



OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE 25 FEBRUARY 2016

PRESENT: COUNCILLOR P J O'CONNOR (CHAIRMAN)

Councillors Mrs A M Newton (Vice-Chairman), C J T H Brewis, A Bridges, Mrs J Brockway, M Brookes, P M Dilks, R L Foulkes, A G Hagues, A J Jesson, Mrs M J Overton MBE, R B Parker, C L Strange and R Wootten.

Added Members

Church Representatives: Mr S C Rudman.

Officers in attendance:-

Katrina Cope (Senior Democratic Services Officer), Simon Evans (Health Scrutiny Officer), Michelle Grady (Head of Finance (Communities), Steve Houchin (Head of Finance - Adult Care), Tracy Johnson (Senior Scrutiny Officer), Claire Machej (Head of Finance - Corporate), Mark Popplewell (Head of Finance, Children's Services), Daniel Steel (Scrutiny Officer), Tony Warnock (Operations and Financial Advice Manager), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer), Richard Wills (Executive Director for Environment and Economy) and Jasmine Sodhi (Performance and Equalities Manager).

60 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

Apologies for absence were received from Councillors C E H Marfleet, Mrs C A Talbot, R J Hunter-Clarke, Mr P Thompson (Church Representative) and Mr C V Miller and Mrs E Olivier-Townrow (Parent Governor representatives).

61 DECLARATION OF MEMBERS' INTEREST

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

62 MINUTES OF THE MEETING OF THE COMMITTEE HELD ON 28 JANUARY 2016

RESOLVED

That the minutes of the meeting held on 28 January 2016 be signed by the Chairman as a correct record.

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The Chairman of the Overview and Scrutiny Management Scrutiny Committee, Councillor P O'Connor advised the Committee that he had attended the February meeting of the Executive, at which the Leader had invited him to speak on the budget item, and take part in discussion thereon, as was the Chairman of the Highways and Transport Committee, Councillor M Brookes. The Chairman believed that this meeting had been a promising start to better communication between Scrutiny and the Executive.

64 CONSIDERATION OF CALL-INS

The Committee was advised that no call-ins had been received.

65 PROPOSAL FOR SCRUTINY REVIEWS

The Committee was advised that no proposals had been received for scrutiny reviews. It was noted however, that the Value for Money Scrutiny Committee had indicated that one might be called for in the future with regard to the Council's property assets.

66 CONSIDERATION OF COUNCILLOR CALL FOR ACTIONS

The Committee was advised that no Councillor Call for Actions had been received.

67 REVENUE AND CAPITAL BUDGET MONITORING REPORT 2015/16

Consideration was given to a report from Pete Moore, Executive Director of Finance and Public Protection, which provided the Committee with the last budget monitoring report for the financial year 2015/16. The report would then be presented to the Executive for consideration at its meeting on 1 March 2016. The report compared projected expenditure with the approved budget, and provided explanations for any significant over or under spending.

Tony Warnock, Operations and Financial Advice Manager, supported by Michelle Grady, Head of Finance – Communities, Steve Houchin, Head of Finance – Adult Care, Claire Machej, Head of Finance – Corporate; and Mark Popplewell, Head of Finance – Children's Services guided the Committee through the report and Appendix A presented, making particular reference to the following points; and responded to questions raised from the Committee:-

- That the report presented was the second budget monitoring report for the year. It was noted that due to issues with Agresso, normal quarterly reports being compiled in a different way. It was noted further that the finance team were working alongside Serco colleagues to make sure that year-end figures were available;
- That the Executive report detailed at Appendix A provided the actual income and expenditure for 10 months of the financial year, along with projections for spendings, and a comparison of the projections against approved budgets;

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- In summary the Committee was advised that the total revenue spending was predicted to be £7.738m less than the total budget, (which excluded the projected underspending on schools budgets). The total revenue income was predicted to be £2.458m less than the total budget, as a result of reduction in funding. The general reserves were estimated to be 3.5% of the total budget based on current spending; and that the net capital spending was projected to be £22.883m less than the approved 2015/16 programme total;
- Revenue Budget:- Particular mention was made to:-

Paragraph 1.5 Learn and Achieve £0.624m underspend. It was noted that the majority of the underspend related to Home to School/College Transport as a result of a reduction in the number of entitled pupils which had allowed for contracts to be affected financially. It was also highlighted that this was a difficult area to predict and that the level of underspend should be treated with some caution.

