



County Offices
Newland
Lincoln
LN1 1YL

20 June 2018

Overview and Scrutiny Management Board

A meeting of the Overview and Scrutiny Management Board will be held on **Thursday, 28 June 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 blue ink that reads 'Richard Wills'. The signature is written in a cursive style and is underlined with a single horizontal stroke.

Richard Wills
Head of Paid Service

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, Mrs K Cook, M Brookes, B M Dobson, R L Foulkes, C S Macey, C E H Marfleet, N H Pepper and E W Strengiel

Added Members

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

Parent Governor Representatives: Mrs P J Barnett and 1 Parent Governor Vacancy

**OVERVIEW AND SCRUTINY MANAGEMENT BOARD AGENDA
THURSDAY, 28 JUNE 2018**

Item	Title	Pages
1	Apologies for Absence/Replacement Members	
2	Declarations of Members' Interests	
3	Minutes of the Meeting of the Overview and Scrutiny Management Board held on 24 May 2018	5 - 12
4	Announcements by the Chairman, Executive Councillor for Resources and Communications and Chief Officers	
5	Consideration of Call-Ins	
6	Consideration of Councillor Calls for Action	
7	Corporate Support Services - Re-provision: Payroll Progress Report <i>(To receive a report from Andrew McLean (Chief Commissioning Officer) which provides an update on progress for the potential transition of the Council's Payroll/HR Admin services and Enterprise Resource Planning (ERP) system (BWON) to Hoople Ltd, via a shared service agreement with Herefordshire Council)</i>	13 - 56
8	Commissioning and Commercialisation Strategies <i>(To receive a report from Sophie Reeve (Chief Commercial Officer) which invites the Overview and Scrutiny Management Board to consider a report on the Commissioning and Commercialisation Strategies, prior to consideration by the Executive on 3 July 2018)</i>	57 - 142
9	Access to the Public Sector Network <i>(To receive a report by John Wickens (Chief Digital Officer) which provides information on the Access to the Public Sector Network, to be considered by the Executive on 3 July 2018)</i>	143 - 156
10	Review of Financial Performance 2017/18 <i>(To receive a report by David Forbes (County Finance Officer) which describes the Council's financial performance for 2017/18 and makes proposals for the carry forward of over and under spendings into the current financial year. The report and comments of the Board will be presented to the Executive on 3 July 2018)</i>	157 - 200
11	2017/18 Council Business Plan Quarter 4 <i>(To receive a report by Jasmine Sodhi (Performance and Equalities Manager) which presents the Council Business Plan performance indicators which fall within the remit of the Board and which are reported on an annual basis. The report and views of the Board will be presented to the Executive on 3 July 2018)</i>	201 - 226

- 12 Treasury Management Annual Report 2017/18** 227 - 258
(To receive a report by Karen Tonge (Treasury Manager) which details the results of the Council's treasury management activities for the financial year 2017/18. The report also compares this activity to the Treasury Management Strategy for 2017/18 approved by the Executive Councillor for Finance on 20 March 2017)
- 13 Scrutiny Committee Work Programmes** 259 - 274
(To receive a report which sets out the work programmes of the Environment and Economy Scrutiny Committee; Highways and Transport Scrutiny Committee; and the Flood and Water Management Scrutiny Committee in accordance with the Board's agreed programme)
- 14 Overview and Scrutiny Management Board Work Programme** 275 - 290
(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
- Any special arrangements
- Copies of reports

Contact details set out above.

All papers for council meetings are available on:
www.lincolnshire.gov.uk/committeerecords



**OVERVIEW AND SCRUTINY
MANAGEMENT BOARD
24 MAY 2018**

PRESENT: COUNCILLOR R B PARKER (CHAIRMAN)

Councillors R Wootten (Vice-Chairman), Mrs J Brockway, M Brookes, R L Foulkes, C S Macey, C E H Marfleet, N H Pepper, E W Strenziel and Mrs A M Newton

Added Members

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

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

Officers in attendance:-

Mark Bennett (Partnership Director, Serco), Andrea Brown (Democratic Services Officer), Arnd Hobohm (Contract Support Services Manager), Tracy Johnson (Senior Scrutiny Officer), Sophie Reeve (Chief Commercial Officer), Jane Sickerdich (Head of Projects and Programmes, Serco), Daniel Steel (Scrutiny Officer), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer) and John Wickens (Head of IMT)

1 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

Apologies for absence were received from Councillor Mrs K Cook and Added Member Mrs P J Barnett.

It was reported that, under the Local Government (Committee and Political Groups) Regulations 1990, Councillor Mrs A M Newton had been appointed as replacement member for Councillor Mrs K Cook, for this meeting only.

2 DECLARATIONS OF MEMBERS' INTERESTS

No declarations of Members' interests were received at this point of the proceedings.

**3 MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY
MANAGEMENT BOARD HELD ON 26 APRIL 2018**

RESOLVED

That the minutes of the previous meeting, held on 26 April 2018, be agreed as a correct record and signed by the Chairman.

