



**OVERVIEW AND SCRUTINY
MANAGEMENT BOARD
26 SEPTEMBER 2019**

PRESENT: COUNCILLOR R B PARKER (CHAIRMAN)

Councillors R Wootten (Vice-Chairman), Mrs W Bowkett, Mrs J Brockway, C S Macey, C E H Marfleet, N H Pepper, E W Strengiel and S P Roe

Added Members

Church Representatives: Mr S C Rudman

Councillors: M A Whittington and B Young attended the meeting as observers

Officers in attendance:-

Pam Clipson (Head of Finance (Adults)), Andrew Crookham (Executive Director Resources), Michelle Grady (Assistant Director for Strategic Finance), Angela Lawton (Strategic Finance Manager - Children's Services), Sue Maycock (Head of Finance (Corporate)), Daniel Steel (Scrutiny Officer), Karen Tonge (Treasury Manager), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer) and Emily Wilcox (Democratic Services Officer)

35 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

Apologies for absence were received from Councillor Mrs K Cook and Councillor B Adams, and Mrs Patricia Barnett (Parent Governor Representative).

It was reported that, under the Local Government (Committee and Political Groups) Regulations 1990, Councillor S P Roe had been appointed as replacement member for Councillor B Adams, for this meeting only.

36 DECLARATIONS OF INTEREST

There were no declarations of interest.

37 MINUTES OF THE MEETING HELD ON 29 AUGUST 2019

RESOLVED:

That minutes of the meeting held on 29 August 2019 be approved as a correct record and signed by the Chairman.

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38 ANNOUNCEMENTS BY THE CHAIRMAN, EXECUTIVE COUNCILLOR FOR RESOURCES AND COMMUNICATIONS AND CHIEF OFFICERS

The Chairman announced that he had attended the meeting of the Executive on 3 September 2019, at which he had presented the Board's comments on the Performance Reporting against the Council Business Plan – Quarter 1; as well as the comments raised by the Environment and Economy Scrutiny Committee regarding the Proposed Statement of Community Involvement.

Members were informed that the Chairman of the Public Protection and Communities Scrutiny Committee had attended the meeting to present the Committee's comments on the Future of the Heritage Service item, highlighting the Committee's support for the recommendations set out in the Executive report.

It was noted that members of Scrutiny Panel B would be attending the East Midlands Councils Scrutiny Conference on the 4 October 2019. The Chairman would report back about the conference at the next meeting of the Board.

39 CONSIDERATION OF CALL-INS

None were received.

40 CONSIDERATION OF COUNCILLOR CALLS FOR ACTION

None were received.

41 REVENUE BUDGET MONITORING REPORT 2019/20

Consideration was given to a report by the Assistant Director for Strategic Finance, which invited the Board to consider a report on Revenue Budget Monitoring 2019/20 which would be presented to the Executive on 1 October 2019.

The report compared the Council's projected expenditure with the approved budget for 2019/20, as well as explanations for any significant over or under spending.

Members were referred to Table A, which set out the Council's Revenue Budget Monitoring position as at 31 August 2019.

Members were invited to ask questions, in which the following points were noted.

- It was clarified that the underspend for Supported Accommodation was not reflective of service delivery but was a result of transformation work within the service which was providing more suitable and more cost effective accommodation. This pilot was now being extended and these changes would be reviewed as part of the budget setting for 2020.
- It was confirmed that the budget for 'Readiness for School' would be reviewed and amended if it was felt necessary.
- The Board sought assurance that the identified cost pressures were reviewed on a regular basis. Officers confirmed the cost pressures were thoroughly

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challenged as part of the on-going process and as part of the prudent financial management and budget setting process.

- In relation to the £1.553m underspend for the IMT Strategy & Support, the Board challenged the level of impact on IMT services as a result of the on-going infrastructure issues, and queried whether the estimated budget had been allocated without a full awareness of the requirements or a defined programme of work for IMT service improvements. Officers confirmed that a better awareness of requirements had since been achieved and would be reflected in future budget setting.
- The Board welcomed the openness and transparency of the report in recognising that during the current year a far stronger grip on IMT related requirements had been achieved. Members highlighted that there was a good level of awareness of the on-going technology infrastructure issues.
- The Board welcomed the significant on-going work to modernise technology and improve overall IMT performance.

RESOLVED:

1. That the Board support the recommendations to the Executive, as set out in the report;
2. That a summary of the comments, as above, be passed on to the Executive as part of its consideration of this item.

42 CAPITAL BUDGET MONITORING REPORT 2019/20

Consideration was given to a report by the Assistant Director for Strategic Finance on Capital Budget Monitoring 2019/20 which was being presented to the Executive on 1 October 2019.

The report compared the Council's projected expenditure with the approved budget for 2019/20 and provided explanations for any significant over or underspending.

Members were advised that the net capital spending was projected to be £47.824m less than the budget at the end of the financial year; and that the gross capital spending was projected to be £56.625m less than the budget at the end of the financial year.

