IMT-381		Project Sponsor	Dave Pennington
Project Name:	LFR South Park Build		Project Manager	Caron Richards
Project Status	Design & Propose		Forecast Closure Date	Q2-2019
Project Description	This project will contribute in respect of the IMT elements of the new tri-service Blue Light Campus, working with partners from LCC Property, LFR, Lincolnshire Police and EMAS.  Business Outcome: New operational Tri-Service Blue Light Campus.  Citizen Impact: Continuation of LFR service for the South of Lincoln.			
Position update	SoW completed and submitted on 15th October for initial review by LCC. Comments discussed and SoW amended and signed off on 1st November and PO received. A Technical Architect resource has been allocated to the project to initiate the work on the Phase 1 deliverables, and initial contact has been made with 3rd parties to define requirements and enable quoting. Regular contact with LCC sponsors and project team, including site visits for meetings and floor plan review.			
Next Milestone Name	Baseline Delivery Date	Forecast/Actual Delivery Date	RAG	Milestone Commentary
Third Party Quotes Receipt	TBC	TBC	AMBER Path to Green: Confirm third party lead time and baseline plan.	Project has progressed through a stage boundary. Plan to be baselined based on third party lead times.

<b>Project ID</b>	IMT-165		<b>Project Sponsor</b>	John O'Connor
<b>Project Name:</b>	<b>Going to Schools Experience – Edica Replacement</b>		<b>Project Manager</b>	Manjit Kaur
<b>Project Status</b>	Build/In Delivery		<b>Forecast Closure Date</b>	
<b>Project Description</b>	Replacement of Children's Services system Edica – used by parents for schools admissions. Business Outcome: Mitigate significant business risk. Functionality will be sustained (this will be a direct replacement for existing software which is no longer available). Citizen Benefit: Improved service availability for Going to Schools services			
<b>Position update</b>	The School Admissions and Free School Meals modules have successfully gone live. The project is progressing on plan overall, with some movement of tasks within stage boundaries. The next go-live is the 'GATS' transport module which is due to go-live in December.			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
GATS go live	11/12/2018	11/12/2018	GREEN	On Track

<b>Project ID</b>	IMT-221		<b>Project Sponsor</b>	Helen Tooley
<b>Project Name:</b>	<b>Sleaford LFR new build</b>		<b>Project Manager</b>	Dave Betts
<b>Project Status</b>	Build/In Delivery		<b>Forecast Closure Date</b>	03/12/2018
<b>Project Description</b>	Sleaford Fire Station will be a new purpose built fire station with accommodation for LFR and LCC staff, in total around 130 staff. Business Outcome: To provide the technical infrastructure and capability to support LFR in occupying the new Sleaford LFR station. Citizen Benefit: Indirect			
<b>Position update</b>	All deliverables are complete with the exception of the UPS installations. These are being reviewed and will be subject to a change control based on amendments to the requirements. Serco provided LCC Property with a quote for the Honeywell Door Access PC on 01/11/2018 and are awaiting guidance on whether this is to be included as an additional requirement of this project			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
Closure Date	03/12/2018	03/12/2018	AMBER Path to Green: Agree project change control and re-baseline plan.	Project closure date under review to allow for implementation of the project change control.



<b>Project ID</b>	IMT-289		<b>Project Sponsor</b>	Pete Moore
<b>Project Name:</b>	<b>LFR HQ control room move to Nettleham</b>		<b>Project Manager</b>	Dave Betts
<b>Project Status</b>	Proposal Submitted		<b>Forecast Closure Date</b>	Qtr. 2 2019
<b>Project Description</b>	<p>LFR Control room moved to Nettleham and fully tested with all services live and working as expected.</p> <p>Business Outcome: To support LFR in realising their strategic plans for relocation.</p> <p>Citizen Benefit: Indirect</p>			
<b>Position update</b>	The project proposal has been approved by LCC on 8 November 2018. The project requirement workshops are being scheduled to allow the stage project plan to be baselined.			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
Closure Date	TBC	TBC	<p>AMBER</p> <p>Path to Green: Agree project change control and baseline plan.</p>	Project progressing through a stage boundary. Project plan to be baselined.

<b>Project ID</b>	IMT-329		<b>Project Sponsor</b>	John Wickens
<b>Project Name:</b>	<b>Office 365 configuration</b>		<b>Project Manager</b>	Pete Smith
<b>Project Status</b>	Design & Propose		<b>Forecast Closure Date</b>	Q1-2019
<b>Project Description</b>	<p>Migration to Office 365, which is a cloud-based subscription service that brings together the best tools for the way people work today. By combining best-in-class apps with powerful cloud services, Office 365 lets anyone create and collaborate anywhere on any device.</p> <p>Business Outcome: To modernise the LCC estate to harness the features available through Microsoft 365.</p> <p>Citizen Benefit: Indirect</p>			
<b>Position update</b>	<p>A limited Proof of Concept is currently in progress within LCC's IMT service. The strategy and approach for a wider Proof of Concept is being developed with 'Risual' a partner brought in to collaborate with LCC and Serco on the project. In parallel with the development of the Proof of Concept strategy, the implementation of core infrastructure and applications is progressing. The Skype collaboration tool has been completed and the mobile device management tool 'Intune' is currently in progress.</p> <p>To allow for Risual lead times, the project plan has been revised and is currently pending LCC approval.</p>			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
Service Definition Agreed	20/11/2018	03/01/2019	<b>AMBER</b> Path to Green: Project Sponsor to review and approve project plan.	Updated project plan pending approval.

<b>Project ID</b>	REM_IMT_001		<b>Project Sponsor</b>	John Wickens
<b>Project Name:</b>	<b>MIM (Microsoft Identity Manager)</b>		<b>Project Manager</b>	Carol Wood
<b>Project Status</b>	On Hold		<b>Forecast Closure Date</b>	Q1-2019
<b>Approved Budget</b>	Transformation		<b>Forecast Budget</b>	Transformation
<b>Project Description</b>	<p>Identity Management – including management of access to the right systems and network services for starters, movers and leavers.</p> <p>Business Outcomes: Ensuring the correct staff have the right level of access to systems and networks for their current role. Provide security and efficiency improvements.</p> <p>Citizen Benefit: Indirect</p>			
<b>Position update</b>	Closure agreed in principle with the Project Sponsor.			
<b>Next Milestone Name</b>	<b>Baseline Delivery Date</b>	<b>Forecast/Actual Delivery Date</b>	<b>RAG</b>	<b>Milestone Commentary</b>
On Hold	On Hold	On Hold	GREEN	On Track

<b>Glossary:</b>
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RAG	Red, Amber, Green. Status applied to assess the 'health' of delivery against Time.
RAID-DA Log	Risks, Assumptions, Issues, Dependencies, Actions & Decisions.
Resilience	The ability for systems to remain operational when failure occurs
Security	The degree to which systems and data are resistant to unauthorised access
Network	A computer network, or data network, is a digital telecommunications network which allows nodes to share resources. In computer networks, computing devices exchange data with each other using connections (data links) between nodes. These data links are established over cable media such as wires or optic cables, or wireless media such as Wi-Fi.
WAN	A wide area network is a telecommunications network or computer network that extends over a large geographical distance/place. Wide area networks are often established with leased telecommunication circuits. Business, education and government entities use wide area networks to relay data to staff, students, clients, buyers, and suppliers from various locations across the world
Data Centre	A data centre is a facility used to house computer systems and associated components, such as telecommunications and storage systems. It generally includes redundant or backup power supplies, redundant data communications connections, environmental controls (e.g. air conditioning, fire suppression) and various security devices
Redundant	Duplication of critical components or functions of a system with the intention of increasing reliability of the system, usually in the form of a backup or fail-safe, or to improve actual system performance
Cloud	Cloud computing is an information technology paradigm that enables access to shared pools of configurable system resources and higher-level services that can be provisioned with minimal management effort, often over the Internet. Cloud computing relies on sharing of resources to achieve coherence and economies of scale, similar to a public utility.

DMARC	Domain-based Message Authentication, Reporting & Conformance”, is an email authentication, policy, and reporting protocol.
DKIM	Domain Keys Identified Mail is an email authentication method designed to detect email spoofing. It allows the receiver to check that an email claimed to have come from a specific domain was indeed authorized by the owner of that domain. It is intended to prevent forged sender addresses in emails, a technique often used in phishing and email spam.
WAP	Wireless Access Point, supporting wireless network connectivity.
CEC	County Emergency Centre (CEC) located at South Park Lincoln. Accommodation utilised in the event of invocation of the CEC in the event of major incidents.
SNAP	Software utilised to manage surveys of LCC staff and citizens.
EMPSN	East Midlands Public Services Network – secure public services network and management organisation, which provides LCCs main inter-site network.
HSCN	Health and Social Care Network – secure public services network specific to Health and Social systems and use cases.

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**Open Report on behalf of Keith Ireland, Chief Executive**

Report to:	<b>Overview and Scrutiny Management Board</b>
Date:	<b>29 November 2018</b>
Subject:	<b>Microsoft Enterprise Agreement</b>

**Summary:**

This report invites the Overview and Scrutiny Management Board (OSMB) to consider a report on the Microsoft Enterprise Agreement which will be presented to the Executive Councillor for Highways, Transport and IT between 3- 14 December 2018. The views of the Board will be reported to the Executive Councillor as part of his consideration of this item.

**Actions Required:**

The Overview and Scrutiny Management Board is invited to:-

- 1) Consider the attached report and to determine whether the Board supports the recommendation(s) to the Executive Councillor for Highways, Transport and IT as set out in the report.
- 2) Agree any additional comments to be passed to the Executive Councillor for Highways, Transport and IT in relation to this item.

**1. Background**

The Executive Councillor for Highways, Transport and IT is due to consider a report on the Microsoft Enterprise Agreement. The full report to the Executive Councillor is attached at Appendix 1 to this report.

**2. Conclusion**

Following consideration of the attached report to the Executive Councillor, the Board is requested to consider whether it supports the recommendation(s) in the report and whether it wishes to make any additional comments to the Executive Councillor. Comments from the Board will be reported to the Executive Councillor.

### **3. Consultation**

#### **a) Have Risks and Impact Analysis been carried out?**

See Appendix 1.

#### **b) Risks and Impact Analysis**

See Appendix 1.

### **4. Appendices**

These are listed below and attached at the back of the report	
Appendix 1	Report on Microsoft Enterprise Agreement to be presented to the Executive Councillor for Highways, Transport and IT between 3 - 14 December 2018

### **5. Background Papers**

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by John Wickens, who can be contacted on 01522 553651 or [john.wickens@lincolnshire.gov.uk](mailto:john.wickens@lincolnshire.gov.uk)



**Open Report on behalf of Keith Ireland, Chief Executive**

Report to:	<b>Councillor R G Davies, Executive Councillor for Highways, Transport and IT</b>
Date:	<b>Between 3 - 14 December 2018</b>
Subject:	<b>Microsoft Enterprise Agreement</b>
Decision Reference:	<b>I016922</b>
Key decision?	<b>Yes</b>

**Summary:**

Approval is sought to re-procure the Council's Microsoft Enterprise Agreement. This agreement is a 3 year term contract to deliver the Licensing for a number of Microsoft products used across the council. This description is quoted from the Microsoft website.

"The Microsoft Enterprise Agreement offers the best value to organizations with 500\* or more users or devices that want a manageable volume licensing program that gives them the flexibility to buy cloud services and software licenses under one agreement".

**Recommendation(s):**

That the Executive Councillor:-

- (i) Approves the re-procurement of the Council's Microsoft Enterprise Agreement for the period 2019-2022 for the purchase of Microsoft cloud services and software licenses; and
- (ii) Delegates to the Chief Executive, in consultation with the Executive Councillor for Highways, Transport and IT, authority to take all decisions and approve the entering into of all such contracts as are necessary to give effect to the above decision.

**Alternatives Considered:**

Not to approve the re-procurement of the Council's Microsoft Enterprise Agreement.

The Council would no longer be able to use its existing software estate and would be unable to migrate to any other alternative software estate within a period of 2-3 years.

The Council's ability to run and manage its business would be fundamentally undermined.

**Reasons for Recommendation:**

To ensure compatibility with the existing software estate to enable continuation of a number of projects to exploit their business advantage already in delivery.

A move away from Microsoft products to alternative products, such as Open Source or the Google cloud services would require 2-3 years to transition and require the complete focus of all technical resource currently available within the Council to achieve those timeframes at significant resource investment. Lincolnshire County Council (LCC) is currently in build phase and alternative strategies are conventionally re-considered when the current raft of in delivery technologies approach the end of their working life.

## **1. Background**

Microsoft is a major Software vendor and their Enterprise Agreement plans are designed to offer significant discounts for products licensed in this way and for cloud services. Products that require per device or per user are typically licensed across the whole organisation.

Microsoft does not negotiate with individual public organisations or departments in the UK however there is a competitive marketplace of accredited resellers available. The Microsoft Enterprise Agreement is available via Government Frameworks and the Crown Commercial Service negotiates terms on behalf of all public sector clients and provides frameworks to facilitate compliant procurement.

Microsoft Cloud Services have grown rapidly subsequent to massive investment and provide a supported and assisted route to migrate increasingly to cloud services. Their cloud services include many capabilities to deliver end to end digital transformation in an accessible way.

Microsoft Enterprise Licensing strategy combined with the various "Crown Agreements" over many years have resulted in a high percentage of Councils using Microsoft products extensively, with some of its document formats becoming de-facto standards over many years. It is not practical to discontinue the use of Microsoft products in an organisation the size of LCC within a timeframe of less than 2 to 3 years, with the cost of the Microsoft licenses only being recoverable in whole product "chunks" and not via incremental reduction over shorter timescales.

The anticipated cost of the core purchase of licences and associated products is approximately between £3.25m- £3.5m over the 3 year contract, depending on the ability to achieve completion of the procurement to secure the early commit price reduction. This reduction combined with other rationalisation would represent a saving of £500K if the products utilised were static over the life of the agreement, though in practice the product mix changes over the life of the agreement.

The procurement also includes a requirement for the supplier to be able to supply software from manufacturers other than Microsoft on an ad-hoc basis but, does not give the successful bidder exclusivity to supply additional requirements. The value of additional requirements during the contract period is estimated at an additional £750,000 which gives a total contract value of approximately £4m for the 3 year contract.

LCC has a number of projects based upon Microsoft technology moving to the delivery phase, and exploiting the benefits of that work is not possible without the correct licensing in place.

## **2. Legal Issues:**

### Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- \* Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act
- \* Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- \* Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- \* Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic
- \* Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it
- \* Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding

Compliance with the duties in section 149 may involve treating some persons more favourably than others

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant

material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process

Equality Act considerations have been taken into account and there are not considered to be any impacts of this decision.

Joint Strategic Needs Analysis (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health & Well Being Strategy (JHWS) in coming to a decision

The JSNA and JHWS have been considered and this decision is not considered to have any direct impact on them.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area

Consideration has been given to the section 17 requirements JSNA and JHWS and this decision is not considered to have any direct impact on them.

### **3. Conclusion**

During 2017&18 LCC has progressed with an IMT technical plan which included many core Microsoft technologies and this work is ongoing and many projects are in the delivery stage. To leverage that existing investment licensing must be maintained to allow LCC to exploit the value of this work.

#### **4. Legal Comments:**

The Council has the power to enter into the contracts proposed. Appropriate use of a Crown Commercial Service framework will enable the Council to procure in a way that is compliant with its procurement obligations.

The decision is consistent with the Policy Framework and within the remit of the Executive Councillor

## **5. Resource Comments:**

Accepting the recommendation will incur the costs which are detailed in the body of this report. These costs will be met from the approved revenue budgets for the IMT service.

## **6. Consultation**

### **a) Has Local Member Been Consulted?**

N/A

### **b) Has Executive Councillor Been Consulted?**

Yes

### **c) Scrutiny Comments**

This decision will be considered by the Overview and Scrutiny Management Board at its meeting on 29 November 2018 and the comments of the Committee will be provided to the Executive Councillor.

### **d) Have Risks and Impact Analysis been carried out?**

Yes

### **e) Risks and Impact Analysis**

See the body of the Report

## **7. Background Papers**

No Background Papers within the meaning of section 100D of the Local Government Act 1972 were used in the preparation of this Report.