OVERVIEW AND SCRUTINY MANAGEMENT BOARD**24 MAY 2018****4 ANNOUNCEMENTS BY THE CHAIRMAN, EXECUTIVE COUNCILLOR FOR RESOURCES AND COMMUNICATIONS AND CHIEF OFFICERS**

The Chairman addressed the Executive at its meeting on 1 May 2018 in relation to the Corporate Support Services Re-provision and highlighted that a number of concerns had been raised by the Board in relation to the payroll proposals. The Executive did not support the recommendation of the Board to receive a further report on the due diligence process in relation to the payroll system and governance arrangements before entering into a shared service arrangement with Herefordshire County Council. However, a report on the due diligence process would be presented to the Board at its meeting in June.

Members of the Board confirmed that they had been invited to attend an IMT Engagement Session on Thursday 28 June 2018 at 3.00pm. The Chairman urged all Members to attend.

There were no announcements from the Executive Councillor for Community Safety and People Management, Executive Support Councillor for Resources and Communications or Chief Officers.

5 CONSIDERATION OF CALL-INS

No Call-Ins had been received.

6 CONSIDERATION OF COUNCILLOR CALLS FOR ACTION

No Councillor Calls for Action had been received.

7 PERFORMANCE OF THE CORPORATE SUPPORT SERVICES CONTRACT

Consideration was given to a report by the Chief Commercial Officer which provided an update of Serco's performance against contractual Key Performance Indicators specified in the Corporate Support Services Contract between February 2018 and April 2018.

The report also provided an update on the progress made on key IMT-related transformation and transactional projects being undertaken by Serco and included a list of 20 suggested priority projects and a proposed reporting format.

Sophie Reeve (Chief Commercial Officer), Arnd Hobohm (Contract Support Services Manager), John Wickens (Head of IMT), Mark Bennett (Partnership Director, Serco) and Jane Sickerdich (Head of Projects and Programmes, Serco) were in attendance for this item.

Following the Board's approval at its meeting on 29 March 2018, the format of the report had been condensed into a more succinct format. At that meeting, a proposed list of the top twenty priority IMT projects together with a narrative of the rationale

behind those projects was requested. Members also asked that the full list of projects be presented in order to review and verify the key priorities.

The Chairman suggested that each section be considered separately to give Members the opportunity to ask relevant questions.

Performance

Table 1 within the report provided an overall summary of the Key Performance Indicators (KPIs) of service delivery over the period October 2017 to April 2018. Table 2 showed that no KPIs failed to meet the Minimum Service Level during that period, however Table 3 showed that four KPIs failed to meet the Target Service Level in February and March 2018. Table 3 on the addendum report indicated that two KPIs had not met the Target Service Level in April 2018.

Table 5 showed the number of abatement points which the Serco Corporate Support Services Contract had attracted each month since the start of the contract.

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

- IMT_KPI_02 and IMT_KPI_05 failed to meet the Target Service Level in April 2018 due to an outage of the Avaya telephony system. It was explained that this outage had been a priority one incident which was not resolved within the agreed resolution timeframe. There were different views as to whether the equipment was obsolete. If it was obsolete Serco's obligations would be less. It was explained that as Serco and LCC had different views on the obligations for this particular KPI, this was to be resolved through escalating the issue through the contract's governance arrangements;
- The contractual time allowed to rectify any faults on the telephone system was two hours but, on this occasion, it took slightly longer than four hours which meant the service level agreement was not met. The outage affected the ability to open an outside line which also impacted on the gateway services of the council, however the 'fix' for the root cause identified was complex and would take a number of months to complete; and
- It was acknowledged that platforms can have issues but that these were often rectified within the agreed timeframe.

Top Twenty Priority IMT Projects in progress with Serco (Appendix A)

John Wickens (Head of IMT) introduced this section of the report and explained that internal processes were being updated to ensure that this report could be prepared on a continual basis. It was acknowledged that the Glossary on page 29 of the agenda pack would need to be expanded.

The suggested priority projects were presented to the Board with the intent that these would form the basis for future reporting. It was envisaged that the projects were reported through to completion and that these would only be replaced once a project had been completed or cancelled.