Paragraph 1.7 Children are Safe and Healthy – The Committee noted that there was a £0.128m overspend, as a result of an increase in the number of Looked After Children, some of whom had very complex needs;

Paragraph 1.13 – The Committee was advised that based on income collected as at the end of December for Debtor/Non Residential and Direct payments income was significantly higher than expected mainly due to Direct payment refunds through audits that had been carried out;

Paragraph 1.14 – That due to delays in the implementation of Mosaic the additional income derived from the review of the Contributions Policy would be delayed. It was highlighted that for each quarter delay there was a predicted loss of additional income of £0.250m. As Mosaic seemed unlikely to be implemented before April 2016, there would be a reduction in the anticipated income by £0.250m for 2015/16;

Paragraph 1.16 – The Committee noted that the Wellbeing Commissioning Strategy was currently projecting an underspend of £2.199m. Full details were contained within the report presented;

Paragraph 1.17 – That the Heritage and Tourism Operation and Development was expecting an underspend of £0.927m, as a result of additional income from visitors to Lincoln Castle;

Paragraph 1.18 – That an underspend of £0.865m was also expected on Highway Asset Maintenance Budgets, as a result of staff vacancies currently being held;

Paragraph 1.19 - That Waste Management was expecting an overspend of £1.269m, as a result of increases to prices and volumes;

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Paragraph 1.22 – That Enablers and Support to Council's Outcomes was currently forecasted a year end underspend of £1.710m. The most significant variances were detailed on page 21 of the report presented;

Paragraph 1.24 – The Committee was advised that the Government had announced £3bn of in year savings to government department budgets for 2015/16. This had resulted in the Council receiving £2.022m less Public Health grant than anticipated. The shortfall would be met from the Public Health grant reserve created from underspends of the grant in previous years;

Paragraph 1.25 – The Committee was advised that Capital Financing Charges were currently projecting an underspend of £3.088m;

Paragraph 1.26 – That 'Other Budgets' were projecting an underspend of £1.341m. Details of the significant variances were detailed on page 22 of the report presented;

Paragraph 1.27 – The Schools Budgets would have an underspend of £2.205m. It was noted that in line with Department for Education (DfE) regulations, any under or overspends would automatically be carried forward to the next financial year and the Local Authority would consult the Lincolnshire Schools Forum with regard to its use;

Paragraph 1.28 – That the Council's General Funding was currently forecasted to be £2.548m less than the revenue budget approved at full Council in February 2015. Reasons for the forecast reduction was detailed on pages 22 and 23 of the report presented;

Paragraph 1.29 - The Committee was advised that the Council were planning to use £21.871m from the Financial Volatility Reserve to balance the Council's budgets in 2016/16 and £0.300m from the General Fund to keep this balance at 3.5% of the Council's budget requirement;

- Capital Programme – Particular reference was made to:

Page 24 – Table B, which provided the Committee with a position statement as at 29 January 2016 – Part 1; and page 25 Table, which provided a position statement as at 29 January 2016 – Part 2;

Paragraph 1.32 – It was noted that Community and Wellbeing were expected to have an underspend of £0.795m, which was due to the slow take up of spend on the library hubs;

Paragraph 1.33 - That the Property and Property Rationalisation Programme were currently forecasting a year end underspend of £4.773m;

Paragraph 1.34 - That the Broad Band Programme was currently projecting an underspend of £7.144m;

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Paragraph 1.35 – That the ICT capital programme was currently projecting an underspend of £7.585m. Details of the significant variances were detailed on page 26 of the report;

Paragraph 1.37 – It was reported that the Council had for 2015/16 set aside £15.000m in a New Development Capital Contingency Fund; and that to date £13.000m had been allocated from this reserve. Details of how this fund had been utilised was detailed at the bottom of page 26 of the report; and

Paragraph 1.38 – Details of the net capital programme, a table was shown on page 27 of the report. It was highlighted that the total funding figure of £78,776 agreed to the Net Revised Budget figure shown in Table B on page 25 of the report.