This report was written by John Wickens, who can be contacted on 01522 553651 or [john.wickens@lincolnshire.gov.uk](mailto:john.wickens@lincolnshire.gov.uk)

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**Open Report on behalf of Keith Ireland, Chief Executive**

Report to:	<b>Overview and Scrutiny Management Board</b>
Date:	<b>29 November 2018</b>
Subject:	<b>2018/19 Council Business Plan Quarter 2</b>

**Summary:**

This report invites the Overview and Scrutiny Management Board (OSMB) to consider a report on the 2018/19 Council Business Plan Quarter 2 which will be presented to the Executive on 18 December 2018. The views of the Board will be reported to the Executive as part of its consideration of this item.

This report also presents the Council Business Plan performance indicators that fall within the remit of the Board.

**Actions Required:**

The Overview and Scrutiny Management Board is invited to:-

- 1) Consider the attached report and to determine whether the Board supports the recommendation(s) to the Executive as set out in the report.
- 2) Agree any additional comments to be passed to the Executive in relation to this item.
- 3) Comment on the Council Business Plan performance indicators that fall within the remit of the Board.

**1. Background**

The Executive is due to consider a report on the 2018/19 Council Business Plan Quarter 2 (Q2) at its meeting on 18 December 2018. The full report to the Executive is attached at Appendix 1 to this report.

There are a small number of measures that fall within the remit of this Board. There is only one measure reported in Q2 where it is appropriate to compare with a target. This is the 'Achievement of KPIs for the VINCI Facilities Partnership Limited contract'. The target was achieved in Quarter 2. The 'Capital receipts' measure now reports the value of S77 which relates to the disposal of school playing fields as it is necessary to have approval from the Secretary of State for Education on where such receipts are spent. It is worth noting that the £20m capital receipts

target runs to March 2019 and the current total receipts to date are £11.2m. The current forecast for end March 2019 is £14.9m. All of the measures that fall within the remit of this Board can be viewed [here](#).

When considering this report, OSMB may wish to pay particular attention to updates from the Chairman of each scrutiny committee on any points they wish to bring to the attention of OSMB including the following:-

- Plans to amend targets and/or measures which are no longer appropriate;
- Time frames for reviewing measures within the commissioning strategies in readiness for updating the Council Business Plan for approval by Council in February 2019;
- The partnership working taking place to improve the outcome for measures which are outside of the responsibility of the County Council e.g. Reoffending rates.

## **2. Conclusion**

Following consideration of the attached report to the Executive, the Board is requested to consider whether it supports the recommendation(s) in the report and whether it wishes to make any additional comments to the Executive. Comments from the Board will be reported to the Executive.

## **3. Consultation**

### **a) Have Risks and Impact Analysis been carried out?**

No

### **b) Risks and Impact Analysis**

Any changes to services, policies and projects are subject to an Equality Impact Analysis. The considerations of the contents and subsequent decisions are all taken with regard to existing policies.

## **4. Appendices**

These are listed below and attached at the back of the report	
Appendix 1	Report on 2018/19 Council Business Plan Quarter 2 to be presented to the Executive at its meeting on 18 December 2018
Appendix 2	OSMB Council Business Plan Measures

## **5. Background Papers**

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Jasmine Sodhi, who can be contacted on 01522 552124 or [jasmine.sodhi@lincolnshire.gov.uk](mailto:jasmine.sodhi@lincolnshire.gov.uk).



**Open Report on behalf of Keith Ireland, Chief Executive**

Report to:	<b>Executive</b>
Date:	<b>18 December 2018</b>
Subject:	<b>Council Business Plan 2018 - 2019 Performance Report, Quarter Two</b>
Decision Reference:	<b>I015767</b>
Key decision?	<b>No</b>

**Summary:**

This report presents an overview of performance for Q2 against the Council Business Plan.

Executive can view performance on the web using this [link](#) .

**Recommendation(s):**

That Executive:-

- (1) Note and consider 2018/2019 Quarter 2 performance.
- (2) Approve the proposed change to reporting as set out in this report.

**Alternatives Considered:**

1. No alternatives have been considered to recommendation 1 as it reflects factual information presented for noting and consideration.
2. The alternative to recommendation 2 is not to make any changes in reporting as recommended in this report and instead to continue to report against the measures as published in the Council Business Plan 2018/2019. However, without the recommended change, these measures are not considered to assist the Executive in obtaining an accurate picture of the organisation's performance.

**Reasons for Recommendation:**

To provide the Executive with information about Quarter 2 performance against the Council Business Plan 2018/2019 and propose changes to reporting to assist the Executive in monitoring that performance in future.

## 1. Background

The Council Business Plan 2018/2019 was approved by Council on 23rd February 2018. This report provides the Executive with highlights of Q2 performance. The full range of performance is hosted on the Lincolnshire Research Observatory (LRO) available to view on this [link](#)

### Headlines Quarter 2 performance

Of the 14 commissioning strategies reported in Q2:-

7 performed really well (all measures reported in Q2 achieved the target); 3 performed well (all but 1 measure reported in Q2 achieved the target); 4 had mixed performance (some measures achieved and some measures did not achieve the target in Q2).

The following 3 commissioning strategies are reported annually in Q4:-

- [Learn and achieve](#)
- [Readiness for school](#)
- [Sustaining and developing prosperity through infrastructure](#)

### The good news

The following 7 commissioning strategies have performed really well (all measures reported in Q2 achieved the target). It is worth noting that all 7 also performed really well in Q1, with the exception of the Carers commissioning strategy which has seen an improved direction of travel from mixed performance in Q1).

#### [Carers](#)

#### [Children are safe and healthy](#)

#### [How we effectively target our resources](#) (Combination of 3 commissioning strategies)

#### [Readiness for Adult Life](#)

#### [Sustaining and growing business and the economy](#)

In Q1 the service reported that [Carers supported in the last 12 months per 100,000 population](#) (measure 59) was expected to increase and had revised the target to 1,730 per 100,000 population. Although the revised target was not achieved in Q1, the target has been achieved in Q2 with an increase of 232 carers supported compared with Q1.

As reported in Q1, in the Protecting the public commissioning strategy the Trading Standards Service planned a number of operations for Q2 for [Illicit alcohol and tobacco seized](#) (measure 1). This has resulted in a significant increase in seizure figures of 10,522 in Q2 exceeding the annual target of 6,000.

Since Q1, in the Protecting and sustaining the environment commissioning strategy, data for 'CO2 emissions from County Council Activity' (Measure 74) is now available. A 23.4% reduction from the 2011/12 baseline was achieved, which has exceeded the target of 22% reduction by March 2018. A reduction of 4,933 tonnes of CO2 from the 2016/17 figure (a reduction of 68,502 tonnes to 63,569 tonnes) has been achieved. There has been a significant reduction of 3,419 tonnes almost exclusively from Street lighting. This is due to the upgrading of street lights to LED and part night lighting.

The following 3 commissioning strategies performed well (all but 1 measure reported in Q2 achieved the target). It is worth noting that all 3 also performed well in Q1:-

[Adult Frailty, long term conditions and physical disability](#)

[Safeguarding adults](#)

[Specialist adult services](#)

### **Mixed performance**

The following 4 commissioning strategies had mixed performance (some measures achieved and some measures did not achieve the target). It is worth noting that the Wellbeing strategy performed well in Q1 and the Protecting and sustaining the environment commissioning strategy has seen improved direction of travel with the CO2 emissions out turns:-

[Community resilience and assets](#)

[Protecting and sustaining the environment](#)

[Protecting the public](#)

[Wellbeing](#)

Appendix A provides a summary of the measures that did not achieve the target in Q2. Four measures are reported as not achieving the target for the first time this year: - Protecting the public commissioning strategy - Adults Reoffending, Juvenile reoffending; Primary fires and in the Wellbeing commissioning strategy - People successfully supported to quit smoking.

### **Proposed change to reporting performance against the Council Business Plan 2018/19**

Following a request for clarification raised at Overview and Scrutiny Management Board when the Q1 performance report was discussed, the title of the measure in the Wellbeing Commissioning Strategy 'Percentage of alcohol users left drug treatment successfully' has been amended to 'Percentage of alcohol users left specialist treatment successfully'. The definition of the measure remains unchanged. This change of title of the measure has been made to the infographics.

### **Data not available in Q2**

It is not appropriate to report data for the 'Safeguarding enquiries where the Source of Risk is a service provider' (Measure 114) as work is on-going to ensure that accurate data for this measure can be consistently collected following a change in the safeguarding screening processes which have been implemented this year. It is expected that data for Q2 period will be available by 1<sup>st</sup> December 2018.

## **2. Legal Issues:**

### **Equality Act 2010**

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

\* Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act

\* Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it

\* Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

\* Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic

\* Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it

\* Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process.

The Report presents performance against the outcomes and measures that are the Council Business Plan many of which relate to people with a protected characteristic including young people, older people and people with a disability. It is the responsibility of each service when it is considering making a change, stopping, or starting a new service to make sure equality considerations are taken into account and an equality impact analysis completed.

#### Joint Strategic Needs Analysis (JSNA and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health & Well Being Strategy (JHWS) in coming to a decision

The Report presents performance against the outcomes and measures that are the Council Business Plan many of which relate directly to achievement of health and wellbeing objectives.

## Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

The Report presents performance against the outcomes and measures that are the Council Business Plan some of which relate to crime and disorder issues.

### **3. Conclusion**

This report presents an overview of performance for Quarter 2 against the Council Business Plan 2018/2019 and proposed changes to reporting to assist the Executive in monitoring that performance in future. Executive is invited to consider performance and consider and approve the proposed changes to reporting.

#### **4. Legal Comments:**

The Executive is responsible for ensuring that the Executive functions are discharged in accordance with the Budget and Policy Framework of which the Business Plan is a part. This report will assist the Executive in discharging this function.

The recommendation is lawful and within the remit of the Executive.

#### **5. Resource Comments:**

Acceptance of the recommendation in this report has no direct financial consequences for the Council.

### **6. Consultation**

#### **a) Has Local Member Been Consulted?**

N/A

#### **b) Has Executive Councillor Been Consulted?**

N/A

#### **c) Scrutiny Comments**

The Overview and Scrutiny Management Board is due to consider this report at its meeting on 29 November 2018. The comments of the Board will be presented to the Executive.

**d) Have Risks and Impact Analysis been carried out**

No

**e) Risks and Impact Analysis**

Any changes to services, policies and projects are subject to an Equality Impact Analysis. The considerations of the contents and subsequent decisions are all taken with regard to existing policies.

**7. Appendices**

These are listed below and attached at the back of the report	
Appendix A	Summary of measures where the target was not achieved in Quarter 2

**8. Background Papers**

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Jasmine Sodhi, who can be contacted on 01522 552124 or [jasmine.sodhi@lincolnshire.gov.uk](mailto:jasmine.sodhi@lincolnshire.gov.uk) .

## Appendix A

Summary of those measures where the target was not achieved in Quarter 2

**The following 4 commissioning strategies had mixed performance** (some measures achieved and some measures did not achieve the target)

1. [Community resilience and assets commissioning strategy](#) the following 2 measures have not achieved the target in Q2. Both did not achieve the target in Q1.

- [Contact with the heritage service](#) (Measure 35)

An actual of 2,108,174 was achieved in Q2 against a target of 2,700,000 (cumulative). Visitor numbers (in person) have declined by 14% in Q2 2018/2019 (137,213) compared with Q2 2017/2018 (160,152). This is despite great success at Lincoln Castle due to the Lego exhibition over the summer period. This is reflective of the Culture Sector where visitor numbers are declining nationally, as reported by Visit England, on average by 10%. There continues to be on-going difficulties affecting the Lincs to the Past website (reported in Q1). Due to a fault with the e-purchasing functionality, the website has seen fewer visits than previous years and this is reflected in the performance for this measure. The Service is moving away from quantitative measures where visitor numbers are used as a measure of success and moving towards qualitative feedback which highlights a higher quality offer which in turn drives repeat visits.

- [Visits to core libraries and mobile library services](#) (Measure 36)

An actual of 756,863 was achieved in Q2 against a target of 837,167. As reported in Q1, the lower number of visits is attributed to an increase in the gap between customer expectation of IT requirements and the current ability to meet this. It also needs to be recognised that this is against a national picture of declining library visits as well as there being more options for our customers within their local communities from the independent Community Hub provision. Quarter two does show a 6.7% increase when compared to quarter 1 of 2018/19 and both GLL and LCC are committed to working together moving forwards to ensure a modern IT offer can be implemented in the near future, ensuring that customer's needs are fully met.

2. [Protecting the public commissioning strategy](#) – the following 5 measures have not achieved the target in Q2. Two of the measures (unsafe and counterfeit good removed from the market and alcohol related violent crime) did not meet the target in Q1. The other 3 measures did meet the target in Q1.

- [Unsafe and counterfeit goods removed from the market](#) (Measure 2)

Actual performance continues to be significantly below target. 2,359 counterfeit and unsafe goods have been removed from the market so far in 2018/2019, compared

with a target of 12,000. 1,494 were removed as they were unsafe, which included the latest must have toys 'Squishems' (also reported in Q1). 865 items were removed from the market due to being counterfeit. As reported in Q1, the service has conducted a number of safety sampling projects with more planned. The service is also working with premises to bring them into compliance and ensure these venues are not knowingly or unknowingly trading in counterfeit or unsafe goods. The annual target is 31,000.

- [Alcohol related violent crimes](#) (Measure 6)

As reported in Q1, discussion with the Executive Councillor is planned and an alternative measure will be proposed. There were 1,673 incidents in Q2 against a target of 880, which is an increase in alcohol related violence of 81% compared with Q2 2017/2018 when 926 incidents were reported. The apparent increase in alcohol-related violence is due to a change in recording practices within the police and does not reflect an increase in actual levels of violence. As a result the data is no longer comparable to previous quarters and the service recommends that this measure is removed from the Council Business Plan.

- [Adults Reoffending](#) (Measure 14)

This measure is reported with a one quarter lag, Q1 is the latest performance. Between April 2017 and June 2017 there were 1,548 adult offenders (the cohort). In the 12 months following identification (between April 2017 to June 2018), of those 1,548 adult offenders, 465 re-offended resulting in the 30% adult re-offending rate, against a target of 28.7%. On average, each reoffender committed 3.6 additional crimes within twelve months of their index offence. The most prolific offenders continue to be adopted by the ARC (Assisting Rehabilitation through Collaboration) scheme.

- [Juvenile reoffending](#) (Measure 125)

As reported in Q1, the Ministry of Justice has changed the methodology for measuring reoffending. There has been a move to a three month cohort rather than a 12 month cohort. The cohort will still be tracked over 12 months. Changing from 12 month cohorts to the 3 month cohorts results in a greater proportion of prolific offenders and hence higher reoffending rates, though both measures show similar trends over time at a national level.

Currently Lincolnshire is performing at 42.4% compared with a target of 39.8%, which is a higher rate than both the Regional rate of 40.5% and the National rate of 41.3%. However, the actual numbers of re-offenders has continued to fall, with 42 out of 99 young people re-offending in the reported quarter. As the cohort will be measured over a 3 month period, instead of a 12 month period, it is unclear as to how this will affect future performance figures. For example, seasons can affect re-



offending rates; historically re-offending rates have increased during summer months, therefore it remains to be seen how the change in methodology to a 3 month cohort will affect performance and trends moving forward. It is worth noting that this measure met the target in Q1 (30.7% reoffending rate compared with a target of 39.8%).

- **Primary fires** (Measure 19)

The service is currently behind target and have also seen an increase of 39 primary fires compared to quarter 2 last year (up from 601 to 640). This increase is due to a rise in fires involving farm related property types (farm buildings, equipment, vehicles and haystacks/crops) which have more than doubled (up from 56 to 116). This increase occurred during July and August when the country experienced a long spell of hot temperatures coupled with very dry weather. During this time we conducted a continuous media campaign to promote the dangers and increased risk associated with the long spell of hot temperatures. On a positive note however, there has been a reduction in the number of dwelling fires – down from 202 during quarter 2 last year to 185 this year (8.4% reduction). It is worth noting that the target was achieved in Q1.

