

# Agenda Item 5

**EXECUTIVE  
07 FEBRUARY 2017**

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## **SCRUTINY COMMENTS**

### **REVENUE AND CAPITAL BUDGET MONITORING REPORT 2016/17**

The Overview and Scrutiny Management Committee met on 26 January 2017 and considered a report on the Revenue and Capital Budget Monitoring Report 2016/17. The Committee agreed to pass on the following comments to the Executive as part of its consideration of this item.

- A Councillor highlighted concern about extending the borrowing repayment period from 25 to 50 years and queried whether this would push additional costs to the County Council into future years. Officers confirmed that projected estimates showed that the longer term borrowing would start to cost the Council more after 17 years, however this would also depend on the level of borrowing in the future.
- The increase in levels of refunds from unspent service users' Direct Payments was highlighted, and it was queried as to whether this was related to the growth in the number of direct payments in relation to carers. Officers confirmed that the legislation relating to personal budgets for carers had changed with the introduction of the Care Act. These changes introduced a more detailed assessment which had resulted in a significant reduction in applications but these were now starting to increase.
- The Disabled Facility Grants (DFG) was highlighted as a concern due to funding arrangements between the County Council and District Councils. A Councillor requested that consideration be given at year end with regards to the retained element held by the County Council and whether this could be used to support the District Councils. It was requested that a discussion take place with District Councils about the funding for the past year. Officers confirmed that the position for the next financial year was much clearer as all parties were working towards developing a memorandum of understanding.
- A Councillor highlighted the £1.904m underspend caused by delays in making milestone payments to Serco relating to Agresso. Officers confirmed that these payments should have been made two years ago and that the payments would be made once the system was fit for purpose.
- The Committee highlighted the forecasted £1.014m overspend relating to home to school transport which included the costs associated with the closure of the Mablethorpe school site for Louth Monks Dyke College; an increase in SEN transport costs leading up to the new One School One Provider contracts; and an increase in the number of planned transport days.
- A Councillor highlighted the block booking of beds and it was suggested that 25% of people who could be discharged from hospital could not be discharged due to Lincolnshire County Council not being able to provide a placement. Officers reported that a new contract had been made to block book beds in a number of homes across the County, initially just for deficit beds but now for all types of placements. It was also confirmed that Adult Social Care had a team of 20 Social Workers working with hospitals to allow people to move on as quickly as possible.

- The underspend on Wellbeing Services of £1.724m due to unfilled vacancies was highlighted. A Councillor queried whether this underspend indicated a reduction in service capacity. Officers confirmed that this underspend was also due to efficiencies following recent reprovision of a number of services, and that the unfilled vacancies was only a small proportion of the overall underspend.
- The Committee highlighted the one year budget and whether consideration had been given to future planning of the level of County Council precept, to meet the budget shortfalls for the next three financial years. Officers confirmed that the County Council had agreed a four year funding deal from Government, which had enabled planning to take place and that it was projected that a 3.95% increase would be made over the next four years.