During discussion, the Committee raised the following points:-

- The forecast variance underspend percentage figure of 29.25% relating to Carers in Table A on page 17 of the report presented. The Committee was advised that the projected underspend was primarily due to the slower than anticipated uptake of the carers allowances following changes brought in by the implementation of the Care Act 2014. It was noted however, as members of the public became aware of carers rights, it was anticipated that numbers would rise in the final months of the current financial year;
- A question was asked whether the reduction in Business Rate income figure of £0.647m (as mentioned on page 22 of the report) was an indicator of the overall picture of businesses in Lincolnshire. The Committee was advised that the reduction was actually more of a technical issue, due to the rising number of larger Business Rate appeals, and was not therefore reflective of the business level in Lincolnshire;
- Some members expressed concern regarding the delayed implementation of Mosaic, and that as a result of the delay there was a predicted loss of additional income of £2.250m to the revised Contributions Policy. Officers confirmed that the Contributions Policy could not be fully implemented until Mosaic was operational;
- Some concern was expressed with regard to 'Other Programmes' in the New Development Capital Contingency Fund as detailed at the bottom of page 26, that set aside money was going to be used to fund the Bourne and Boston Waste Recycling Centres; when existing contracts could have been tightened preventing the need for new developments. The Committee was advised that contracts were being managed well, but officers felt that the Council could do it better therefore, the schemes would provide better value for money for the Council going forward;
- Compensation to Schools – The Committee was advised that a letter had been sent out to schools advising them that Serco would not be charging them for payroll and HR in the current year, as a result of the problems encountered by the schools with Agresso. It was highlighted that the Council also acknowledged the problems, and as a result would not be charging for their financial support through the year. The effect would be that the Schools budget underspend would increase. Clarification was also given that the

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£10m did take into account the reduction in charges from Serco. The Committee was also advised that the Council was not likely to receive specific claims as a result of action already taken;

- A question was asked whether the underspend of £0.624m in Home to School/College Transport was due to a reduction in the number of entitled pupils, or whether it was as a result of policy change. It was reported that no policy changes had been made, and that the underspend was as a result of changes in pupil demographics within the secondary education sector;
- Some concern was raised with regard to outstanding debtor payments and what work was being undertaken to ensure that as much outstanding income was retrieved. The Committee was advised that 97% of income was collected and that work was being done with Serco to target the remaining 3% debtor payments. It was highlighted that the Council overall, had good robust processes in place, and a good recovery record;
- A query was raised with regard to the underspend at paragraph 1.32 for Community Wellbeing and Public Health. Officers confirmed that the underspend was as a result of non-take up of monies for building improvements; and that the balance would be carried forward to continue to support the hubs;
- Paragraph 1.32 ICT. A question was raised as to whether the underspend of £7.585m would be used for computer security. The Committee was advised that the Council Firewall was adequate; and that the Council continued to maximise its protection with relevant software; and
- Page 26 – Paragraph 1.37. The Committee was advised that the £1.000m to Lincoln Castle was the final piece of funding for the Capital spend for Lincoln Castle.

RESOLVED

That the Revenue and Capital Budget Monitoring Report 20015/16 presented be noted and that the comments as detailed above be forwarded on to the Executive for consideration at its meeting on 1 March 2016.

68 COUNCIL BUSINESS PLAN 2015 - 2016 PERFORMANCE REPORT, QUARTER THREE

The Committee gave consideration to a report from Judith Hetherington Smith, Chief Information and Commissioning Officer, which provided Quarter Three performance data in the new style performance report against the Council Business Plan.

Jasmine Sodhi, the Performance and Equalities Manager presented the report to the Committee, making particular reference to the following:-

- That following a report to Council on 18 December 2015, Quarter Three reporting against the Council Business Plan by exception would be presented to the Overview and Scrutiny Management Committee;

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- That the new style performance reporting used infographics that had been developed in consultation with members and had been introduced to scrutiny committees in Quarter One;
- That it was intended that the new style of performance reporting was intended to be web based and could be viewed in a secure area on the Lincolnshire Research Observatory web. Members were advised that a link to the relevant area would be emailed to all members of the Overview and Scrutiny Management Committee;
- The Committee received a demonstration of the link available for members to access the data on the Lincolnshire Research Observatory website. It was noted that the data would become publicly available in due course; and
- That Overview and Scrutiny Management Committee would have an over view of performance; and would receive an exception report aligned to the Commissioning Strategies. Details of commissioning strategies who had continued to perform well were detailed in Appendix A to the report presented. Information relating to areas where targets had not been achieved in all three quarters and where performance had declined were shown in Appendix B to the report.