### 3. **Wellbeing commissioning strategy**

- **Percentage of alcohol users left specialist treatment successfully**  
(Measure 31)

This measure is reported with a one quarter lag and so the latest performance is for Q1. In Q1 we reported performance for Q4 2017/2018 and the measure was improving but had not achieved the target. Latest performance (Q1) has dropped from 37.4 (in Q4) to 35.2 per cent. This indicates that performance has now stabilised between 35-37 per cent over the past reporting year. The number of successful completions has remained consistent with 243 in Q4 and 240 in Q1. The numbers in treatment have increased, further leading to the percentage reduction. The service continues to run at maximum capacity with workers holding high caseloads to avoid starting a waiting list which affects the rate quality outcomes which can be achieved. The provider continues to work towards the 40 per cent target but given the smaller capacity and more chaotic nature of the service users it can be anticipated this is where performance will remain over the remainder of the financial year.

- **People successfully supported to quit smoking** (Measure 111)

This is a new measure for the Council Business plan and is reported with a one quarter lag. Therefore Q1 performance is the latest available data for this measure.

Quit 51, the commissioned provider of stop smoking services for Lincolnshire, achieved 524 compared with a target of 600 - 65.5% of the Quarter 1 target. The service is targeting the most hardened smokers specifically: pregnant smokers; smokers with mental health conditions; and smokers with long term conditions. This has impacted on the numbers of smokers accessing the service. The service is working hard to break down barriers to engage with these groups to access the services on offer. This in turn can affect the number of people who then go on to successfully quit smoking. The average quit rate for the quarter was 49% which compared to the England average of 49%.

4 **Protecting and sustaining the environment commissioning strategy**  
(both measures also did not achieve the target in Q1)

- **Recycling at County Council owned Household Waste Recycling Centres (HWRC)** (Measure 76)

An actual of 74.2% was achieved against a target of 75%, this equates to 31,173 tonnes. The service has not set a target range for this measure. The year-end forecast is expected to be 71.86%, lower than the Q2 out turn due to more composting in the summer.

- **Household waste recycled** (Measure 78)

The target is 55%. An actual of 46.6% was achieved in Q2 (48.97 in Q1).

Usually the recycling rate for Q2 is expected to be higher than the overall yearly forecast due to more composting in summer months. The growing conditions over this year so far have seen a reduced level of composting. This combined with the increased non-recyclables being seen in the kerbside collections and the effects on the Mixed Dry Recycling (MDR) operations means the service is predicting a year-end forecast of 41.5% - lower than the year end actual last year (43.9%). This contamination level is being addressed with the Districts Councils as part of the next MDR contract and Waste Strategy to ensure we have a resource which is acceptable to the processing contractors and they tender accordingly.

**The following 3 commissioning strategies performed well** (all but 1 measure reported in Q1 achieved the target):-

1. **Adult Frailty, long term conditions and physical disability**

- **Adults who receive a direct payment** (Measure 63)

In Q1 actual performance was 33.5% against a target of 40%. The service reported that it expected to see an improvement in performance moving into Q 2. Q2 performance is 31.9% against a target of 40%, this is due to process and recording issues which have delayed a number of direct payment services from being recorded

on Mosaic in a timely way. This is being explored currently and the service expects these to be resolved in Quarter 3.

2      **Safeguarding adults commissioning strategy**

- **Percentage of completed safeguarding referrals where source of risk was a service provider** (Measure 114)

This measure remains outside target (actual 52%, target 31%). As reported in Q1, due to a change in the screening processes which were implemented to enable the service to capture data more accurately at different stages of the process. This measure is currently under review as it is limited in its helpfulness.

3      **Specialist adult services commissioning strategy**

- **Percentage of adults aged 18-64 with a mental health need in receipt of long term support who have been reviewed** (Measure 119)

Performance continues to be behind target (actual 37% compared with a target of 48%). There have been some fluctuations in performance whilst vacancies in teams are addressed but assurance has been provided by LPFT (Lincolnshire Partnership NHS Foundation Trust) that the target will be met by year end.

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## We effectively target our resources

Get better value from our use of land and buildings by assessing performance

### Capital receipts

This measure shows the capital receipts generated from the sale of Lincolnshire County Council's surplus assets. Progression through property disposal towards a triennial set capital receipts target. A higher amount of capital receipts indicates a better performance.

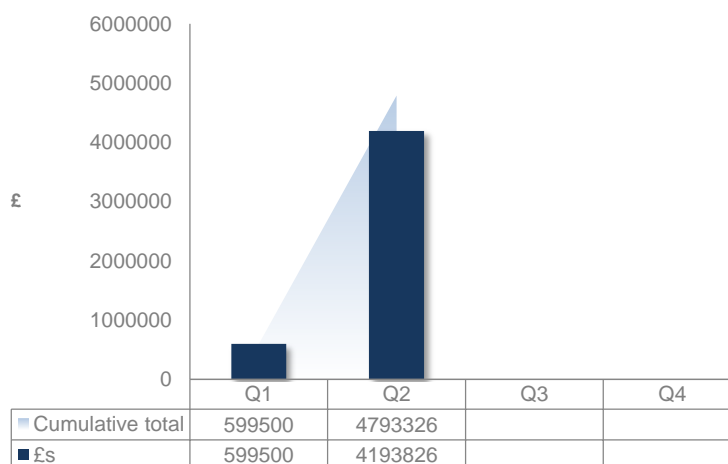
Measured

4,793,326

£

Cumulative Actual as at April  
2018-September 2018

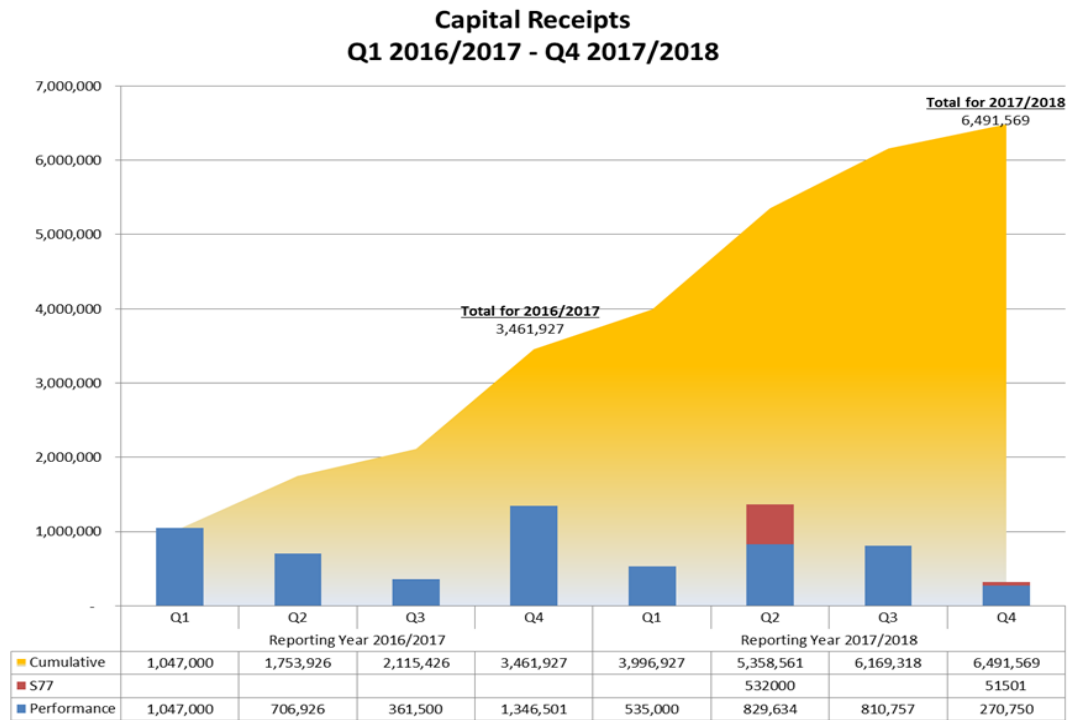
### Capital receipts



#### About the latest performance

The £20m disposals target is a three year plan and we are now half way into the final year. In previous periods, only the gross receipt figure has been reported – with an increase in disposals that are subject to S.77 (of the School Standards and Framework Act), it seems appropriate to report both the gross and net figures to take into account the portion of some receipts that are ring-fenced under specific statute relating to the disposal of school playing fields. In order to dispose of land which has been school playing fields within the last ten years, it is necessary to have approval from the Secretary of State for Education – the SoS can decide where such receipts are spent, including calling them in for use by the Department for Education. In order to maximise the receipt to Lincolnshire, and ensure that the SoS does not call in the receipt, a local education scheme is put forward for the receipt to be ring-fenced. Recently, large amounts of receipts under this statute have been put towards the outdoor works at the new Poplar Farm Primary in Grantham. The current total receipts to date are £10,357,394 net of s.77 and £11,284,895 gross. The current forecasted total for the end of the target period is £13,316,272 net of s.77 and £14,903,773 gross. A number of potential capital receipts are now more likely to complete in 2019/20 and have been discounted from the current three year projection on this basis. Corporate Property are awaiting decisions on other potential disposals which could add to the total receipt.

## Further details



### About the target

The capital receipts target is a triennial target of £20m by 2019, as we cannot predict when properties will sell on the open market or specifically how much we will receive in capital receipts.

### About the target range

No target range has been set for this target.

### About benchmarking

This measure is local to Lincolnshire and is not benchmarked against other authorities or areas.



We effectively target our resources

New support services partnership contracts perform effectively and efficiently to allow the Council to achieve its commissioning outcomes

### Achievement of KPIs - VINCI Facilities Partnership Limited contract

An overall score of over 75% is required for the contractor to benefit from financial incentives gained by performing lower than their target costs.

At the start of the next year the Employer reviews the targets and weightings for Key Performance Indicators. The Council reserves the right to suspend the application of any gain share which the Contractor may be entitled to in the event of any occurrence of an investigation of Regulatory Body e.g. Health and Safety Executive, Environment Agency, and in the event of a successful prosecution and/or claim disallow the application of the gain share.

Key performance indicators provide percentage scores against baseline performance for the overall service and for each individual service area of the VINCI Facilities Partnership Limited contract. The contractor's performance is incentivised to stimulate continuous improvement in providing the service.

The contractors score determines their access to any financial gain accrued through performing below their target costs submitted at tender.

Services measured and their percentage weighting are:-

Project services – 22.5%;

Managed services – 15%;

Hard FM Services – 22.5%;

Soft FM services – 22.5%;

Other property services – 12.5%; and

General service – 5%.

A higher percentage of KPIs achieved indicates a better performance.



Achieved

95.6

%

Quarter 2 September 2018

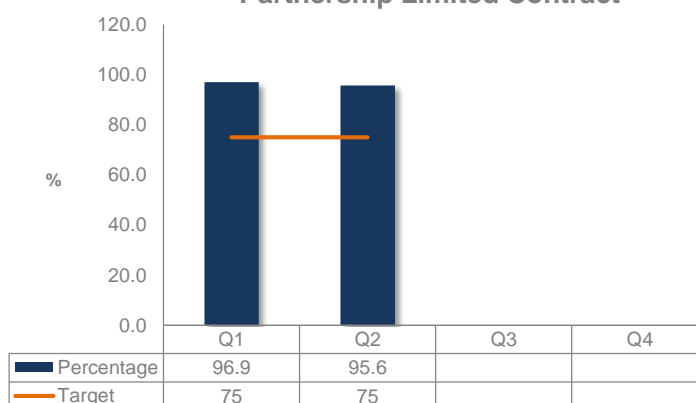


75

%

Target for September 2018

#### Achievement of KPIs - VINCI Facilities Partnership Limited Contract

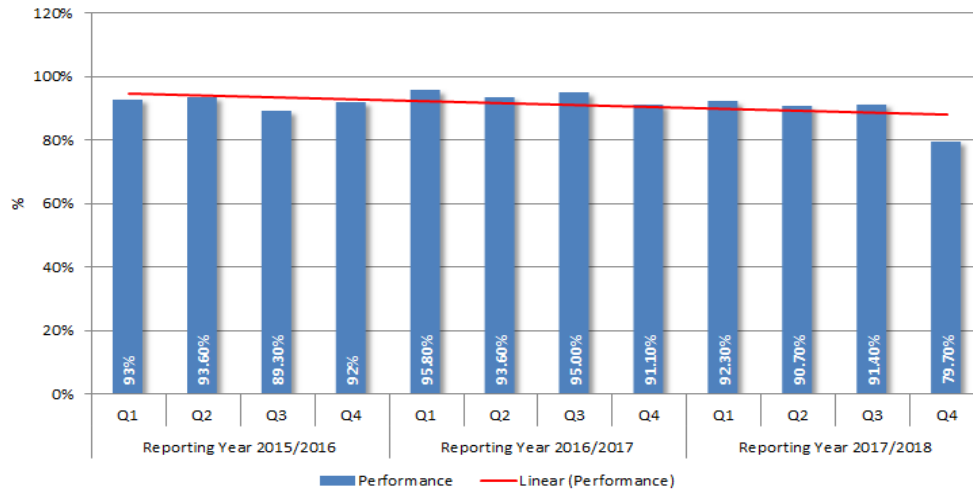


#### About the latest performance

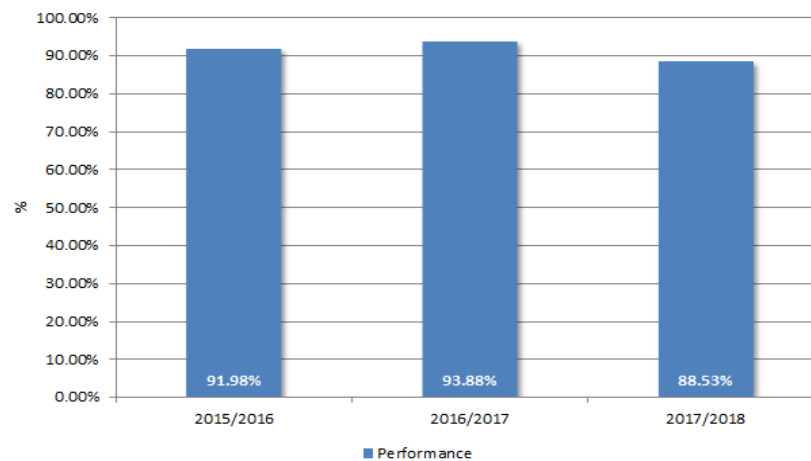
Vinci have maintained a high level of performance throughout Quarter 2. There were no missed statutory maintenance tasks and customer satisfaction scores were positive.

## Further details

### Achievement of KPIs - VINCI Facilities Partnership



### Average Annual Achievement of KPI's - VINCI Facilities Partnership



## About the target

A score of 75% was set at tender stage. It is deemed to be commercially appealing whilst still ensuring high standards. In order for the Contractor to be eligible to any gain share they must achieve an overall performance of 75% and 75% for each Service Category. Lincolnshire County Council has set a aspirational internal target of 90% to influence target outcomes based on continuous improvement.

## About the target range

The lower range is 75%.

## About benchmarking

There is an aspiration to benchmark performance in the future.



**Open Report on behalf of Pete Moore, Executive Director of Finance & Public Protection**

Report to:	<b>Overview and Scrutiny Management Board</b>
Date:	<b>29 November 2018</b>
Subject:	<b>Treasury Management - Quarter 2 Update Report 2018/19 to 30 September 2018</b>

**Summary:**

This report has been prepared in accordance with the reporting recommendations of the CIPFA Code of Practice 2017 and details the Council's treasury management activities for the first half of 2018/19 to 30 September 2018, comparing activity to the Treasury Management Strategy for 2018/19 that was approved by the Executive Councillor for Finance on 20<sup>th</sup> March 2018. It will also highlight any key issues arising in treasury management during this period. Non treasury investments, as defined by recent Government Investment Guidance, are not included in this report and will be picked up within the Capital Strategy Reporting due later in the year along with the Council Budget Report for 2019/20.

**Actions Required:**

That the report be noted and any comments to be passed onto the Executive Councillor with responsibilities for Finance.

## **1. Background**

1.1. Treasury Management relates to the policies, strategies and processes associated with managing the cash and debt of the Council through appropriate borrowing and lending activity. It includes the effective control of the risks associated with the lending and borrowing activity and the pursuit of optimum performance consistent with the risks.

1.2. This quarterly update report will be presented in the form of a **quarterly bulletin** that will cover the main issues arising to 30<sup>th</sup> September 2018 in the following areas:

- Interest rate review, economic overview and revised interest rate forecast.
- Annual investment strategy/ authorised lending list changes during the quarter.
- Investment position and comparison with strategy.

- Borrowing & debt rescheduling position and comparison with strategy.
- Other Treasury Management issues arising during period.