**OVERVIEW AND SCRUTINY MANAGEMENT BOARD
24 MAY 2018**

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

- In relation to IMT-251 (Lincoln Campus Distribution Network), it was explained that there was a considerable amount of work to be done in order to update the system. The Board was advised that this was referred to as a 'technical debt';
- The completion of national programmes from government funds, such as Broadband UK was key to the ability of local authorities to upgrade citizen facing services online. Government was now becoming more proactive in protecting the '.gov.uk' brand;
- Congratulations to both LCC and Serco IMT was noted for their involvement in ensuring the project for Sleaford Fire Station (IMT-221) which was completed both on time and to specification;
- All areas of the council were impacted by IT services and the cost involved to provide the appropriate level of document storage was highlighted and the key issues faced in this area;
- Online and telephone booking and payment systems were mentioned and it was explained that these requirements were included within the channel shift programme. The option was there, technically, to enable this provision, however these systems were owned by the individual business areas and could not be implemented without authorisation, therefore short notice work was in flight to ensure the continuation of services whilst the future of the Channel Shift programme was being resolved;
- It was noted that the system changes within Children's Services had been positive and that the new hardware worked well to link Mosaic with Windows 10 to the benefit of field workers in that service;
- The suggestion of future Artificial Intelligence and the implications of various algorithms within school admissions was raised and asked as to who would decide if a child was to be accepted into a school, i.e. would it be a human or a programme;
- Concern was raised in relation to highways and the ability to report issues online. It was reported that the current platform relied on a mapping system which was community developed. That map had been withdrawn due to the new GDPR rules. It was confirmed that an exception order had been placed to secure 'Fix My Street Pro', in consultation with the Portfolio Holder for IT and Highways, to ensure residents were able to report issues;
- Should an urgent project come to light, it was noted that having funds available for that project would be an incentive for Serco to find the resources to support the project. An example of this was the completion of Lancaster House where a number of small projects were required to ensure the completion of the overall project;
- Representatives of Serco confirmed that there was some capacity for additional projects at the current time and that work was ongoing with LCC IMT colleagues to ensure that capacity remained;
- The Board indicated that the report format, as presented, was suitable but that an internal project sponsor be added should there be any queries from Members;

OVERVIEW AND SCRUTINY MANAGEMENT BOARD
24 MAY 2018

- It was suggested to add the original target cost of the project and the forecasted costs to the report;
- Members requested that the number of 'TBC' under expected delivery of outcome be reduced going forward and to include an anticipated timeline.

Overview of the Strategic Transformation Projects being delivered by Serco (Appendix B)

The table showed the outcomes being delivered for the Council in terms of the Transformation Projects which Serco included in its Tender, each of which may have required the delivery of one or more projects. Individual projects were managed through the technical and project delivery boards, the view of which was intended to show the impact on the Council's services.

It was not intended to present this appendix in future reports and this was agreed by the Board.

All IMT Projects in progress with Serco (Appendix C)

The table represented all projects assigned to the categories of Lifecycle Management and New Capability as at 1 May 2018. This table also included all those projects identified as the top 20 priority projects and was intended to give the Board the opportunity to consider any projects which may need to be prioritised further.

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

- It was explained that application servers were virtual/digital rather than physical hardware;
- One Member highlighted the issues relating to REM-IMT-299 (Securing SAP Legacy Data) and explained that this should be considered with some urgency due to the possibility of the authority being fined by The Pensions Regulator for data breaches. It was explained the severity of this issue had been a recent discovery but that this would be looked at again as the issue had not been considered by IMT as a priority before as the business impacts of the platform had not been realised;
- It was explained that IMT_012 Biz Talk had been on hold due to the Agresso project but that this had now recommenced;
- It was agreed to consider the projects again in August and to agree which projects should move into the Top 20 priority list in place of any completed projects.

RESOLVED

1. That the shortened format of the main body of the report, together with the enhanced IMT project reporting, be accepted;
2. That the performance of the Corporate Support Services Contract and related projects be noted; and
3. That the Top 20 priority IMT projects, noted in Appendix A, be agreed;

OVERVIEW AND SCRUTINY MANAGEMENT BOARD**24 MAY 2018**

4. That the format of the top 20 priority projects, as shown in Appendix A, be agreed.

8 SCRUTINY COMMITTEE WORK PROGRAMMES

The Board considered the work programmes of two scrutiny committees where the following points were noted:-

Children and Young People Scrutiny Committee

Councillor R L Foulkes, Chairman of the Children and Young People Scrutiny Committee, introduced the work programme and highlighted the following items which had been considered by the Committee since the last report to the Board on 25 January 2018:-

- Building Communities of Specialist Provision for Children and Young People with Special Education Needs and Disabilities;
- Inclusive Lincolnshire Strategy; and
- Post 16 Transport Policy Statement 2018-2019

Councillor Foulkes continued by highlighting to the Board the following items which would be considered by the Committee in the coming months:-

- Ofsted Inspection
Lincolnshire Children's Services had hosted a visit from Ofsted between 10th and 18th April 2018 and the focus had been on permanency planning and achieving permanence for children in care. The outcomes of the visit would be considered by the Committee at its meeting on 8 June 2018. Ofsted had found that leaders were ambitious for children in care and that they continued to prioritise resources in order to support social work. A small number of areas had been highlighted which could be further strengthened;
- Lincolnshire Secure Unit
The Lincolnshire Secure Unit (LSU), based in Sleaford, had worked with the Youth Justice Board and the Ministry of Justice since 2002 to provide secure accommodation for young people on both a remand and sentenced basis. The Committee would consider a report in June regarding a bid to the Ministry of Justice for a new contract to provide secure accommodation facilities from the LSU. A further report would be considered on 20 July 2018 in relation to increased capacity at the LSU for welfare secure beds through capital development; and
- Building Communities of Specialist Provision for Children and Young People with Special Educational Needs and Disabilities
The SEND review had looked at how all the Special Schools in Lincolnshire could supply provision for all types of Special Educational Needs and Disabilities across the county. This review was expected to lead to children with Special Education Needs and Disabilities attending a school near to their home thereby reducing journey times to and from school. It was expected that the final outcomes from the review would be presented to the Committee at its meeting on 19 October 2018.