During discussion, the Committee raised the following issues:-

- The Committee expressed support for the new performance data, advising that they had found the data to be more informative and easier to follow;
- Clarification was sought as to whether on page 63 the 'Permanent admissions to residential and nursing care homes aged 65+ per 100,000 population' was weighted to the demographic of the area or not. The Committee was advised that it was per 100,000 people and was therefore not weighted;
- Page 73 – Illicit alcohol and tobacco seized per operation. A question was asked as to whether the target should be green, as more goods had been seized than had been targeted for. It was agreed to look into this target. A further comment raised was whether because of the information presented was there a need for more Trading Standards staff. Further comments raised were whether the target had been set correctly; and were the trading standards results reported to the police and licensing authority. Officers agreed to look into the queries raised. The Chairman agreed to take up issues regarding notification with the Chairman of Community and Public Safety Scrutiny Committee, Councillor Brewis. A suggestion was also made for a presentation from Trading Standards concerning Alcohol and tobacco;
- A request was made for a search field so that indicators could be found more easily. Officers agreed to look into this request;
- Page 82 Alcohol related violent crime incidents. It was highlighted that the reason for the increase in alcohol related violent crime had been reported as being because of a particularly mild winter. The Committee requested the availability of comparative data for a cold winter. A further question was asked as to whether cuts would have any further impact on services, and therefore on data. It was also highlighted that there was to be a

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reduction in the number of police officers and PCSO's, which would also have an effect on crime levels;

- Page 42 – Time taken to match a child to adoptive family following court order. The report advised that both the upper and lower ranges had been set to 10 days, however, on Page 40, the time taken to move from care to adoptive family had been reduced to 25 days from the previous year's target. A question was asked as to how successful the Council's adoptions were. Officers agreed to look into and report back to a later meeting;
- Page 33 Adult reoffending – That the figures presented were confusing. The Committee was advised that the target range allowed for fluctuation. A further comment raised was that further information would be useful as to the types of offences and to their geographical spread;
- Page 53 – Contact with the Library Service – It was highlighted that despite changes to libraries there had continued to be lots of activity;
- Page 51 – Contact with Heritage Service – One member suggested the inclusion of Aviation Heritage, as this was an area that was important for Lincolnshire; and
- Page 84 – Household Waste Recycling – Reference was made for the need for better classification for recycled items; as more in depth information would be useful. The Committee was advised that there was volatility in the recycling industry; and that cost effectiveness was achieved when there was the capacity locally to deal with a particular recyclable. A further comment was made for the need to encourage people to compost more.

RESOLVED

That the Council Business Plan 2015 – 2016 Performance Report, Quarter Three be noted and that the comments highlighted above be actioned.

69 OVERVIEW AND SCRUTINY WORK PROGRAMME

The Committee gave consideration to its own work programme as detailed at Appendix A, and the scrutiny committee work programmes for 2016 as shown at Appendix B. During consideration of these programmes, the Committee received the following updates.

Overview and Scrutiny Management Committee

Nigel West, the Head of Democratic Services and Statutory Scrutiny Officer brought the Committee's attention to its work programme for 28 April 2016, at which the Committee would be reviewing the Review of Scrutiny Working Group – Closer working with the Executive. Members noted that the first Scrutiny Review Working Group meeting was taking place later on in the day.

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Adults Scrutiny Committee

Simon Evans, the Health Scrutiny Officer advised the Committee that the only change to the work programme for the Adults Scrutiny Committee, as shown on pages 90/91 and 92 of Appendix B was that the item on the Carers Commissioning Strategy and Services for Carers listed on page 91 for 29 June 2016 would now be brought forward to 25 May 2016.

Children and Young People Scrutiny Committee (CYPSC)

Councillor R Wootten, Vice-Chairman of CYPSC advised that further to the work programme for Children and Young People Scrutiny Committee (CYPSC) as detailed on pages 93/94 of Appendix B, that there was one further amendment to the work programme, which was that the report of the Lincolnshire Safeguarding Boards Scrutiny Sub-Group Update had been deferred from the 4 March to the 15 April 2016 meeting.

The Committee was also advised that at the next meeting of the CYPSC on the 4 March 2016, the Committee would be receiving the draft final report from the Grammar School Transport scrutiny review.

The Committee also noted that there was to be a workshop for the CYPSC on Progress 8 and assessment developments in schools after the above said March meeting.

Community and Public Safety Scrutiny Committee

Councillor C Brewis, Chairman of the Community and Public Safety Scrutiny Committee, advised the Committee of the following changes to the Community and Public Safety Scrutiny Committee work programme, as detailed on pages 95/96 of Appendix B.