1.3. This quarterly bulletin report can be found at Appendix A.

1.4. For further information, the Council's Authorised Lending List at 30<sup>th</sup> September 2018, together with a key explaining the credit rating scores can be found in Appendix B.

1.5. For further information, a full list of investments held at 30<sup>th</sup> September 2018, combined with the creditworthiness list provided by Link Asset Services is shown in Appendix C.

## **2. Conclusion**

The Base Rate was increased by 0.25% to 0.75% on 2<sup>nd</sup> August 2018 and both Short Term and Long Term Rates have risen accordingly. The Council continues to outperform the investment benchmark by lengthening the Weighted Average Maturity of the Fund. No external borrowing has been undertaken to date. The cost of the Council's borrowing at 30<sup>th</sup> September 2018 was 4.12%. The Council's internal borrowing level stood at £82.152m at 31<sup>st</sup> March 2018 with £21.946m of internal borrowing being carried forward in 2018/19 along with capital expenditure and borrowing requirement underspends. Temporary borrowing of £5m was outstanding at 30<sup>th</sup> September 2018, taken to cover predicted liquidity shortfalls at a cost neutral level.

A Capital Strategy is being formulated to meet the requirements of the new Prudential Code 2017 and will align with the 2019/20 Budget Report. Accounting requirements under IFRS9 – Financial Instruments will be followed and a Strategy Override for 5 Years has been provided by MHCLG to mitigate Balance Sheet problems for Councils as a result of IFRS9. Treasury management training for Members is being arranged for 31<sup>st</sup> January 2019, which will include guidance on the Capital Strategy.

## **3. Consultation**

### **a) Have Risks and Impact Analysis been carried out?**

Yes

### **b) Risks and Impact Analysis**

Risk & Impact Analysis for Treasury Management forms TMP1 of the Treasury Management Practices, as required by the CIPFA Code of Practice 2017. A Risk Register which details the main risks for Treasury Management has been completed and is reviewed annually. Both the TMPs and the Risk Register are held in the Treasury Files held on IMP at County Offices.

#### 4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Quarter 2 Treasury Management Bulletin Report at 30 September 2018 - Lincolnshire County Council.
Appendix B	Authorised Lending List and Credit Rating Key.
Appendix C	Investment Analysis Review at September 2018 - Link Asset Services Ltd.

#### 5. Background Papers

Document title	Where the document can be viewed
Treasury Management Strategy Statement and Annual Investment Strategy 2018/19 -23/3/2018	Lincolnshire County Council, Finance and Public Protection
Council Budget 2018/19 - 23/2/2018	Lincolnshire County Council, Finance and Public Protection

This report was written by Karen Tonge, who can be contacted on 01522 553639 or [karen.tonge@lincolnshire.gov.uk](mailto:karen.tonge@lincolnshire.gov.uk)

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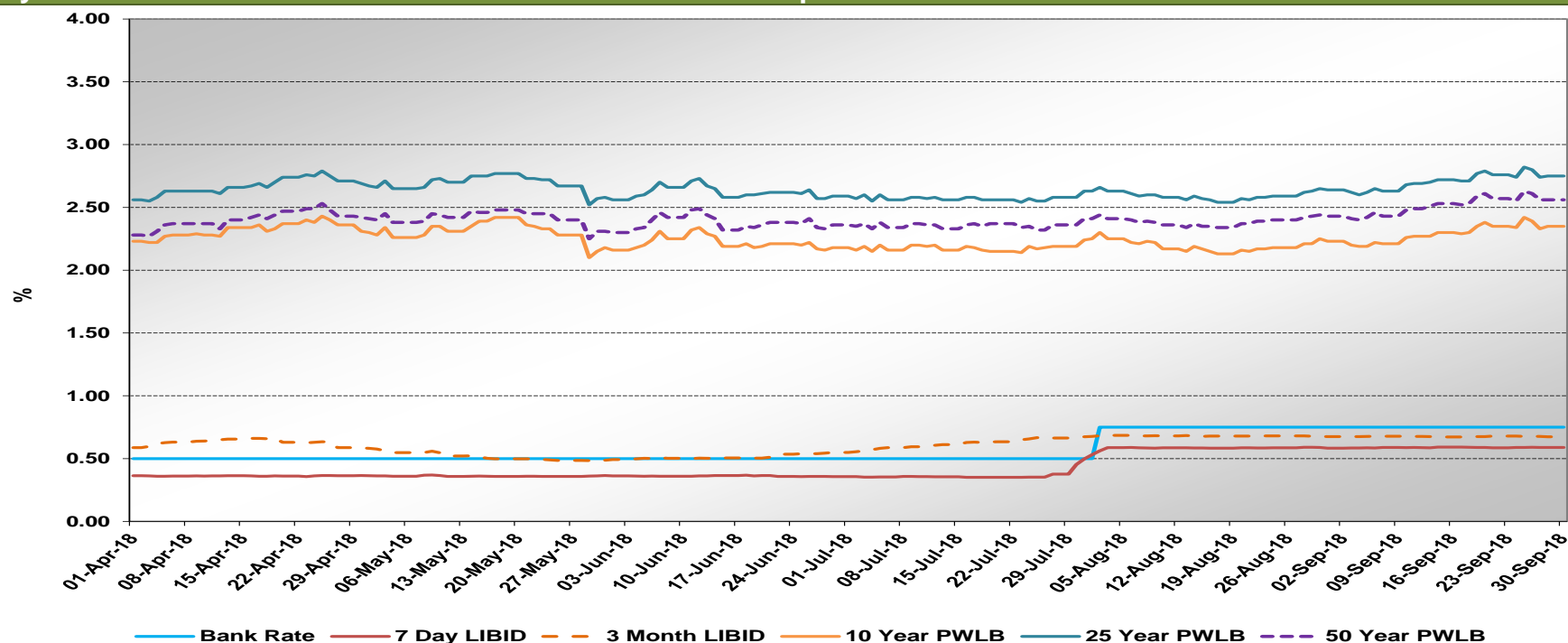
## Quarter 2 Treasury Management Bulletin Report at 30<sup>th</sup> September 2018 – Lincolnshire County Council

### Interest Rate Forecast at Time of Strategy 2018/19 – March 2018

**Short Term Rates:** 0.75% by March 2018

**Long Term Rates:** Up by 0.30% by March 2018

### Key Interest Rate Movement 2018/19 Over Period To 30<sup>th</sup> September 2018



### Key Economic Data

	Qtr 1	Qtr2	Annual Forecast	Direction of Travel
UK GDP	0.1%	0.4%	1.3%	Down
CPI Inflation	2.4%	2.7%	2.1%	Up
Base Rate	0.50%	0.75%	0.75%	Up

### Threats To Economy

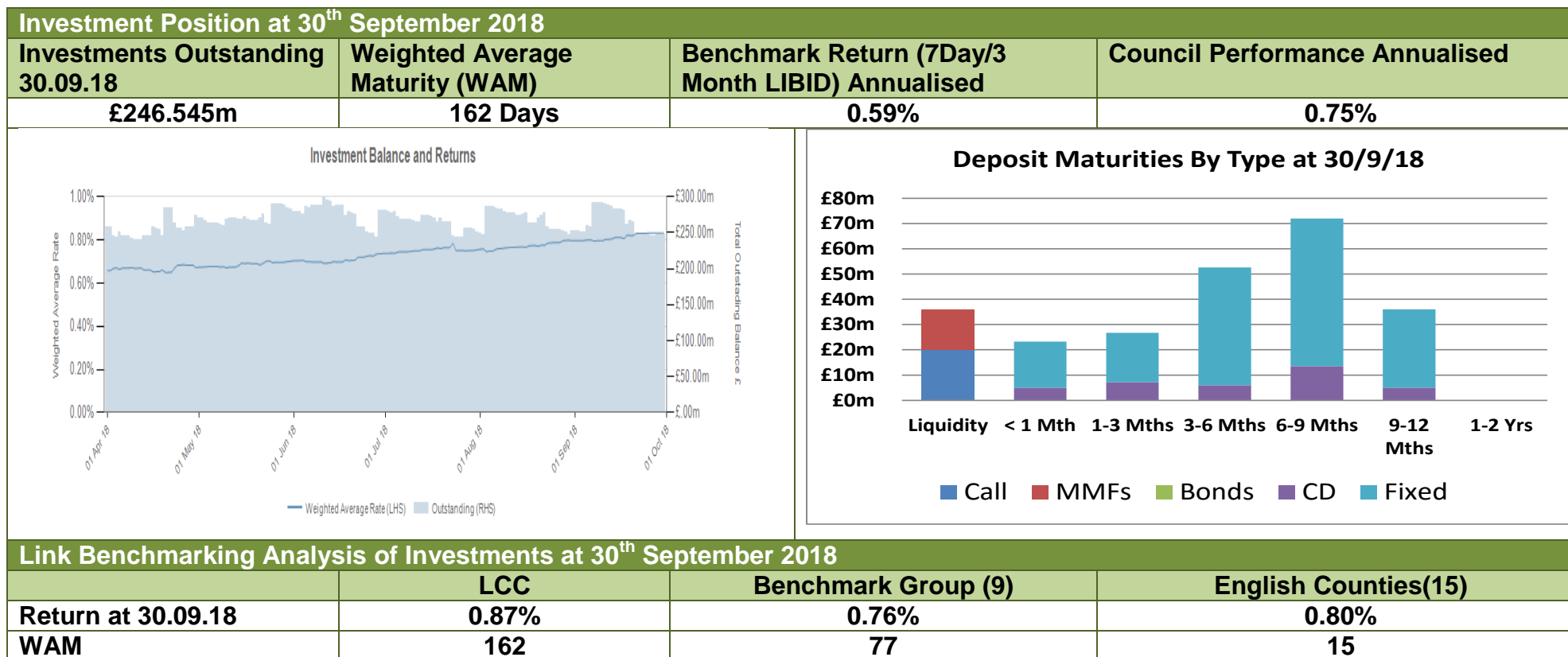
- **Brexit negotiations at an impasse** – possible disruption to growth and rates increasing quicker than expected.
- **Break up of EU** - possible disruption to growth and rates increasing quicker than expected.
- **US tariff increases** – possible threat to world growth.

### Latest Interest Forecast from Link Asset Services- Nov 2018

	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-21
Bank Base Rate View	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.50%	1.50%	1.75%	1.75%	1.75%	2.00%
3 Month LIBID	0.80%	0.90%	1.00%	1.10%	1.20%	1.30%	1.40%	1.50%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%
12 Month LIBID	1.10%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%	2.30%	2.40%
10 yr PWLB Rate	2.50%	2.50%	2.60%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%
25 yr PWLB Rate	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%	3.50%	3.50%	3.60%	3.60%
50 yr PWLB Rate	2.70%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.40%

### Investment Strategy / Authorised Lending List Changes During Quarter 2 to 30.9.2018

Counterparty	Action	Reason
BNP Paribas	Increase Limit To £20m/365 Day from £15m/6 Mth	Improvement in Watch/Outlook Ratings
Departure from Lending List	£2m Investment with RBS Non Ring Fenced Bank no longer on Lending List matures on 27 <sup>th</sup> November 2018. No Concern	



### Temporary Borrowing for Liquidity Purposes at 30<sup>th</sup> September 2018

£5m temporary borrowing was outstanding at 30<sup>th</sup> September 2018, at an interest rate of 0.45%, held for liquidity purposes.

## Long Term Borrowing Position at 30<sup>th</sup> September 2018

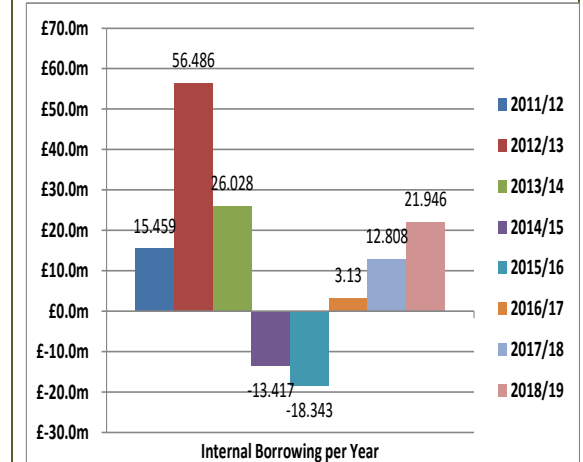
### External Borrowing Position 30/09/2018 and Forecast for 2018/19

Borrowing Position 1/4/2018	£461.391m	4.09%
Debt Repaid to 30/9/2018	-£ 24.820m	
<b>Borrowing Position 30/9/2018</b>	<b>£436.571m</b>	<b>4.12%</b>
Further action required in 2018/19:		
New Borrowing Requirement	£106.970m	
Further Debt Repayments	-£10.677m	
<b>Projected Borrowing at 31/3/19</b>	<b>£532.864m</b>	
<b>Authorised Limit For External Debt</b>	<b>£651.751m</b>	

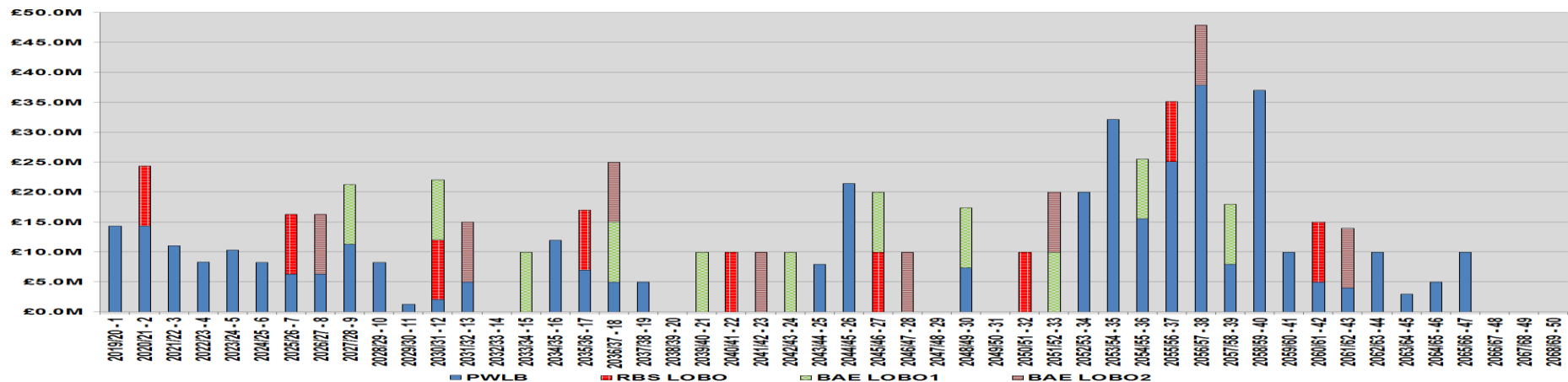
### Borrowing Requirement Position at 30/09/2018

Capital Programme Funded By:	£122.151m
Borrowing Requirement Less Internal Borrowing	£110.826m <u>(£21.946m)</u> £88.880m
Plus Maturing Debt in Excess of MRP	<u>£18.090m</u>
<b>Borrowing Requirement 2018/19</b>	<b>£106.970m</b>

### Internal Borrowing Position at 30/09/2018 –Total £106.97m



## Long Term Borrowing Maturity Profile At 30<sup>th</sup> September 2018 (External Borrowing)





### Prevailing Treasury Management Issues

Prudential Indicator Limits 2018/19	No Limits have been breached to 30 <sup>th</sup> September 2018
Capital Strategy	A requirement of the new Prudential Code 2017, this will pick up the affordability and risk profile of the non-treasury investment activity of the Council, including new Prudential Indicators for non-treasury investment and borrowing activity. It will be issued in line with the Budget Reporting Cycle for 2019/20.
International Financial Reporting Standard (IFRS) 9	Effective from 2018/19, it reclassifies financial assets held by the Council on its Balance Sheet, some of which will have to be held a fair value instead of historic cost, such as Money Market Funds, and introduces an Expected Credit Loss model. The Government have just announced a 5 Year Statutory Override to mitigate the impact of this new reclassification of Financial Assets on Councils accounts.
Treasury Management Member Training	Training will be provided for Members on Treasury Management, including the Capital Strategy, on 31 <sup>st</sup> January 2019, in the afternoon after the OSMB Meeting. This will be delivered with the help of Link Asset Services.