OVERVIEW AND SCRUTINY MANAGEMENT BOARD
24 MAY 2018

During discussion, the following points were noted:-

- The Ofsted summary indicated that the electronic recording system for children's social care was slow with documents difficult to locate. It was explained that this was due to the Mosaic system. This would be raised by the Committee on 8 June and a referral made to the Head of IMT. It was advised that the Mosaic interface needed to be improved; and
- It was reported that the Working Group on Permanent Inclusions had received a number of volunteers to sit on that group. There was a wealth of experience amongst the members, including teachers and younger Councillors.

At 12.05pm, Councillor C E H Marfleet left the meeting and did not return.

Public Protection and Communities Scrutiny Committee

Councillor N H Pepper, Chairman of the Public Protection and Communities Scrutiny Committee, introduced the work programme and highlighted the following items which had been considered by the Committee since the last report to the Board on 25 January 2018:-

- Engagement Strategy;
- Citizens Advice Lincolnshire; and
- Blue Light Collaboration Progress Report.

Future work planned by the Committee for consideration included:-

- Integrated Communities Strategy; and
- Safer Lincolnshire Partnership Priorities.

There were no comments or questions from the Board on the work programme for Public Protection and Communities Scrutiny Committee.

The Chairman thanked Councillors Foulkes and Pepper for the updates.

RESOLVED

That the work programmes and updates in relation to the Children and Young People Scrutiny Committee and the Public Protection and Communities Scrutiny Committee be noted.

9 OVERVIEW AND SCRUTINY MANAGEMENT BOARD WORK PROGRAMME

The Board was provided with an opportunity to consider its own work programme.

The Head of Democratic Services and Statutory Scrutiny Officer confirmed that there were no additions or amendments to the work programme included within the agenda pack.

8

OVERVIEW AND SCRUTINY MANAGEMENT BOARD

24 MAY 2018

The Board was reminded that an IMT Engagement Session had been arranged for 3.00pm on Thursday 28th June 2018. The time had been set to allow the Board to have lunch after the meeting due to the number of items on agenda. However, officers would be able to bring the workshop forward should the meeting close earlier than expected. All members were encouraged to attend.

RESOLVED

That the Overview and Scrutiny Management Board Work Programme, as presented, be agreed.

The meeting closed at 12.20 pm

**Open Report on behalf of Debbie Barnes OBE,
Executive Director of Children's Services**

Report to:	Overview and Scrutiny Management Board
Date:	28 June 2018
Subject:	Corporate Support Services Re-provision: Payroll Progress Report

Summary:

This report provides the Overview and Scrutiny Management Board (OSMB) with an update on progress for the potential transition of the Council's Payroll/HR Admin services and Enterprise Resource Planning (ERP) system (BWON) to Hoople Ltd, via a shared service agreement with Herefordshire Council.

The report provides a specific update on the:

- Outcome of recent workshops held between the Council, Hoople and Serco.
- Due diligence activities being carried out on the suitability and capability of Hoople Ltd. and Herefordshire Council to deliver the service.
- Project Planning arrangements to achieve a successful transition.

The design workshops were successful in providing the necessary confidence in Hoople's capability to provide an effective ERP solution and Payroll/HR Admin service. There remain a number of system developments to rectify prior to any potential transfer and further engagement with Lincolnshire Fire and Rescue to ensure a payroll solution can be built to meet the complex needs of the service.

The due diligence activity carried out to date is progressive and has not identified any issues to warrant significant concerns. There are some issues which will require further and ongoing review and the risk analysis will remain live throughout the potential transition in order to mitigate against any issues and ensure decisions made are on an appropriately informed basis.

Actions Required:

The Overview and Scrutiny Management Board is invited to

- 1) Consider the attached report and to provide feedback on the points raised.
- 2) Identify future progress reporting requirements and to determine any specific area of focus.

1. Background

Payroll/HR Admin support & ERP system update

Following the OSMB meeting on the 26 April 2018 and the corresponding Executive decision on the 1 May 2018, Hoople have been present in Lincolnshire from the 14 – 31 May, carrying out extensive workshop sessions focussing on Finance, Payroll/HR Admin and Systems/Technical Architecture. These workshops were designed to give Hoople a high-level view of the scale of works required to bring the Council into alignment with their common system build, and for the Council to understand both the suitability of the Hoople solution and also the depth of process change work, including behaviours, required to be able to use the Hoople system and service, and to obtain the appropriate benefits from it. The workshops have assisted significantly in shaping both the Council's and Hoople's understanding for realising what is possible going forward and the constraints both parties will need to overcome.

The workshops included operational and senior management colleagues from within the Council and Serco; both the Council and Serco have been proactive in releasing staff to support the workshops and there was a good level of constructive engagement from all participants. The sessions were framed in a way that the 'to-be' solution was presented first, with a challenge to the full group to see how existing processes could be made to work within the standard build provided by Hoople, which is used across a number of other customers including Hoople themselves, Herefordshire County Council, and Rutland County Council.