Members were invited to ask questions, in which the following points were noted:

- The Board questioned the slippage in the 2019/20 Capital Programme and highlighted the need to ensure effective budget profiling across the life of schemes/projects.
- Officers confirmed that the capital programme comprised schemes which often spanned a number of financial years and could be challenging to profile.
- The Board sought assurance on the reported underspends included in the report for the following schemes:- Lincoln Eastern Bypass (£7.683m underspend); Grantham Southern Relief Road (£18.155m underspend); Lincolnshire Enterprise Partnership Contribution (£10.401m underspend); Fire and Rescue and Emergency Planning Fire Fleet Vehicles and Associated

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Equipment (£5.592m underspend); and IMT capital projects (£7.328m underspend).

- The Board welcomed both the detail included in the report on the reported underspends and the proposed review of spending in the autumn to realign capital budgets with current spending plans.
- The Board recommended the need for a defined programme of work for the IMT capital projects in order to ensure the required outcomes were delivered. Officers confirmed that additional assurance on the IMT capital projects would be included as part of the January 2020 capital budget monitoring report.

RESOLVED:

1. That the Board support the recommendations to the Executive, as set out in the report;
2. That a summary of the comments, as above, be passed on to the Executive as part of its consideration of this item.

43 TREASURY MANAGEMENT PERFORMANCE QUARTER 1 2019 (1 APRIL - 30 JUNE 2019)

Consideration was given to a report by the Treasury Manager, which detailed the activities and performance of treasury management over the first quarter of 2019/20 (1 April to 30 June 2019), in comparison to the Treasury Management Strategy and Annual Investment Strategy 2019/2020.

Members were provided with an overview of the Interest Rate Forecast; the Investments; the Activity and Performance Quarter 1 and the Council's Borrowing for the first quarter.

Members were invited to ask questions, in which the following points were noted:

- Members were advised that many countries were beginning to fall into a recession.
- It was noted that although the UK economy had seemed to be improving in the short term, this did not seem to be the case for the long term forecast. It was possible that the UK could be on the verge of a recession.
- It was noted that a no deal Brexit could mean that interest rates would fall and negative figures could not be ruled out.
- The Board congratulated officers on the performance of treasury management activities for the first quarter of 2019.

RESVOLVED:

1. That the performance Treasury Management Performance be noted;
2. That the Executive Support Councillor for Resources and Communication pass the Board's comments on to the Executive Councillor for Resources and Communication.

44 SCRUTINY COMMITTEE WORK PROGRAMMES

The Chairman of the Children and Young People Scrutiny Committee referred Members to Appendix A to the report, which set out the recent work undertaken by the Committee.

Members were advised that the following items were scheduled for forthcoming meetings of the Committee:

- A report on the Children's Services Inspection by Ofsted. Members were informed that Children's Services had been rated as 'outstanding' in the most recent Ofsted inspection. The report would focus on the outcomes of the inspection and the areas for improvement that had been highlighted.
- A report on the Executive response to the Transitions Scrutiny Review.
- The Inclusive Lincolnshire Strategy Progress Report.

Members were invited to ask questions, in which the following points were noted:

- It was noted that the Children and Young People Scrutiny Committee had received a presentation on the success of the Joint Diversionary Panel and its use of restorative practice in Lincolnshire. Restorative practice was proving to be a successful solution for reducing the number of children and young people entering the formal criminal justice system.
- The Chairman of the Board suggested that reports on the national review of support for children with Special Educational Needs and Disability (SEND) as well as the overspend on Children's Centres be considered as part of the Committee's future work programme.

The Chairman of the Public Protection and Communities Scrutiny Committee then outlined the recent work undertaken by the Committee:

- The Committee had received a report on the progress and actions completed by Lincolnshire Fire and Rescue (LFR) following the inspection from Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS).
- On 23 July 2019, the Committee had considered a report on the Future of the Heritage Service, which had been well attended by members of the public. The Committee had supported the recommendations set out to the Executive.
- Members were advised that an item on the Wainfleet Flooding Incident would be scheduled for a future meeting, once all investigations had been concluded. The item would focus on the Emergency Services' response to the incident.

Members were invited to ask questions, in which the following points were noted:

- It was noted that the Blue Light project had been successful and that the Police service were due to move into their new premises in November 2019.

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- Officers agreed to look into the possibility of holding a meeting of the Board at the new Blue Light Centre.

RESOLVED:

That the Board was satisfied with the future work programmes of the Children and Young People Scrutiny Committee; and the Public Protection and Communities Scrutiny Committee.

45 OVERVIEW AND SCRUTINY MANAGEMENT BOARD WORK PROGRAMME

The Head of Democratic Services and Statutory Scrutiny Officer presented the Board's prospective work programme.

It was noted that a report on the Reconfiguration of the Council's Enterprise Resource Planning (ERP) System would be added to the agenda for the meeting on the 28 November 2019 for pre-decision scrutiny ahead of a decision by the Executive on 3 December 2019.

The Chairman sought volunteers to form part of an informal working group to work with the officers involved and contribute to the development of the Draft Corporate Plan. Councillors R B Parker, R Wootten, Mrs W Bowkett, Mrs J Brockway, and S P Roe volunteered to be part of the informal working group.

It was agreed that the work programmes for the Adults and Community Wellbeing Scrutiny Committee and the Health Scrutiny Committee for Lincolnshire be reported to the next meeting of the Board.

RESOLVED:

That the Work Programme and amendments be agreed.

The meeting closed at 11.50 am