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## LINCOLNSHIRE COUNTY COUNCIL LENDING OF TEMPORARY SURPLUSES

Country		Lending Limit £m	Maturity Limit	# Watch/ Outlook Adjusted	FITCH IBCA Credit Rating Long Term	Rating Sovereign	For Tre: CDS Overlay
	<b>1 Other Local Authorities</b>	20 each	24 Months				
	<b>2 Debt Management Account Deposit Facility</b>	50	6 Month				
	<b>3 UK Banks</b>						
UK	<b># HSBC Group</b>	20	365 Day				
	HSBC Bank Plc	20	365 Day	365 Day	SB	AA-	AA
	HSBC Evergreen Notice Account	20	365 Day				365 Day
UK	<b># RBS Group - Part Nationalised</b>	40	365 Day				
UK	National Westminster Bank Plc (RFB)	40	365 Day	365 Day	SB	BBB+	AA
UK	Royal Bank of Scotland Plc (RFB)	40	365 Day	365 Day	SB	BBB+	AA
UK	<b># LloydsHBOS Group</b>	20	365 Day				
	Lloyds TSB Bank Plc	20	365 Day	365 Day	SB	A+	AA
	Bank of Scotland - Guaranteed Fixed Deposits	20	365 Day	365 Day			365 Day
UK	Standard Chartered Bank	15	6 Months	6 Months	SB	A+	AA+
							6 Months
	<b>4 Other Banks</b>						
AUS	Australia & New Zealand Banking Group	20	365 Day	365 Day	SB	AA-	AAA
AUS	Commonwealth Bank of Australia	20	365 Day	365 Day	SB	AA-	AAA
AUS	National Australia Bank	20	365 Day	365 Day	SB	AA-	AAA
AUS	Westpac Banking Corporation	20	365 Day	365 Day	SB	AA-	AAA
	<b># BNP Paribas Group</b>	20	365 Day				
BEL	BNP Paribas Fortis	15	6 Months	6 Months	SB	A+	AA-
FRA	BNP Paribas	20	6 Months	365 Day	SB	A+	AA
							365 Day
CAN	Bank of Montreal	20	365 Day	365 Day	SB	AA-	AAA
CAN	Bank of Nova Scotia	20	365 Day	365 Day	SB	AA-	AAA
CAN	Canadian Imperial Bank Commerce	20	365 Day	365 Day	SB	AA-	AAA
CAN	National Bank of Canada	15	6 Months	6 Months	SB	A+	AAA
CAN	Royal Bank of Canada	20	365 Day	365 Day	NO	AA	AAA
CAN	Toronto Dominion Bank	20	365 Day	365 Day	SB	AA-	AAA
	<b># Nordea Group</b>	20	365 Day				
SWE	Nordea Bank AB	20	365 Day	365 Day	SB	AA-	AAA
							365 Day
FRA	Credit Industriel et Commercial	15	6 Months	6 Months	SB	A+	AA
							6 Months
FIN	OP Corporate Bank	20	365 Day	365 Day	SB	AA-	AA+
							365 Day
GER	DZ Bank AG	20	365 Day	365 Day	SB	AA-	AAA
GER	Landesbank Hessen-Thüringen Girozentrale (Heleba)	20	365 Day	365 Day	SB	A+	AAA
							365 Day
NETH	Bank Nederlande Gemeenten	25	24 Months	24 Months	SB	AA+	AAA
NETH	Cooperative Centrale Raiffeisen Boerenleenbank BA (Rabobank)	20	365 Day	365 Day	SB	AA-	AAA
							365 Day
NETH	ING Bank NV	20	365 Day	365 Day	SB	A+	AAA
							365 Day
SING	DBS Bank Ltd	20	365 Day	365 Day	SB	AA-	AAA
SING	Oversea Chinese Banking Corporation Ltd	20	365 Day	365 Day	SB	AA-	AAA
SING	United Overseas Bank	20	365 Day	365 Day	SB	AA-	AAA
	<b># UBS Group</b>	20	365 Day				
SWITZ	UBS AG	20	365 Day	365 Day	SB	AA-	AAA
UK	UBS Ltd	20	365 Day	365 Day	SB	AA-	AA+
							365 Day
SWE	Skandinaviska Enskilda Banken AB	20	365 Day	365 Day	SB	AA-	AAA
SWE	Swedbank AB	20	365 Day	365 Day	SB	AA-	AAA
							365 Day
SWE	<b># Svenska Group</b>	20	365 Day				
	Svenska Handelsbanken	20	365 Day	365 Day	SB	AA-	AAA
	Svenska Handelsbanken - 35 Day Notice Account	20	365 Day	365 Day			365 Day
	Svenska Handelsbanken- 10 Day Notice Account	20	365 Day	365 Day			365 Day
	Svenska Handelsbanken- Call Account	20	365 Day	365 Day			365 Day
USA	Bank of New York Mellon	25	24 Months	24 Months	SB	AA	AAA
USA	Bank of America	20	365 Day	365 Day	SB	A+	AAA
USA	JP Morgan Chase Bank	20	365 Day	365 Day	SB	AA-	AAA
							365 Day
	<b>5 AAA Money Market Funds</b>						
	<b># MMF Group</b>	100	24 Months				
	HSBC Global Liquidity Fund	20	24 Months			AAA	
	Morgan Stanley Sterling Liquidity Fund	20	24 Months			AAA	
	Deutsche Managed Sterling Fund	20	24 Months			AAA	
	Insight GBP Liquidity Fund	20	24 Months			AAA	
	<b># Aberdeen Standard Group</b>	20	24 Months				
	Aberdeen Global Liquidity Fund	20	24 Months			AAA	
	Standard Life Liquidity Fund	20	24 Months			AAA	
# Group Limit of applies where indicated.							
** A maximum of 20% of total funds to be held in the Building Society Sector.							
** No more than 20% of total funds to be held in any one institution or group.excluding Govt/MMFs.							
Any adverse press comments concerning borrowers/potential borrowers should be referred to D Forbes / S Maycock / K Tonge / N Kay.							
Revised: 29th September 2018							

## **Definition of Credit Ratings and Credit Default Swap Spreads**

### **Credit Ratings:**

#### **Long Term Rating (Fitch)**

The Long Term rating assesses the borrowing characteristics of banks and the capacity for the timely repayment of debt obligations which apply to instruments of up to 5 years duration.

**Long Term Ratings range from AAA, AA, A to DDD, DD, D. Only Institutions with Ratings of A+ and above are acceptable on the Councils Lending List as follows:**

**AAA - Highest Credit Quality** - lowest expectation of credit risk. Exceptionally strong capacity for timely payment of financial commitments. Highly unlikely to be adversely affected by foreseeable events.

**AA - Very High Credit Quality** - Very low expectation of credit risk. Very strong capacity for timely payment of financial commitments. Not significantly vulnerable to foreseeable events.

**A - High Credit Quality** - Low expectation of credit risk. Strong capacity for timely payment of financial commitments. More vulnerable to adverse foreseeable events than the case for higher ratings.

*“+” Or “-” may be appended to a rating to denote relative status within major rating categories.*

#### **Sovereign Ratings (Fitch)**

The Sovereign (Governments of Countries) Rating measures a sovereign’s capacity and willingness to honour its existing and future obligations in full or on time. It looks at factors such as:

- Macroeconomic performance and prospects;
- Structural features of the economy that render it more or less vulnerable to shocks as well as political risk and governance factors;
- Public finances, including the structure and sustainability of public debt as well as fiscal financing;
- The soundness of the financial sector and banking system, in particular with respect to macroeconomic stability and contingent liability for the sovereign; and
- External finances, with a particular focus on the sustainability of international trade balances, current account funding and capital flows, as well as the level and structure of external debt (public and private).

**Sovereign Ratings range from AAA, AA, A to DDD, DD, D. Only countries with a Sovereign Rating AA- are acceptable on the Councils Lending List.**

### Credit Rating Watches and Outlooks issued by Credit Rating Agencies

**Rating Watches** -indicate that there is a heightened probability of a rating change in the short term either in a positive or negative direction. A Rating Watch is typically event-driven and, as such, it is generally resolved over a relatively short period.

**Rating Outlooks** -indicate the direction a rating is likely to move over a one- to two-year period reflecting a position not yet reached but if trends continue will do so hence triggering a rating move.

### Money Market Fund Rating (Moody's)

Aaa/MR1+ - this rating denotes the lowest expectation of default risk. It is assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events. Funds rated MR1+ are considered to have the lowest market risk.

### Credit Default Swap (CDS) Spreads

A CDS is effectively a contract between two counterparties to 'insure' against default. The higher the CDS price of a counterparty, the higher the supposed risk of default. The CDS level therefore provides a perceived current market sentiment regarding the credit quality of a counterparty and generally the movement in the CDS market gives an early warning of the likely changes in credit ratings of a counterparty.

Link has employed a benchmark system which compares the CDS spread of a counterparty against a pre-determined benchmark rate (iTraxx Senior Financial Index) to produce a CDS status overlay of 'In Range', 'Monitoring' or 'Out of Range' and this status is used to further determine the creditworthiness of the counterparty.

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# Lincolnshire County Council

## Monthly Investment Analysis Review

September 2018

**General Economy**

The data releases for the month began with August's Markit/CIPS Manufacturing Purchasing Managers Index (PMI) activity survey. This saw a decrease from the previous figure of 53.8, to a weaker 52.8. Construction PMI also took a hit, as it went down to 52.9 from 55.8, a huge fall and far lower than what was predicted. However, Services PMI was a stronger performer, rising from 53.5 to 54.3. GDP figures were stronger than expected; the m/m measure for July came in at 0.3%, an increase from 0.1% previously and above forecasts. The y/y measure was 1.6%, beating both the previous figure and forecasts. Brexit-related uncertainty is still a factor but the data provided a positive sign that growth has improved at the start of the quarter.

In terms of the UK's trade balance, the overall deficit decreased to £9.97bn. This was a drop of nearly £2bn, showing a narrowing of the current account deficit. The non-EU figure also fell to £2.8bn. Both of these figures beat forecasts, and provide evidence of a rebalancing of the UK's trade.

Unemployment remained at 4% for July, in line with forecasts and still at the lowest level since 1975. After a long wait, this continually low level seems to finally be feeding into wage growth, with an increase 2.9% excluding bonuses. The 3M y/y figure is 2.6% including bonuses, both increases from the previous month. Whether the low unemployment rate will have a more sustained impact on wage growth is yet to be seen.

In mid-September, the Bank of England's Monetary Policy Committee chose to hold the base rate at 0.75% following the August hike. Bank Governor Mark Carney reiterated that the Committee is in no rush to raise rates back to more "normal" levels, and with Brexit uncertainty coming to the fore, markets are showing little to no expectation of a further rate hike until Q2/Q3 2019.

The inflation figures for August came out far higher than expected, with Consumer Price Index (CPI) y/y at 2.7%, up from 2.4% in July. The rise in inflation was driven by particularly volatile components so forecasters expect the pickup to be temporary. The monthly CPI figure was 0.7%, up from 0.5%, while Core CPI y/y rose unexpectedly to 2.1% from a previous figure of 1.8%. Despite the increase in price pressures, market participants continued to play down any expectations of a near-term rate hike. Their belief is primarily based on Brexit uncertainty and the fact that inflation is likely to fall towards the Bank's inflation target of 2% through this year and 2019.

Retail sales were expected to show negative growth in August after a strong summer of good weather. However, the figure surprisingly stayed positive at 0.3% m/m, and the y/y figure only fell to 3.3%, well above forecasts of a drop to 2.3%. Within the overall data, food sales did register a small fall, but this was more than offset by the largest monthly increase in sales of household goods since May 2016.



In terms of public finances, the data was disappointing for August. Public sector net borrowing excluding banks rose to £6.753bn, up from £3.4bn, and the figure including banks rose by slightly less, to £5.889bn. There are increasing expectations that the OBR may lower its borrowing forecast in November, which could allow the Chancellor to increase spending in his upcoming budget, without having to raise income from other sources or make cuts elsewhere.

GDP figures at the end of the month were another source of disappointment for the UK. While there was no change to the Q2 q/q figure (0.4%), Q1 was revised down from 0.2% to just 0.1%. Furthermore, the Q2 y/y figure was revised downwards to 1.2% from 1.3%.

The Eurozone's Q2 y/y GDP figure was also revised lower, down from 2.2% to 2.1%. Meanwhile, US y/y GDP remained unchanged, at 4.2% evidencing the effects of President Trump's expansionary fiscal policy, and paved the way for the US Federal Reserve to action a rate rise at the end of September. Accompanying the move, the Fed's "dot plot" of member expectations for future policy rates suggested another rate hike may occur in 2018, and potentially another three in 2019.

### Housing

The Halifax house prices measure showed a 0.1% m/m increase in August, rebounding from a negative value in July. The y/y measure showed a 3.7% increase, an uplift from 3.3% previously but lower than the 3.9% forecast. House.

Nationwide also showed a small rise in m/m house prices, up to 0.3%, whilst the y/y figure also increased by 0.1% to 2%.

### Currency

Sterling opened the month at \$1.29 against the US Dollar and closed at \$1.30, with varied fluctuations throughout the period. Against the Euro, Sterling opened at €1.115 and closed at €1.125.

### Forecast

Link Asset Services suggests that the next interest rate rise will be to 1% in the third quarter of 2019, with further rises of 25 basis points in Q2 2020, and Q4 2020. Capital Economics expect the next rate rise will be Q2 2019, followed by another rise in Q4 2019 and a further change in Q4 2020.

Bank Rate											
	NOW	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Link Asset Services	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%
Capital Economics	0.75%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	1.25%	1.25%	1.75%	-