Part of the testing involved providing Hoople with a dozen payroll scenarios, both complex and mainstream user cases, and asked them to suggest ways of how they would handle this between the system and the service. Hoople had already created a basic build to illustrate their response to this and from this initial example, the viewpoint from Jason Davenport (Payroll expert), Gareth Roberts (ERP consultant) and Julie Castledine from LCC's internal audit, was that all proposals responded to by the build were solid.

From this work, it is evident that the key differentiator as to why the existing problems exist is concerning the Council's current BWON base build. Hoople start with a clean build, built within BWON to take advantage of how the system was originally designed. This means every scenario is much cleaner and simpler and takes advantage of the system to its best ability – and when that is not enough, the Hoople service team are experienced to confidently step in, for example, individuals moving to half or no pay requires service intervention but is fully managed via internal controls and reporting. This approach is reflected in Hoople's 0.3% error rate compared to the 1.01% UK 2015 average.

Inevitably a number of additional challenges have surfaced, such as why do we have four different PAYE references (corporate, LFR, schools and teachers top-up), yet all have the same employer. We are confident that such matters can be overcome with the correct individuals engaged, along with a constructive dialogue to support the questioning of whether the benefit of existing practice remaining as-is is still the right or wrong approach to adopt for the future.

Hoople have confirmed that they have enough information with which to return a more detailed proposal back to the Council for the end of June 2018. They have also confirmed that there are no 'show stoppers' from what they've reviewed, although a number of items have stood out as key pieces of work on both sides. These include:

- Rationalisation of account codes and cost centres in Finance
- Rationalisation of payment and deduction codes in Payroll
- Application of "mandatory relations" (mandatory fields) for Payroll. For example, none of the Council's payroll fields are currently mandatory on a list of over 170, which gives rise to increased chance of input errors. This includes fields such as Line Manager Details, trade union membership and whether or not an employee is in the pension scheme.
- Improved process cohesion with Fire and Rescue, in alignment with their information systems
- Building the Organisational Structure using standard Agresso structures
- Agreement on the storage mechanism for HR / Payroll documentation (including pre-2015 data)

The Project team are assessing this as a specific programme of work in order to plan business process re-engineering works, both in anticipation of a decision to proceed with Hoople, but also having identified clear business efficiencies that can be realised before 2020 in any event.

There are also a number of system development requests being made ranging from 'would like to have' potential improvements, through to decisive developments such as unique property reference numbers against building assets, to statutory requirements for amendments to payslips from April 2019 onwards. In the interim, it has been agreed that the current ERP governance group will funnel all new change requests through an agreed 'prioritisation matrix' which ensures that statutory and high priority changes will be scheduled, whilst lesser priority/benefit changes will be deprioritised. This will assist future migration activity as much as possible and make best use of the resource available.

The development of a logical specification of the HR / Payroll rules for corporate, fire & rescue and schools is currently in progress and at the time of writing is approximately 80% complete. This will have further refinement over the coming months, working alongside Hoople and Moore Stevens Insight, a consultancy firm who have extensive experience of the payroll/ HR environment of BWON.

A meeting is being held with Nick Borrill (Chief Fire Officer), Debbie Yeates (LFR Area Manager), CSSC programme colleagues and Hoople on the 15 June to evaluate the approach Hoople will take to on-boarding a fire and rescue payroll function and to provide the necessary assurances of Hoople's proposed LFR solution.

Early engagement has taken place with the Lincolnshire Learning Partnership board, (schools' strategic group for school improvement) where an overview of the Hoople position was presented and opportunities were discussed for how schools can be effectively engaged during the programme. Further engagement with the Schools Forum will take place on the 25 June to gain their views for ongoing schools engagement and participation in this programme of work.

Due Diligence of Hoople Ltd/ Herefordshire Council

The outcome of the recent workshops, coupled with the initial review and analysis of Hoople as a prospective supplier, has reinforced the programme team's confidence in the ability of Hoople to provide an effective Payroll/HR Admin service, along with a robust ERP system.

This requires ongoing due diligence of Hoople's capability to deliver this, along with ensuring that the Council can establish an appropriate agreement with Herefordshire Council and a due diligence risk register template has been created to enable the programme team to monitor and manage the risk of the relevant activities.

The due diligence risk register can be found in Appendix One of this report and is broken down into the following categories:

- Corporate Governance – to ensure that the supplier is a strategic fit with the Council
- Financial Information – to provide assurance that supplier is operating on a sound financial platform
- Service Maturity - capacity and scalability to support the Council
- Contractual Arrangements – that the Council is appropriately protected and is able to manage supplier performance
- Qualified Experience - the supplier has a proven track record in service delivery
- ERP Implementation - secure transition, implementation and ongoing delivery
- Payroll Implementation - secure transition, implementation and ongoing delivery
- ICT - interfaces between the Council and Hoople systems are robust

Development of the register is a work in progress at this time whilst the Council continues to expedite a number of the issues identified, whilst also awaiting Hoople and Herefordshire's reflection on their ability to support the Council through a fully costed formal transition and service delivery proposal, expected by late June.

Project Plan

The current project plan is attached at Appendix Two and includes the key tasks and milestones required for a planned go-live of April 2020. The plan is regularly updated to reflect the current position and will undergo a systematic review once we have received the transition proposals from Hoople so as to dovetail both plans together and have joint management oversight.