- 13 April 2016 – The Lincolnshire Association of Local Councils (LALC) item scheduled for April would now be likely to move to a later meeting date, once confirmation of a date had been received from Trisha Carter from LALC;
- 13 July 2016 – The Committee was considering an offsite visit for this meeting;
- 2 November 2016 – The Committee was advised that Tony McGinty, Consultant in Public Health had suggested the November meeting date as a possible option for a site visit and update with Greenwich Leisure Limited.

Other issues highlighted were:-

- That a future Heritage Services pre-decision item was due to be considered at the 14 September 2016 meeting date;
- That a policy on 'engaging with spontaneous volunteers' through the scrutiny process would be presented to the Committee in the coming months, as an outcome of the 'Barnes Wallis' exercise; and
- That an item on the Local Welfare Support Scheme was expected to be received at a future meeting of the Committee.

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Economic Scrutiny Committee

Councillor A Bridges, Chairman of the Economic Scrutiny Committee, advised that further to the Economic Scrutiny Committee work programme as detailed on page 97 of Appendix B, there was one further amendment to the work programme, which was a report on the Greater Lincolnshire Local Enterprise Partnership's Draft Rail Strategy, would be added to the agenda for the meeting on 24 May 2016.

Environmental Scrutiny Committee and Flood and Drainage Management Scrutiny Committee

Councillor C Strange, Chairman of the Environmental and Flood and Drainage Management Scrutiny Committee, advised with regard to the following:-

That for the Environmental Scrutiny Committee work programme as detailed on pages 98/99 of Appendix B, no further changes were proposed at this moment in time.

Other issues highlighted to the Committee were:

- Offsite Visit to the Flood Alleviation Schemes/Gibraltar Point/English Coastal Path would be considered at the 29 April meeting; and
- A further Offsite visit was scheduled for the 29 July meeting to visit the Carbon Neutral Business Zone (CaNeBuZo), Wash Frontagers' Group and Sutton Bridge Marina.

The Committee was advised that there were changes to the published work programme for the Flood and Drainage Management Scrutiny Committee, as detailed on page 98 of Appendix B. The Committee noted that for September 2016, a roundtable discussion with Internal Drainage Boards and other partners was being considered at a venue to be agreed.

Health Scrutiny Committee for Lincolnshire

Councillor C Brewis, Vice-Chairman of the Health Scrutiny for Lincolnshire advised that further to the published Health Scrutiny Committee for Lincolnshire work programme on pages 100/101, the following changes were likely:

- 16 March 2016 – The outcomes from the Care Quality Commission Inspection of Lincolnshire Partnership NHS Foundation Trust was now expected to be later than March, therefore this item would be re-scheduled accordingly; and that the St Barnabas Hospice item would now be considered at the meeting on 20 April 2016; and
- For 20 April and 18 May 2016, other than the addition mentioned above, there were no further changes to the work programme.

It was also highlighted that there was an expectation that there would be a public consultation on Lincolnshire Health and Care Programme after 1 July 2016. The

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Committee would have to consider how this item would be reflected in the Health Scrutiny Committee for Lincolnshire work programme.

The Committee also noted that there was now a requirement for each local health economy to submit a Sustainability and Transformation Plan to NHS England by 30 June 2016, one element of that Plan being that local health economies should return to financial balance; it was noted that this would be a particular challenge for Lincolnshire.

The Vice-Chairman responded to questions raised with regard to response times for the East Midlands Ambulance Service and 'Exercise Black Swan'. The Health Scrutiny Officer agreed to circulate information relating to response times to relevant members after the meeting.

Highways and Transport Scrutiny Committee

Councillor M Brookes, Chairman of the Highways and Transport Scrutiny Committee advised the Committee that there were no changes to the published work programme for Highways and Transport Scrutiny Committee as detailed on pages 102/103 of Appendix B.

The Committee noted that the Future Service Delivery item would be considered by the Committee on 18 April 2016 and that the Permit Scheme – Outcome of Consultation had been included on the agenda for the 11 July 2016 meeting.

Value for Money Scrutiny Committee

Councillor Mrs A Newton, Chairman of the Value for Money Scrutiny Committee advised the Committee that further to the work programme as presented on page 104 was an additional item for the 26 April 2016 meeting relating to Assets held by the Council – ensuring that the Council received best value for money from its assets.

The meeting closed at 12.15 pm.

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