# Lincolnshire County Council

## Current Investment List

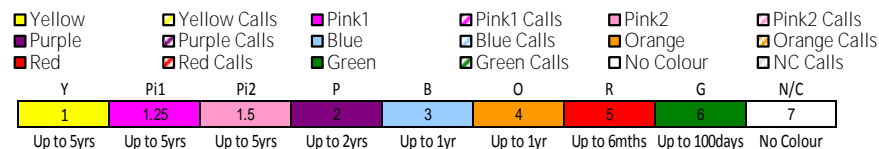
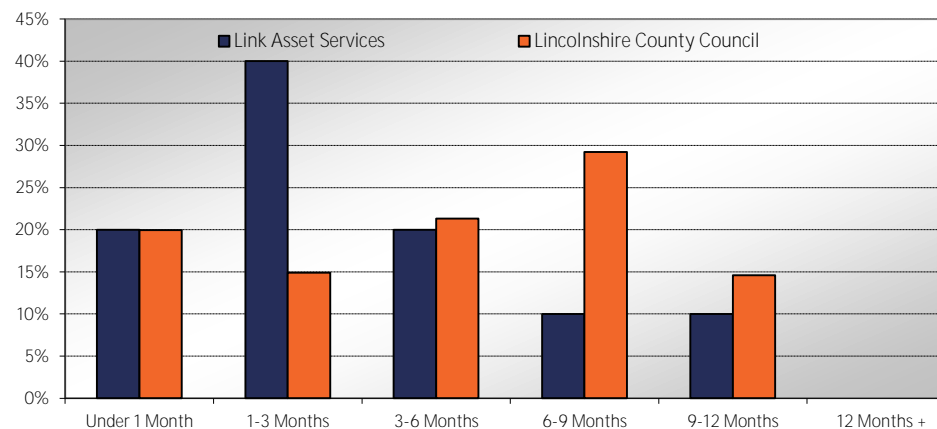
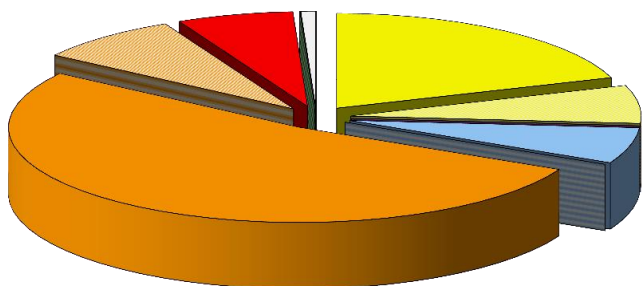
Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest Long Term Rating	Historic Risk of Default
MMF Deutsche	15,950,000	0.70%		MMF	AAA	0.000%
Standard Chartered Bank	5,000,000	0.90%	20/04/2018	19/10/2018	A	0.003%
United Overseas Bank Ltd	5,000,000	0.81%	20/04/2018	22/10/2018	AA-	0.001%
Landesbank Hessen-Thuringen Girozentrale (Helaba)	6,325,000	0.70%	30/10/2017	29/10/2018	A	0.004%
HSBC UK Bank Plc (RFB)	10,000,000	0.82%		Call30	AA-	0.002%
Toronto Dominion Bank	6,900,000	0.69%	01/11/2017	31/10/2018	AA-	0.002%
UBS AG	5,200,000	0.74%	20/11/2017	19/11/2018	A+	0.007%
United Overseas Bank Ltd	6,775,000	0.68%	24/11/2017	23/11/2018	AA-	0.004%
NatWest Markets Plc (NRFB)	2,000,000	0.78%	23/01/2018	27/11/2018	BBB	0.025%
North Tyneside Metropolitan Borough Council	3,800,000	0.75%	11/12/2017	10/12/2018	AA	0.005%
Eastleigh Borough Council	3,950,000	0.90%	14/03/2018	14/12/2018	AA	0.005%
North Tyneside Metropolitan Borough Council	5,000,000	0.75%	20/12/2017	19/12/2018	AA	0.005%
HSBC UK Bank Plc (RFB)	10,000,000	0.88%		Call90	AA-	0.006%
Liverpool City Council	5,000,000	0.70%	13/01/2017	11/01/2019	AA	0.007%
United Overseas Bank Ltd	4,675,000	0.68%	15/01/2018	14/01/2019	AA-	0.007%
National Bank of Canada	5,000,000	0.75%	13/07/2018	14/01/2019	A	0.016%
Commonwealth Bank of Australia	5,000,000	0.70%	26/01/2018	25/01/2019	AA-	0.008%
Standard Chartered Bank	6,000,000	0.90%	27/07/2018	25/01/2019	A	0.017%
Landesbank Hessen-Thuringen Girozentrale (Helaba)	5,920,000	0.86%	02/03/2018	01/03/2019	A	0.022%
DBS Bank Ltd	5,000,000	0.99%	21/03/2018	20/03/2019	AA-	0.012%
Toronto Dominion Bank	6,000,000	1.03%	27/03/2018	26/03/2019	AA-	0.012%
DBS Bank Ltd	5,000,000	1.00%	28/03/2018	27/03/2019	AA-	0.012%
DBS Bank Ltd	5,000,000	1.00%	29/03/2018	28/03/2019	AA-	0.012%
Doncaster Metropolitan Borough Council	5,000,000	0.77%	20/04/2017	05/04/2019	AA	0.013%
Cheshire East Council	5,000,000	0.85%	20/02/2018	08/04/2019	AA	0.013%
DBS Bank Ltd	5,000,000	0.85%	11/05/2018	10/05/2019	AA-	0.015%
Canadian Imperial Bank of Commerce	3,500,000	0.91%	14/05/2018	13/05/2019	A+	0.033%
Bank of Scotland Plc (RFB)	6,000,000	1.00%	15/05/2018	15/05/2019	A+	0.033%
London Borough of Haringey	5,000,000	0.95%	11/09/2018	17/05/2019	AA	0.015%
Bank of Scotland Plc (RFB)	6,000,000	1.00%	22/05/2018	22/05/2019	A+	0.035%
Bank of Scotland Plc (RFB)	8,000,000	1.00%	25/05/2018	28/05/2019	A+	0.035%
Cambridgeshire County Council	5,000,000	0.95%	07/09/2018	07/06/2019	AA	0.017%
United Overseas Bank Ltd	3,550,000	0.92%	28/06/2018	27/06/2019	AA-	0.018%
National Westminster Bank Plc (RFB)	10,000,000	0.97%	29/06/2018	28/06/2019	A-	0.040%
Australia and New Zealand Banking Group Ltd	5,000,000	0.92%	29/06/2018	28/06/2019	AA-	0.018%

# Lincolnshire County Council

## Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest Long Term Rating	Historic Risk of Default
Commonwealth Bank of Australia	5,000,000	0.90%	29/06/2018	28/06/2019	AA-	0.018%
Australia and New Zealand Banking Group Ltd	5,000,000	0.95%	13/07/2018	12/07/2019	AA-	0.019%
Highland Council	3,000,000	0.95%	28/08/2018	24/07/2019	AA	0.020%
Australia and New Zealand Banking Group Ltd	5,000,000	1.06%	03/08/2018	02/08/2019	AA-	0.021%
Australia and New Zealand Banking Group Ltd	5,000,000	1.04%	21/08/2018	20/08/2019	AA-	0.022%
Birmingham City Council	3,000,000	1.04%	28/08/2018	28/08/2019	AA	0.022%
Landesbank Hessen-Thüringen Girozentrale (Helaba)	5,000,000	1.02%	05/09/2018	05/09/2019	A	0.050%
National Westminster Bank Plc (RFB)	5,000,000	1.05%	07/09/2018	09/09/2019	A-	0.051%
Bournemouth Borough Council	5,000,000	0.71%	29/09/2017	20/09/2019	AA	0.024%
<b>Total Investments</b>	<b>£246,545,000</b>	<b>0.87%</b>				<b>0.016%</b>

## Portfolio Composition by Link Asset Services' Suggested Lending Criteria



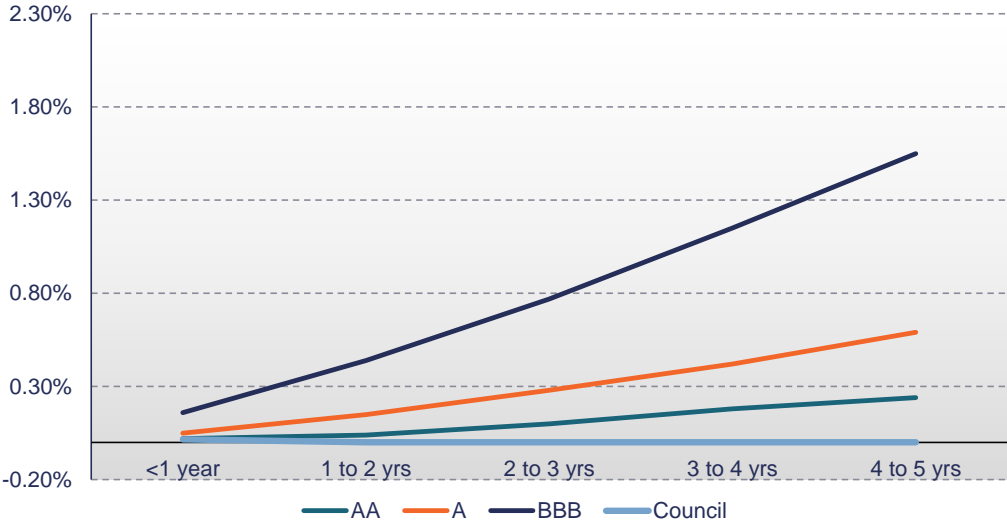
Portfolios weighted average risk number = **3.24**

WARoR = Weighted Average Rate of Return  
WAM = Weighted Average Time to Maturity

		WAM = Weighted Average Time to Maturity									
		% of Colour			Amount of	% of Call	Excluding Calls/MMFs/USDBFs				
		% of Portfolio	Amount	in Calls	Colour in Calls	in Portfolio	WARoR	WAM	WAM at Execution	WAM	WAM at Execution
Yellow Pink1 Pink2 Purple Blue Orange Red Green No Colour		26.24%	£64,700,000	24.65%	£15,950,000	6.47%	0.80%	146	338	193	448
		0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
		0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
		0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
		6.08%	£15,000,000	0.00%	£0	0.00%	1.00%	295	365	295	365
		60.37%	£148,845,000	13.44%	£20,000,000	8.11%	0.89%	165	317	181	357
		6.49%	£16,000,000	0.00%	£0	0.00%	0.85%	83	183	83	183
		0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
		0.81%	£2,000,000	0.00%	£0	0.00%	0.78%	58	308	58	308
		100.00%	£246,545,000	14.58%	£35,950,000	14.58%	0.87%	162	317	185	365

Investment Risk and Rating Exposure

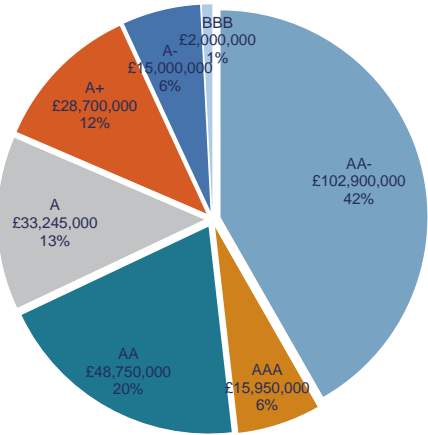
Investment Risk Vs. Rating Categories



Historic Risk of Default

Rating/Years	<1 year	1 to 2 yrs	2 to 3 yrs	3 to 4 yrs	4 to 5 yrs
AA	0.02%	0.04%	0.10%	0.18%	0.24%
A	0.05%	0.15%	0.28%	0.42%	0.59%
BBB	0.16%	0.44%	0.77%	1.15%	1.55%
Council	0.016%	0.000%	0.000%	0.000%	0.000%

Rating Exposure



Historic Risk of Default

This is a proxy for the average % risk for each investment based on over 30 years of data provided by Fitch, Moody's and S&P. It simply provides a calculation of the possibility of average default against the historical default rates, adjusted for the time period within each year according to the maturity of the investment.

Chart Relative Risk

This is the authority's risk weightings compared to the average % risk of default for "AA", "A" and "BBB" rated investments.

Rating Exposures

This pie chart provides a clear view of your investment exposures to particular ratings.

## Lincolnshire County Council

### Monthly Credit Rating Changes FITCH

Date	Update Number	Institution	Country	Rating Action
25/09/2018	1641	Danske A/S	Denmark	Outlook on the Long Term Rating changed to Negative from Stable

## Lincolnshire County Council

### Monthly Credit Rating Changes MOODY'S

Date	Update Number	Institution	Country	Rating Action
21/09/2018	1640	Danske A/S	Denmark	Outlook on the Long Term Rating changed to Negative from Stable

## Lincolnshire County Council

### Monthly Credit Rating Changes S&P

Date	Update Number	Institution	Country	Rating Action
21/09/2018	1639	Australia Sovereign Rating	Australia	Outlook on the Long Term Rating changed to Stable from Negative
26/09/2018	1642	Danske A/S	Denmark	Outlook on the Long Term Rating changed to Negative from Positive



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## Policy and Scrutiny

### Open Report on behalf of Keith Ireland, Chief Executive

Report to:	<b>Overview and Scrutiny Management Board</b>
Date:	<b>29 November 2018</b>
Subject:	<b>Scrutiny Committee Work Programmes: -</b> <ul style="list-style-type: none"><li>• <b>Adults and Community Wellbeing Scrutiny Committee</b></li><li>• <b>Health Scrutiny Committee for Lincolnshire</b></li></ul>

#### **Summary:**

The Overview and Scrutiny Management Board reviews the work programme of each scrutiny committee on a quarterly basis, with the focus on two or three scrutiny committee work programmes at each meeting.

This report sets out the work programmes of the Adults and Community Wellbeing Scrutiny Committee; and the Health Scrutiny Committee for Lincolnshire.

#### **Actions Required:**

- (1) The Overview and Scrutiny Management Board is invited to consider whether it is satisfied with the content of the work programmes of:
  - the Adults and Community Wellbeing Scrutiny Committee (Appendix A to this report); and
  - the Health Scrutiny Committee for Lincolnshire (Appendix B).
- (2) Depending on its decisions in (1) above, the Overview and Scrutiny Management Board is invited to make suggestions on the content of the work programmes of the two committees listed above.

## **1. Background**

The Overview and Scrutiny Management Board review the work programmes of each scrutiny committee and each scrutiny committee on a quarterly basis. To facilitate this, the chairman of each scrutiny committee would be invited to provide an update on the work of their committee and any working groups, and highlight future items on which their committee would be focusing.

The table below sets out the reporting timetable for 2018/19:

Scrutiny Committee	First Review	Second Review	Third Review
Adults and Community Wellbeing	26 April 2018	30 August 2018	29 November 2018
Health			
Children and Young People	24 May 2018	27 September 2018	28 February 2019
Public Protection and Communities			
Environment and Economy	28 June 2018	25 October 2018	28 March 2019
Highways and Transport			
Flood and Water Management			

#### Adults and Community Wellbeing Scrutiny Committee

The work programme of the Adults and Community Wellbeing Scrutiny Committee is attached at Appendix A. Councillor Hugo Marfleet, the Chairman of the Adults and Community Wellbeing Scrutiny Committee, will provide supporting information on the content of the work programme.

#### Health Scrutiny Committee for Lincolnshire

The work programme of the Health Scrutiny Committee for Lincolnshire is attached at Appendix B. Councillor Carl Macey, the Chairman of the Health Scrutiny Committee for Lincolnshire, will provide supporting information on the content of the work programme.

## **2. Conclusion**

The Overview and Scrutiny Management Board is asked to consider the work programmes of the Adults and Community Wellbeing Scrutiny Committee, and the Health Scrutiny Committee for Lincolnshire.

## **3. Consultation**

### **a) Have Risks and Impact Analysis been carried out?**

Not Applicable

### **b) Risks and Impact Analysis**

Not Applicable

#### 4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Adults and Community Wellbeing Scrutiny Committee Work Programme
Appendix B	Health Scrutiny Committee for Lincolnshire Work Programme

#### 5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Simon Evans, Health Scrutiny Officer, who can be contacted on 01522 553607 or by e-mail at [Simon.Evans@lincolnshire.gov.uk](mailto:Simon.Evans@lincolnshire.gov.uk)

## ADULTS AND COMMUNITY WELLBEING SCRUTINY COMMITTEE

Chairman – Councillor Hugo Marfleet

Vice-Chairman – Councillor Mrs Liz Sneath

### **5 September, 10 October and 28 November 2018**

This report covers the two meetings of the Adults and Community Wellbeing Scrutiny Committee (5 September and 10 October), which have taken place since the Committee's last report to the Overview and Scrutiny Management Board on 30 August 2018. The Committee is also due to meet on 28 November, after the despatch of the Board's agenda.

The following items are highlighted: -

#### Integrated Lifestyle Support Service

On 10 October the Committee considered a proposed decision by the Executive Councillor on Integrated Lifestyle Support Services, which will provide adults with accessible information and direct support on the four lifestyle behaviours with the greatest impact on health and wellbeing:

- tobacco smoking - tobacco smoking amongst adults is significantly higher than the national average (17.7% in 2016) accounting for 106,000. Smoking accounts for 4,023 deaths and 17,299 potential years of life lost due to smoking;
- obesity - an estimated 27% of the Lincolnshire population have a Body Mass Index over 30, about 168,000 people;
- physical inactivity - 24.5% of Lincolnshire's adult population is considered physically inactive, 32,000 adults; and
- excess alcohol consumption - 22.1% of adults in Lincolnshire were drinking over 14 units of alcohol a week, 132,000 adults.

The Committee gave its support to the proposal to commission an Integrated Lifestyle Support Service (ILS) and agreed to pass on the following comments to the Executive Councillor:

- The linking of services addressing four lifestyle behaviours (smoking; physical activity; food, nutrition and weight; and alcohol consumption) is strongly supported, as a means of improving overall health and wellbeing.
- The support of Primary Care, including GPs, in guiding people to integrated lifestyle support services is stressed.
- Although not part of the proposed integrated lifestyle support services, the Committee was supportive of the relevant staff groups at the County Council promoting a healthy lifestyle; and in turn the Committee urged that these staff groups should be supported in attaining a healthy lifestyle.

The Committee will receive a report on the outcomes of the service.

## Lincolnshire Joint Strategy for Dementia

The Committee has considered the Lincolnshire Joint Strategy for Dementia, which has been developed by the County Council and the Lincolnshire NHS. Key elements of the strategy include:

- improving early diagnosis (NHS responsibility);
- improvement of care experience for people with dementia, from diagnosis to end of life; and
- involving partners in the provision of personalised support.

## Commissioning Strategies

At its September and October meetings, the Committee considered the five commissioning strategies under the remit of the Committee:

- Adult Frailty and Long Term Conditions
- Specialist Adult Services
- Adult Safeguarding
- Community Wellbeing
- Carers

Each of the above is at different stages of implementation. Where the strategy is not immediately due for revision, the Committee has requested a summary document on the progress of each strategy to be considered on an annual basis. Where strategies are due for revision, for example, the Adult Safeguarding Commissioning Strategy and the Adult Frailty and Long Term Conditions Commissioning Strategy, the Committee is looking to consider them prior to their approval.