- Programme Governance – outlining the reporting and decision making timescales, along with relevant project board meetings, engagement with key stakeholders and internal assurance control.
- Shared Service Agreement – to determine the appropriate form of agreement and relevant schedules contained therein, including any requirements for a separate agreement to oversee the transition arrangements.
- Payroll Initiation & Design – includes the production of a payroll specification for corporate, F&R and schools; developing a solution for LFR and the buy-back model for schools.
- ERP Initiation & Design – carrying out the necessary data cleansing, system build, stress testing, training, parallel payment runs, IMT configuration and change management approach to the new service.
- Project Closedown Activities

In addition there will be external governance of the plan and wider programme through engagement with 'Local Partnerships'. Local Partnerships is jointly owned by HM Treasury, the Local Government Association and the Welsh Government and work with local and national government and other public sector organisations to provide short, but effective reviews to project owners on high risk projects or programmes where public sector organisations have to keep them on track. It is planned for the first review to commence during October 2018.

2. Conclusion

The design workshops were successful in providing the necessary confidence in Hoople's capability to provide an effective ERP solution and Payroll/HR Admin service. There remain a number of system developments to rectify prior to any potential transfer and further engagement with Lincolnshire Fire and Rescue to ensure a payroll solution can be built to meet the complex needs of the service.

The due diligence activity carried out to date is progressive and has not identified any issues to warrant significant concerns. There are some issues which will require further and ongoing review and the risk analysis will remain live throughout the potential transition in order to mitigate against any issues and ensure decisions made are on an appropriately informed basis.

Following consideration of the report, the Board is requested to provide feedback on the content and to identify future progress reporting requirements into Board meetings. Comments from the Board will be reported to the Corporate Support Services Commissioning (CSSC) programme board.

3. Consultation

a) Have Risks and Impact Analysis been carried out?

A risk analysis has been carried out identifying the key risks and mitigations for both the ERP and Payroll/HR Adin projects.

An Impact Analysis is in place for the CSSC programme.

b) Risks and Impact Analysis

See Appendices in section four below.

4. Appendices

These are listed below and attached at the back of the report	
Appendix 1	Due Diligence Risk Register
Appendix 2	Payroll/HR Admin service and ERP System Implementation Project Plan
Appendix 3	ERP Risk Log
Appendix 4	Payroll Risk Log
Appendix 5	CSSC Programme Impact Analysis

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 Andrew M^cLean, who can be contacted on 01522 554079 or andrew.mclean@lincolnshire.gov.uk.

Due Diligence Analysis

Hoople's Potential Delivery of an ERP System and Payroll Function

Ref. no.	Due Diligence Description	Lead Officer(s)		Key actions and findings (RAG rated)	Further Proposed Actions	MoSCoW Rating
		LCC	Hoople/ Hereford			
Corporate Governance - the supplier is a strategic fit with LCC						
001	Contingency plans are in place to maintain service delivery in the event that the shared service agreement with Herefordshire/ Hoople doesn't proceed.	Debbie Barnes (DB)/ Andrew McLean (AMc)/ Wendy Henry (WH)/ Sophie Reeve (SR)/ David Coleman (DC)	N/A	<ul style="list-style-type: none"> - Further explore alternative commissioning options to include: <ul style="list-style-type: none"> * including the service as part of any potential contract extension with the existing supplier. * re-consider other public sector suppliers of shared payroll/ERP services. * re-evaluate options for insourcing the service. * utilisation of Hoople as a strategic partner to support the on-boarding of an alternative approach. 	<ul style="list-style-type: none"> - Early engagement with HC's legal and democratic service to consider the options available for proceeding with the agreement (AMc). - Carrying out ongoing due diligence on each other (AMc). - Aim to enter into any agreement by 30/09/18 in order to provide sufficient time to explore any other commissioning options (AMc, SR, DC). 	M
002	Contingency plans are in place to maintain service delivery in the event that the shared service with Hoople doesn't comment on 01 April 20.	Wendy Henry (WH)/ Jason Davenport (JD)/ Sophie Reeve (SR)/ Gareth Roberts (GR)/ Helen Edwards (HE)	Duncan Trumper/ Owen Jones	<ul style="list-style-type: none"> - Early analysis is being carried out now by Hoople 24 months prior to a potential go-live. - Resource requirements are being scoped out both physical and technical to ensure relevant personnel are in situ and trained to deliver the service. - Lessons learned are being reviewed from previous Hoople on-boarding with Rutland and other public bodies. - Collaborative approach is being adopted by Serco and Hoople to support the development of this work. 	<ul style="list-style-type: none"> - Capture potential scenarios and list the corresponding contingencies, engaging with Hoople and Serco (WH, JD). - Ensure sufficient planning is scoped out to include early stress testing of the system and sufficient dual running across LFR, corporate and schools systems as well as finance systems wherever possible (GR, HE). 	M
003	Explore viability of a local base from which to deliver all or some of the ERP/ payroll services to LCC. Does this provide additional cost implications?	Andrew McLean (AMc)/ Wendy Henry (WH)/ Jason Davenport (JD)	Duncan Trumper/ Julie Davies	<ul style="list-style-type: none"> - Service support for dealing with ERP system or payroll queries would be accessed remotely as it is presently. - Establishing a local base would be likely to create additional costs to the Council (TBC) and would impact on the efficiency with which Hoople could use their existing experienced staff in the delivery of the shared service. However a local base has a number of advantages and further discussions are to be had on this. - There may be scope for some applications specialists to be based locally - to be explored further. 	<ul style="list-style-type: none"> - Complete a PESTLE analysis for a local base, specifically during the transition arrangements and first 12 months of any agreement. PESTLE Analysis started, session to be held to debate and develop further. (JD) - Engagement with relevant trade unions is required (AMc/DB). - Liaise with both the existing and incumbent supplier to ensure staff are appropriately supported during such times of uncertainty (AMc). - Consider developing additional intelligent client capacity within LCC to manage and expedite any matters or issues. 	C
Financial Information - the supplier is operating on a sound financial platform						
004	Analysis of annual and quarterly financial information for the past three years: 1. Income statements, balance sheets, cash flows, and footnotes 2. Planned versus actual results 3. Management financial reports 4. Financial projections for the future	Jo Ogden (JO)/ Helen Edwards (HE)	Duncan Trumper/ Rob Ewing	<ul style="list-style-type: none"> - JO working with LCC Finance to conduct a further analysis on Herefordshire and Hoople. 	<ul style="list-style-type: none"> - Dependent upon outcome of financial analysis. - Financial analysis and open book accounting will form part of the ongoing contract management requirements (AMc). 	M