## Work Planned – From 16 January 2019

### Future Work Programme

Future items for the Committee are planned as follows:

<b>16 January 2019 – 10.00am</b>	
<i>Item</i>	<i>Contributor(s)</i>
Adult Care and Community Wellbeing Budget Proposals 2019/20	Steve Houchin, Head of Finance, Adult Care and Community Wellbeing
Government Green Paper on Care and Support for Older People	To be confirmed.

<b>27 February 2019 – 10.00am</b>	
<i>Item</i>	<i>Contributor(s)</i>
Adult Care and Community Wellbeing Quarter 3 2018-19 Performance	Theo Jarratt, County Manager, Performance, Quality and Development

<b>10 April 2019 – 10.00am</b>	
<i>Item</i>	<i>Contributor(s)</i>



<b>22 May 2019 – 10.00am</b>	
<i>Item</i>	<i>Contributor(s)</i>

Potential Items for Inclusion in Work Programme

- National Carers Strategy
- Joint Commissioning Arrangements.
- Alcohol Harm and Substance Misuse Services





## ADULTS AND COMMUNITY WELLBEING SCRUTINY COMMITTEE AT A GLANCE WORK PROGRAMME

	2017				2018							2019		
	15 June	26 July	6 Sept	29 Nov	10 Jan	14 Feb	11 Apr	30 May	4 July	5 Sept	10 Oct	28 Nov	16 Jan	10 Apr
<b>KEY</b>														
	= Item Considered													
	= Planned Item													
<i>Meeting Length - Minutes</i>	135	170	146	150	245	120	200	185	135	135	210			
<b>Adult Care and Community Wellbeing Corporate Items</b>														
Better Care Fund		✓												
Budget Items			✓		✓				✓		✓			
Care Quality Commission				✓										
Contract Management					✓									
Introduction	✓													
IT Updates					✓									
Joint Strategic Needs Assessment	✓													
Local Account				✓										
Quarterly Performance		✓	✓	✓			✓		✓	✓				
Strategic Market Support Partner			✓											
Winter Planning										✓				
<b>Adult Frailty, Long Term Conditions and Physical Disability</b>														
Care and Support for Older People – Green Paper														
Commissioning Strategy											✓			
Dementia Strategy											✓			
Homecare Customer Survey									✓					
Residential Care / Residential Care with Nursing - Fees						✓			✓					
Review Performance									✓					
<b>Adult Safeguarding</b>														
Commissioning Strategy										✓				
Safeguarding Scrutiny Sub Group				✓		✓		✓		✓				
<b>Carers</b>														
Commissioning Strategy											✓			
<b>Community Wellbeing</b>														
Director of Public Health Report								✓						
Director of Public Health Role								✓						
Domestic Abuse Services			✓											
Healthwatch Procurement								✓						
NHS Health Check Programme							✓							
Stop Smoking Service					✓									
Wellbeing Commissioning Strategy											✓			

	2017				2018							2019		
	15 June	26 July	6 Sept	29 Nov	10 Jan	14 Feb	11 Apr	30 May	4 July	5 Sept	10 Oct	28 Nov	16 Jan	10 Apr
Wellbeing Service														
<b>Housing Related Services</b>														
Extra Care Housing						✓								
Supported Housing						✓								
<b>Specialist Adult Services</b>														
Commissioning Strategy										✓				
Managed Care Network Mental Health							✓							
Shared Lives							✓							

**KEY**

-  = Item Considered  
 = Planned Item

## HEALTH SCRUTINY COMMITTEE FOR LINCOLNSHIRE

Chairman – Councillor Carl Macey  
Vice-Chairman – Councillor Chris Brewis

### **12 September, 17 October and 14 November 2018**

Since the last report to the Overview and Scrutiny Management Board, the Health Scrutiny Committee for Lincolnshire has met on three occasions. The main items considered by the Committee are set out below: -

#### Children and Young Persons Services at United Lincolnshire Hospitals NHS Trust

Since May 2018, the Committee has been receiving regular updates on Children and Young Persons Services at United Lincolnshire Hospitals NHS Trust (ULHT). From 6 August 2018, ULHT has been operating an interim planned model of care, which was introduced because of shortages of paediatric doctors and nurses. The interim planned model of care aims to treat 98% of children who would normally be expected to be treated at Pilgrim Hospital and is summarised as follows: -

- paediatric outpatient clinics;
- low-risk neonatal births only;
- a 24 hour paediatric assessment and observation unit;
- paediatric day surgery; and
- consultant-led maternity birthing unit.

On 14 November 2018, the Committee was advised that the interim model of care is continuing and is meeting its target of seeing 98% of activity remaining at Pilgrim Hospital.

Private ambulances, crewed by paramedics, have been commissioned to transfer any patients who require it. During the first three months of operation of the service model 105 patients (99 children and six in utero) have been transferred, using the dedicated ambulance and ULHT has stated that no issues were experienced or reported, although it is acknowledged that the transfers of patients have caused disruption to those patients and their families.

The Committee acknowledges the progress made, and will be seeking a further update in January 2019.

#### Urgent Treatment Centres

On 14 November 2018, the Committee considered an item on urgent treatment centres, a concept introduced by NHS England, to remove public confusion over the existing terminology of urgent care centres, minor injuries units and walk-in centres. Urgent treatment centres will have to meet a national specification in order to be able to use that name.

Lincolnshire's Urgent and Emergency Care Strategy covered the plans for urgent treatment centres, which NHS England wants to see established by December 2019. The Committee was advised that in accordance with national guidance the type 1 A&E departments in Lincoln and Pilgrim would automatically have an urgent treatment centre, which would build on existing primary care streaming arrangements. On arrival at these two hospitals, patients would be triaged to either the urgent treatment centre or the A&E department, depending on their need.

Lincolnshire's Urgent and Emergency Care Strategy also set out proposals for the two existing urgent care centres in Louth and Skegness to become urgent treatment centres, although it is not clear whether the existing 24/7 arrangements would apply.

Stamford and Rutland Hospital currently has a minor injury unit and Lincolnshire's Urgent and Emergency Care Strategy sets out a proposal for this to become an urgent treatment centre. However, the Committee was advised that the other three minor injury units in Lincolnshire (Gainsborough, Sleaford and Spalding) would become "GP Extended Access Hubs". This was defined as a GP practice that offers appointments for patients registered with other practices in the area and delivers similar services, but via bookable appointments made through 111 and the Clinical Assessment Service, or via appointments made through GP standard hours services.

Because Grantham A&E is part of the acute services review, the Committee was advised that it was out of the scope of Lincolnshire's Urgent and Emergency Care Strategy.

The Committee was concerned over the lack of engagement to date, and the lack of any detailed rationale for these proposals, as it appeared that certain services might be downgraded. Although the Committee was advised that consultation would be taking place during the 'spring' of 2019, it is seeking an update in January 2019.

#### Lincolnshire Sustainability and Transformation Partnership

The Committee receives regular updates on the progress of the Lincolnshire Sustainability and Transformation Partnership (STP). The Committee has recorded its concern over the absence of consultation on the acute services review elements of the STP, and consultation on these elements is not now expected until 2019.

In addition to general updates on the STP, the Committee continues to focus on the following specific strands in the STP, some of which will not automatically be subject to public consultation:

- Mental Health
- Integrated Community Care Portfolio

#### Louth County Hospital – In-patient Services – Engagement Exercise

On 17 October 2018, the Committee approved its response to the engagement exercise undertaken by Lincolnshire East Clinical Commissioning Group on in-patient services at Louth County Hospital. Two options for in-patient services had been put forward: Option 1 - 16 beds plus six chairs on Carlton Ward; and Option 2 - 20 beds on Carlton Ward, plus six chairs on Manby Ward.

As part of its response, the Committee recorded its preference for Option 2, based on the information so far presented by the CCG. The Committee requested that the CCG would set out a rationale for the selection of the number of beds in Option 2; and assurances that GP and community health services in Louth and the surrounding area were capable of providing the right care and support to assist patients in their homes.

The Committee invited representatives from the CCG to present the outcome of the engagement exercise to the Committee.

#### Delivery of the NHS England National Cancer Strategy in Lincolnshire

The Committee considered a report on the delivery of the NHS England National Cancer Strategy at its meeting on 14 November. Whilst improvements have been made since the Lincolnshire cancer summit in January 2017, the Committee was advised by the presenters that further progress was required to ensure cancer treatment and care met the national standards. As with many NHS services, workforce challenges would need to be overcome, and the emphasis was on ensuring the NHS's national treatment standards were met. The Committee will consider a further update in six months' time.

#### Non-Emergency Patient Transport

The Committee remains concerned over the performance of the Thames Ambulance Service on the non-emergency patient transport contract. Regular updates are received and the Thames Ambulance Service is due to present to the Committee on 12 December 2018.

#### Work Planned

Planned items for the Health Scrutiny Committee for Lincolnshire are set out below:

<b>12 December 2018 – 10 am</b>	
<i>Item</i>	<i>Contributor</i>
NHS Long Term Plan	John Turner, Senior Responsible Officer, Lincolnshire Sustainability and Transformation Partnership
South Lincolnshire Clinical Commissioning Group Annual Report 2017-18	John Turner, Accountable Officer, South Lincolnshire Clinical Commissioning Group
South West Lincolnshire Clinical Commissioning Group Annual Report 2017-18	John Turner, Interim Accountable Officer, South West Lincolnshire Clinical Commissioning Group
Non-Emergency Patient Transport	Mike Casey, Director of Operations, Thames Ambulance Service

<b>23 January 2019 – 10 am</b>	
<i>Item</i>	<i>Contributor</i>
United Lincolnshire Hospitals NHS Trust – Care Quality Commission	Senior management representatives from United Lincolnshire Hospitals NHS Trust
United Lincolnshire Hospitals NHS Trust – Children and Young Persons Services	Senior management representatives from United Lincolnshire Hospitals NHS Trust
Urgent Treatment Centres ( <i>Subject to confirmation</i> )	Senior management representatives from Lincolnshire Sustainability and Transformation Partnership

<b>20 February 2019 – 10 am</b>	
<i>Item</i>	<i>Contributor</i>

<b>20 March 2019 – 10 am</b>	
<i>Item</i>	<i>Contributor</i>
Dental Services in Lincolnshire	Carole Pitcher, Contracts Manager Dental and Optometry, NHS England – Midlands & East (Central Midlands)
Quality Accounts - Arrangements for 2019	Simon Evans, Health Scrutiny Officer

<b>17 April 2019 – 10 am</b>	
<i>Item</i>	<i>Contributor</i>
East Midlands Ambulance Service Update	Sue Cousland, East Midlands Ambulance Service Divisional Manager, Lincolnshire

#### Items to be Programmed

- Louth County Hospital Inpatient Services Engagement - Outcomes
- Adult Immunisations
- Developer and Planning Contributions for NHS Provision
- North West Anglia NHS Foundation Trust Update
- Joint Health and Wellbeing Strategy Update
- CCG Role in Prevention

#### Items to be Programmed – No earlier than March 2019

- Lincolnshire Sustainability and Transformation Plan Consultation Elements:
  - Women's and Children's Services
  - Emergency and Urgent Care

# HEALTH SCRUTINY COMMITTEE FOR LINCOLNSHIRE AT-A-GLANCE WORK PROGRAMME

	2017						2018										
	14 June	19 July	13 Sept	11 Oct	8 Nov	13 Dec	17 Jan	21 Feb	21 Mar	18 Apr	16 May	13 June	11 July	12 Sept	17 Oct	14 Nov	12 Dec
KEY																	
✓	= Substantive Item Considered																
ca	= Chairman's Announcement																
	= Planned Substantive Item																
Meeting Length - Minutes	170	225	185	170	205	230	276	280	270	230	244	233	188	280	160		
Cancer Care																	
General Provision																	
Head and Neck Cancers														ca			
Clinical Commissioning Groups																	
Annual Assessment														ca			
Lincolnshire East																	
Lincolnshire West															✓		
South Lincolnshire																	
South West Lincolnshire																	
Community Maternity Hubs								ca									
Community Pain Management												ca					
Dental Services							✓		ca								
GPs and Primary Care:																	
Extended GP Opening Hours								ca			ca					ca	
GP Recruitment			ca		ca												
Lincoln GP Surgeries		ca		ca													
Lincoln Walk-in Centre		✓	ca	✓		✓		✓			✓						
Louth GP Surgeries		ca	ca														
Out of Hours Service														ca			
Sleaford Medical Group									ca								
Spalding GP Provision														ca			
Grantham Minor Injuries Service												ca	✓	ca			
Health and Wellbeing Board:																	
Annual Report												ca					
Joint Health and Wellbeing Strategy		✓						✓									
Pharmaceutical Needs Assessment					✓		✓										
Health Scrutiny Committee Role	✓																
Healthwatch Lincolnshire											ca		ca		ca		
Lincolnshire Community Health Services NHS Trust																	
Care Quality Commission													ca		ca		
Learning Disability Specialist Care				✓									✓				
Lincolnshire Sustainability and Transformation Partnership																	
General / Acute Services Review				✓			✓				ca	✓	ca	✓			
GP Forward View										✓							
Integrated Community Care										✓							
Integrated Neighbourhood Working										✓							
Mental Health								✓							✓		
NHS Long Term Plan																	
Operational Efficiency									✓								
Urgent and Emergency Care									✓								
Lincolnshire Partnership NHS Foundation Trust:																	
General Update / CQC		✓															
Psychiatric Clinical Decisions Unit							ca										
Louth County Hospital														ca	✓		
Northern Lincolnshire and Goole			ca												ca		

	2017						2018											
	14 June	19 July	13 Sept	11 Oct	8 Nov	13 Dec	17 Jan	21 Feb	21 Mar	18 Apr	16 May	13 June	11 July	12 Sept	17 Oct	14 Nov	12 Dec	
<b>KEY</b> <div><div>✓</div> = Substantive Item Considered <div>ca</div> = Chairman's Announcement <div></div> = Planned Substantive Item</div>																		
NHS Foundation Trust																		
North West Anglia NHS Foundation Trust							✓											
<b>Organisational Developments:</b>																		
CCG Joint Working Arrangements												✓	ca					
Integrated Care Provider Contract													ca	✓				
National Centre for Rural Care												ca						
NHSE and NHSI Joint Working											ca							
Undergraduate Medical Education			ca															
<b>Patient Transport:</b>																		
Ambulance Commissioning			✓															
East Midlands Ambulance Service			✓		ca				✓	ca	ca	ca	✓					
Non-Emergency Patient Transport						✓	ca	✓	✓	✓		✓	ca	✓	ca			
Sleaford Joint Ambulance & Fire Station											ca		ca					
<b>Public Health:</b>																		
Child Obesity													ca					
Director of Public Health Report												✓						
Immunisation					✓													
Pharmacy			ca															
Renal Dialysis Services														✓				
Quality Accounts	✓								✓									
<b>United Lincolnshire Hospitals NHS Trust:</b>																		
A&E Funding		ca																
Introduction	✓																	
Care Quality Commission		✓										ca	ca	✓				
Children/Young People Services											✓	✓	✓	✓				
Financial Special Measures			ca		✓					✓								
Grantham A&E			✓				✓	ca						ca	ca			
Orthopaedics and Trauma												ca		ca				
Winter Resilience					ca	✓	ca	ca			✓				✓			



## Policy and Scrutiny

### Open Report on behalf of Keith Ireland, Chief Executive

Report to:	<b>Overview and Scrutiny Management Board</b>
Date:	<b>29 November 2018</b>
Subject:	<b>Overview and Scrutiny Management Board Work Programme</b>

#### Summary:

This item enables the Board to consider and comment on the content of its work programme for the coming year to ensure that scrutiny activity is focused where it can be of greatest benefit. Members are encouraged to highlight items that could be included for consideration in the work programme.

The work programme will be reviewed at each meeting of the Board to ensure that its contents are still relevant and will add value to the work of the Council and partners.

#### Actions Required:

Members of the Board are invited to:

- 1) Review and agree the Board's work programme as set out in Appendix A to this report.
- 2) Highlight for discussion any additional scrutiny activity which could be included for consideration in the work programme.