Contractual Arrangements - LCC is appropriately protected and is able to manage performance

005	Shared service agreement is agreed, appropriately authorised and contains appropriate schedules to manage successful transition and ongoing delivery.	Andrew McLean (AMc)/ David Coleman (DC)/ Sophie Reeve (SR)	Rob Ewing	- the legal structure of Hoople and its relationship to Herefordshire Council and other shared service partners is being established (DC, SR). - LCC has obtained a copy of the agreement between Herefordshire and Hoople to ascertain if there are any implications for LCC (AMc). - LCC and HC legal teams/ lead officers are carrying out early dialogue in respect of the structure of the agreement (DC, SR). - Early engagement with key representatives of Herefordshire to ensure that relevant political and strategic leadership approval has been sought (AMc, DC, SR).	- Continued negotiation of detailed legal terms for the shared service arrangements	M
006	Identify any sub-contracting arrangements which are in place with Herefordshire and Hoople in relation to the service.	Andrew McLean (AMc)	Duncan Trumper/ Rob Ewing	- To form part of ongoing shared service agreement dialogue. Other than software vendors Hoople do not have any permanent sub-contracting arrangements in place as they are not required.	- Factor in relevant sub-contracting clauses into the final agreement (AMc, DC, SR) .	M
007	Establish if there is any litigation against the supplier in relation to the delivery of the service?	David Coleman (DC)	Rob Ewing	- To be confirmed.	- Dependent upon the outcome of the review.	S
008	The shared service agreement is monitored and managed effectively.	Wendy Henry (WH) /Andrew McLean (AMc)/ Helen Edwards (HE)	Duncan Trumper/ Rob Ewing/ Owen Jones	- Establish arrangements for managing the agreement to include: * frequency, including location of management meetings * KPI's (qualitative and quantitative) * quality management * reporting requirements * business continuity planning * open book accounting	- Contract management arrangements will form part of the shared service agreement (AMc) .	M
009	What measures do Hoople have in place for Business Continuity, how are they set-up to respond to issues – power outage, network, flood, fire etc.	Jo Ogden (JO)/ Gareth Roberts (GR)	Duncan Trumper/ Rob Ewing	- To contact Hoople directly for copies of business continuity plans.	- To be reviewed dependent upon response (JO) .	S
010	Identify who are Hoople's current insurers, what level of cover do they have and what is their limit to pay for any claim in the first instance (Excess).	Jo Ogden (JO)/ Gareth Roberts (GR)	Duncan Trumper/ Rob Ewing	- To contact Hoople directly for insurance details.	- To be reviewed dependent upon response (JO) .	S
011	Personal data is effectively and robustly protected.	Gareth Roberts (GR)/Amy Jaines (AJ)	Matt Ramsey	- LCC's Information Governance service to work with Hoople in developing a Privacy Impact Assessment. - Supplier has appropriate levels of insurance to cover any claim. - LCC has created a joint ERP/Payroll Privacy impact assessment (PIA); this is an organic document and this help manage any issues going forward, and will form an aspect of contract management.	- More detailed assessments to be undertaken by IG; timing to be arranged in June 2018. - Commensurate activities to ensure appropriate controls (e.g. Hoople's ISO27001 assurance)	M