## 1. Background

Overview and Scrutiny should be positive, constructive, independent, fair and open. The scrutiny process should be challenging, as its aim is to identify areas for improvement. Scrutiny activity should be targeted, focused and timely and include issues of corporate and local importance, where scrutiny activity can influence and add value.

Overview and scrutiny committees should not, as a general rule, involve themselves in relatively minor matters or individual cases, particularly where there are other processes, which can handle these issues more effectively.

All members of overview and scrutiny committees are encouraged to bring forward important items of community interest to the Board whilst recognising that not all items will be taken up depending on available resource and assessment against the prioritisation toolkit.

## Purpose of Scrutiny Activity

Set out below are the definitions used to describe the types of scrutiny, relating to the items on the Board's Work Programme:

Policy Development - The Board is involved in the development of policy, usually at an early stage, where a range of options are being considered.

Pre-Decision Scrutiny - The Board is scrutinising a proposal, prior to a decision on the proposal by the Executive, the Executive Councillor or a senior officer.

Policy Review - The Board is reviewing the implementation of policy, to consider the success, impact, outcomes and performance.

Performance Scrutiny - The Board is scrutinising periodic performance, issue specific performance or external inspection reports.

Consultation - The Board is responding to (or making arrangements to) respond to a consultation, either formally or informally. This includes pre-consultation engagement.

Budget Scrutiny - The Board is scrutinising the previous year's budget, or the current year's budget or proposals for the future year's budget.

Requests for specific items for information should be dealt with by other means, for instance briefing papers to members.

## Identifying Topics

Selecting the right topics where scrutiny can add value is essential in order for scrutiny to be a positive influence on the work of the Council. Members may wish to consider the following questions when highlighting potential topics for discussion to the Board:-

- Will Scrutiny input add value?  
*Is there a clear objective for scrutinising the topic, what are the identifiable benefits and what is the likelihood of achieving a desired outcome?*
- Is the topic a concern to local residents?  
*Does the topic have a potential impact for one or more section(s) of the local population?*
- Is the topic a Council or partner priority area?  
*Does the topic relate to council corporate priority areas and is there a high level of budgetary commitment to the service/policy area?*
- Are there relevant external factors relating to the issue?  
*Is the topic a central government priority area or is it a result of new government guidance or legislation?*

## **Scrutiny and Executive Protocol**

The County Council's Scrutiny and Executive Protocol sets out practical working arrangements which develops a unity of purpose between the Executive, overview and scrutiny committees as well as the Council's senior managers.

The Protocol provides a framework for positive relationships between the Executive and overview and scrutiny committees, but its effectiveness is dependent on all councillors and officers accepting the principles underlying the Protocol.

The Protocol includes the following expectations:

- The Chairman or Vice Chairman of the Overview and Scrutiny Management Board will as far as possible attend each meeting of the Executive.
- The Chairmen or Vice Chairmen of overview and scrutiny committees should attend meetings of the Executive, where an item relevant to their committee's remit is being considered.
- Regular briefing meetings are recommended between the Chairmen and Vice Chairmen of overview and scrutiny committees and the relevant Executive Councillor(s) and Executive Support Councillor(s). These meetings should include the scrutiny officers, and any relevant officers if required.
- It is accepted that Executive Councillors may not be able to attend all meetings of their relevant overview and scrutiny committees. An overview and scrutiny committee may request the attendance of an Executive Councillor for a particular item on the agenda. In such cases if the Executive Councillor is not available he or she should be represented by the Executive Support Councillor.

### **Scrutiny Panel Activity**

Where a topic requires more in-depth consideration, the Board may commission a Scrutiny Panel to undertake a Scrutiny Review, subject to the availability of resources and approval of the Board. Details of Scrutiny Panel activity is set out in Appendix B.

Work Programme items on scrutiny review activity can include discussion on possible scrutiny review items; finalising the scoping for the review; consideration and approval of the final report; the response to the report; and monitoring outcomes of previous reviews.

The Board may also establish a maximum of two working groups at any one time, comprising a group of members from the Board.

### **Committee Working Group Activity**

Scrutiny Committees may establish informal working groups, which can meet a maximum of three times, usually to consider matters in greater detail, and then to put their proposals to Committee. Details of Working Group activity is set out at Appendix C.

## **Executive Forward Plan**

The Executive Forward Plan of key decisions is set out at Appendix D. This is background information for the Committee's consideration to ensure that all key decisions are scrutinised by the relevant scrutiny committee.

## **2. Conclusion**

The Board's work programme for the coming year is attached at Appendix A to this report.

Members of the Board are invited to review, consider and comment on the work programme as set out in Appendix A and highlight for discussion any additional scrutiny activity which could be included for consideration in the work programme.

Consideration should be given to the items included in the work programme as well as any 'items to be programmed' listed.

## **3. Consultation**

### **a) Have Risks and Impact Analysis been carried out?**

Not Applicable

### **b) Risks and Impact Analysis**

Not Applicable

## **4. Appendices**

These are listed below and attached at the back of the report	
Appendix A	Overview and Scrutiny Management Board – Work Programme
Appendix B	Scrutiny Panel Activity
Appendix C	Working Group Activity
Appendix D	Forward Plan of Decisions

## **5. Background Papers**

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Tracy Johnson, Senior Scrutiny Officer, who can be contacted on 01522 552164 or by e-mail at [Tracy.Johnson@lincolnshire.gov.uk](mailto:Tracy.Johnson@lincolnshire.gov.uk)

**OVERVIEW AND SCRUTINY MANAGEMENT BOARD**

Chairman: Councillor Robert Parker

Vice Chairman: Councillor Ray Wootten

**Each agenda includes the following standard items:**

- **Call-in (if required)**
- **Councillor Call for Action (if required)**

<b>29 November 2018</b>		
<b>Item</b>	<b>Contributor</b>	<b>Purpose</b>
Performance of the Corporate Support Services Contract	Sophie Reeve, Chief Commercial Officer Arnd Hobohm, Corporate Support Services Contract Manager	Performance Scrutiny
Microsoft 365 Enterprise	Sophie Reeve, Chief Commercial Officer John Wickens, Chief Digital Officer	Pre-Decision Scrutiny (Executive Councillor decision between 3 – 14 December 2018)
2018/19 Council Business Plan Quarter 2	Jasmine Sodhi, Performance and Equalities Manager	Performance Scrutiny / Pre-Decision Scrutiny (Executive decision on 18 December 2018)
Treasury Management Performance Quarter 2 (1 July to 30 September 2018)	Karen Tonge, Treasury Manager	Performance Scrutiny
Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> <li>• Adults and Community Wellbeing Scrutiny Committee</li> <li>• Health Scrutiny Committee</li> </ul>	Cllr Hugo Marfleet, Chairman of Adults and Community Wellbeing Scrutiny Committee Cllr Carl Macey, Chairman of Health Scrutiny Committee	Performance Scrutiny

20 December 2018		
Item	Contributor	Purpose

31 January 2019		
Item	Contributor	Purpose
Revenue and Capital Budget Monitoring Report 2018/19	David Forbes, County Finance Officer	Pre-Decision Scrutiny (Executive Decision on 5 February 2019)
Final Draft Council Business Plan 2019/20	Jasmine Sodhi, Performance and Equalities Manager	Pre-Decision Scrutiny (Executive Decision on 5 February 2019)
Service Budget Proposals 2019/20	David Forbes, County Finance Officer	Budget Scrutiny
Capital Strategy	David Forbes, County Finance Officer Sue Maycock, Head of Finance - Corporate	Pre-Decision Scrutiny (Executive decision on 5 February 2019)
Council Budget 2019/20	David Forbes, County Finance Officer	Budget Scrutiny / Pre-Decision Scrutiny (Executive Decision on 5 February 2019 and Council Decision on 22 February 2019)
IMT Strategy	John Wickens, Chief Digital Officer Sophie Reeve, Chief Commercial Officer	Pre-Decision Scrutiny (Executive decision on 5 February 2019)
Treasury Management Training Session – 2.00pm		

<b>28 February 2019</b>		
<b>Item</b>	<b>Contributor</b>	<b>Purpose</b>
2018/19 Council Business Plan Quarter 3	Jasmine Sodhi Performance and Equalities Manager	Performance Scrutiny / Pre-Decision Scrutiny (Executive decision on 5 March 2019)
Treasury Management Performance Quarter 3 (1 October 2018 to 31 December 2018)	Karen Tonge Treasury Manager	Performance Scrutiny
Treasury Management Strategy Statement and Annual Investment Strategy 2019/20	Karen Tonge Treasury Manager	Pre-Decision Scrutiny
Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> <li>Children and Young People Scrutiny Committee</li> <li>Public Protection and Communities Scrutiny Committee</li> </ul>	Cllr Robert Foulkes Chairman of Children and Young People Scrutiny Committee  Cllr Nigel Pepper Chairman of Public Protection and Communities Scrutiny Committee	Performance Scrutiny

<b>28 March 2019</b>		
<b>Item</b>	<b>Contributor</b>	<b>Purpose</b>
Scrutiny Panel B – Transitions Review Final Report	Cllr Angela Newton, Chairman of Scrutiny Panel B	Scrutiny Review Activity
Council People Management and Workforce Plan – Six Monthly Update Report	Fiona Thompson, Service Manager – People Management	Performance Scrutiny
Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> <li>Environment and Economy Scrutiny Committee</li> </ul>	Cllr Barry Dobson Chairman of Environment and Economy Scrutiny Committee	Performance Scrutiny

28 March 2019		
Item	Contributor	Purpose
<ul style="list-style-type: none"> <li>Highways and Transport Scrutiny Committee</li> <li>Flood and Water Management Scrutiny Committee</li> </ul>	<p>Cllr Mike Brookes Chairman of Highways and Transport Scrutiny Committee</p> <p>Cllr Bob Adams Chairman of the Flood and Water Management Scrutiny Committee</p>	

25 April 2019		
Item	Contributor	Purpose
Overview and Scrutiny Annual Report	Nigel West, Head of Democratic Services and Statutory Scrutiny Officer	Performance Scrutiny
<p>Overview and Scrutiny Work Programmes</p> <ul style="list-style-type: none"> <li>Adults and Community Wellbeing Scrutiny Committee</li> <li>Health Scrutiny Committee</li> </ul>	<p>Cllr Hugo Marfleet, Chairman of Adults and Community Wellbeing Scrutiny Committee</p> <p>Cllr Carl Macey, Chairman of Health Scrutiny Committee</p>	Performance Scrutiny

**For more information about the work of the Overview and Scrutiny Management Board please contact Tracy Johnson, Senior Scrutiny Officer, on 01522 552164 or by e-mail at [Tracy.Johnson@lincolnshire.gov.uk](mailto:Tracy.Johnson@lincolnshire.gov.uk)**



# Scrutiny Panel Activity

(as at 21 November 2018)

## Current Reviews

Scrutiny Panel A	Membership	Completion Date
Roundabout Sponsorship and Advertising	Councillors L Wootten (Chairman), S R Parkin (Vice Chairman), W J Aron, Mrs A M Austin, Mrs P Cooper, P Coupland, A G Hagues and N Pepper	11 March 2019

Scrutiny Panel B	Membership	Completion Date
Transitions	Councillors Mrs A Newton (Chairman), A H Turner (Vice Chairman), R L Foulkes, A G Hagues, C Matthews, S R Parkin, R H Trollope-Bellew and M A Whittington	28 March 2019

All completed review reports to be approved by relevant scrutiny committee before consideration at a meeting of the County Council's Executive.

# Working Group Activity

(as at 21 November 2018)

Committee	Working Group	Membership
Adults and Community Wellbeing Scrutiny Committee	Government Green Paper – Care and Support for Older People	Councillors C E H Marfleet, R J Kendrick, Mrs J E Killey, A P Maughan, Mrs E J Sneath and M A Whittington
Environment and Economy Scrutiny Committee	High Street Vitality	Councillors B Dobson, B Adams, W Bowkett, Mrs J Brockway, K Clarke, K Cook, G Cullen, Mrs C Lawton and A Spencer
Overview and Scrutiny Management Board	UK's Exit from the European Union	Councillors Mrs A Austin, T Bridges, M Brookes, M T Fido, R L Foulkes, C E H Marfleet, Mrs M J Overton MBE, R B Parker, A M Stokes and Mrs C A Talbot; and added member: Mr S Rudman
Overview and Scrutiny Management Board	IT Provision	Councillors B Adams, M D Boles, C J T H Brewis, T Bridges, Mrs J Brockway, S R Dodds, S P Roe and M A Whittington
Health Scrutiny Committee for Lincolnshire	NHS Finance	Councillors C S Macey and C J T H Brewis; and District Councillors P Gleeson and Mrs R Kaberry-Brown

### **FORWARD PLAN OF KEY DECISIONS FROM 3 DECEMBER 2018**

DEC REF	MATTERS FOR DECISION	REPORT STATUS	DECISION MAKER AND DATE OF DECISION	PEOPLE/GROUPS CONSULTED PRIOR TO DECISION	DOCUMENTS TO BE CONSIDERED	OFFICER(S) FROM WHOM FURTHER INFORMATION CAN BE OBTAINED AND REPRESENTATIONS MADE (All officers are based at County Offices, Newland, Lincoln LN1 1YL unless otherwise stated)	DIVISIONS AFFECTED
I016624	Long Acting Reversible Contraception, Emergency Hormonal Contraception and Pregnancy Testing	Open	Executive Councillor: Adult Care, Health and Children's Services  Between 3 Dec 2018 and 7 Dec 2018	Public Health SMT; Commercial Team – People Services; Adult and Community Wellbeing DMT; Adults and Community Wellbeing Scrutiny Committee	Report	Senior Commercial and Procurement Officer Tel: 01522 553672 Email: linda.turbull@lincolnshire.gov.uk	All Divisions
I016870 New!	A46 Nettleham Primary Route Network	Open	Executive Councillor: Resources and Communications  Executive Councillor: Highways, Transport, and IT  Between 12 Dec 2018 and 21 Dec 2018	Executive Councillor for Highways, Transport and IT; Highways colleagues and utility companies	Report	Senior Project Leader Tel: 01522 552940 Email: steve.brooks@lincolnshire.gov.uk	Nettleham and Saxilby
I016571	Council Budget 2019/20	Open	Executive  18 Dec 2018	Overview and Scrutiny Management Board	Report	County Finance Officer Tel: 01522 553642 Email: david.forbes@lincolnshire.gov.uk	All Divisions
I016025	To seek approval to go out to Consultation on the approved options for the Future Model for the Heritage Service	Open	Executive  18 Dec 2018	Public Protection and Communities Scrutiny Committee	Report	Chief Community Engagement Officer Tel: 01522 553786 Email: nicole.hilton@lincolnshire.gov.uk	All Divisions

DEC REF	MATTERS FOR DECISION	REPORT STATUS	DECISION MAKER AND DATE OF DECISION	PEOPLE/GROUPS CONSULTED PRIOR TO DECISION	DOCUMENTS TO BE CONSIDERED	OFFICER(S) FROM WHOM FURTHER INFORMATION CAN BE OBTAINED AND REPRESENTATIONS MADE (All officers are based at County Offices, Newland, Lincoln LN1 1YL unless otherwise stated)	DIVISIONS AFFECTED
I0116908 New!	Draft Statement of Community Involvement	Open	Executive 18 Dec 2018	Environment and Economy Scrutiny Committee	Report	Minerals and Waste Policy Team Leader Tel: 01522 554818 Email: adrian.winkley@lincolnshire.gov.uk	All Divisions
I016572	Council Budget 2019/20	Open	Executive 5 Feb 2019	Overview and Scrutiny Management Board	Report	County Finance Officer Tel: 01522 553642 Email: David.forbes@lincolnshire.gov.uk	All Divisions
I015181	Revenue and Capital Budget Monitoring Report 2018/19	Open	Executive 5 Feb 2019	Overview and Scrutiny Management Board	Report	County Finance Officer Tel: 01522 553642 e-mail: david.forbes@lincolnshire.gov.uk	All Divisions
I016780 New!	Capital Strategy	Open	Executive 5 Feb 2019	Overview and Scrutiny Management Board	Report	Head of Finance - Corporate Tel: 01522 553663 Email: sue.maycock@lincolnshire.gov.uk	All Divisions
I013959	Future Model of the Heritage Service	Open	Executive 8 May 2019	Public Protection and Communities Scrutiny Committee	Report	Chief Community Engagement Officer Tel: 01522 553831 Email: nicole.hilton@lincolnshire.gov.uk	All Divisions