Qualified Experience - the supplier has a proven track record in service delivery						
012	Site visits to Hoople to understand how they operate.	Gareth Roberts (GR)	Duncan Trumper	<ul style="list-style-type: none"> - Teams have visited Hoople's HQ on two separate occasions and walked the process whilst having transparent access to key service staff. - JD visited Hoople separately as part of evaluation report constructed in December 17. Report reviewed service delivery capability, interview with SME's, on-boarding approach, payroll timetable, readiness for change and organisational structure. 	<ul style="list-style-type: none"> - Discussion centred on current capability and capacity/approach to growth. Very solid delivery approach and disciplined requirement to make best use of system and service. - Current model looks for most efficient manner and least "touch points" for data. - Discussed need for growth of capability for Fire & Rescue Services, but all other service areas covered as part of current service delivery. 	M
013	Dialogue with existing customers, including schools, to obtain feedback in relation to service delivery, implementation/transition and service development.	Jenna Hylton (JH) / Gareth Roberts (GR) / Jason Davenport (JD)	Julie Davies/Duncan Trumper	<ul style="list-style-type: none"> - Following the initial site review, two of Hoople's customers were interviewed for reference requests - Rutland District Council and Halo Leisure; both provided excellent ratings across a number of areas including approach to implementation, general business relationship, and reliability. Both provided assurance of high engagement and commitment to a partnership approach. - Have received list of schools, broken down into categories. 	<ul style="list-style-type: none"> - Further feedback to be obtained from schools that consume Hoople's services (JH). 	S
014	The scalability of Hoople to be able to deliver services for LCC.	Jason Davenport (JD)/Gareth Roberts (GR)/Helen Edwards (HE)	Duncan Trumper/ Rob Ewing	<ul style="list-style-type: none"> - Hoople recruitment plan verified with milestone plans has been appraised to be realistic; - Hoople's plans to scale have been reviewed and found to be credible. Commitments have been secured from Hoople, and these have been articulated; - Proposed IMT technical architecture reviewed as part of technical workshop on 30th May 2018, with specific consideration given to scalability and segregation of service between LCC and other customers; - Hoople have confirmed sizing estimations with Unit4 and subject to the technical workshop (completed 13.5.2018) Hoople to provide outline system capability specification by end June 2018. -TUPE will apply offering staff the opportunity to transfer to the new provider; 	<ul style="list-style-type: none"> - Ongoing monitoring of Hoople for large on-boarding's between now and 2020; - Checking of Hoople proposals/plans to ensure that they are in line with project plans to ensure alignment and continued assurance that scale is appropriately considered (technical and service delivery) - LCC IMT is satisfied that the outline proposed solution is scalable (horizontal and vertically) to be able to meet demand and requirements; further review will be made when a sufficiently detailed low-level design is produced by Hoople 	M
015	The approach and capability to retain critical personnel to carry through the implementation of LCC's solution.	Andrew McLean (AMc)	Duncan Trumper/ Rob Ewing	<ul style="list-style-type: none"> - Key roles and individuals have been identified as critical to a successful transition and implementation of the service. - Hoople are aware and are keen to provide a structure to start supporting LCC at the earliest opportunity to provide assurance to those staff. - Identified staff are personally driven to be engaged in such a programme of change. - No guarantees can be offered that the individual staff would not leave, however there is no current indication of this. 	<ul style="list-style-type: none"> - Monitored through regular review and update meetings (AMc). - Early on-boarding of the transition process. - Hoople to bring in additional staff early on as part of the transition to ensure a wider knowledge base of the LCC solution. 	C
ERP Implementation - secure transition, implementation and ongoing delivery						
016	Carry out a detailed risk analysis for any potential multi-supplier relationship in delivering the ERP and running the exchequer services.	Gareth Roberts (GR)	Duncan Trumper	<ul style="list-style-type: none"> - A detailed risk analysis report has been developed, detailing the considerations and risks of Serco continuing to provide Exchequer services using a Hoople ERP platform. 	<ul style="list-style-type: none"> - A number of recommendations have been made as per the report in order to reduce risk. These will be escalated to the relevant project/programme board and pursued as appropriate (AMc). 	M

017	Audit reports (Internal & External).	Julie Castledine (JC)	Duncan Trumper	- Payroll reports relating to 15/16, 16/17 and 17/18 which covered the follow up of outstanding recommendations have been reviewed by Internal Audit including a discussion with Herefordshire CC Deputy Section 151 Officer. Audit's conclusion 'The reports show that both control and system issues have been identified by Internal Audit and therefore issues may be replicated with LCC's payroll. However, the Head of Audit's overall assurance opinion has been positive, Payroll assurance is now positive and Hoople have demonstrated that current management address the audit recommendations made'	- Ongoing access to audit reports carried out by Herefordshire and Hoople to be provided to LCC as part of contract management requirements (AMc) . - LCC internal audit to carry out an assessment and report post go-live.	S
018	Pension relationship with West Yorkshire Pension Fund – how will this work and feed in?	Jason Davenport (JD)	Duncan Trumper/ Rob Ewing	- Hoople have experience of delivering to a number of pension administration providers, and have expressed no concern at being able to interact (on a technical and relationship) level with WYPF.	- Initiate conversation with both providers to fully determine the expectations for a service transition and on-going reports for both monthly and annual data collection and returns (JD) .	M
019	Identified track record for delivering system changes and planned improvements for existing customers.	Gareth Roberts (GR)	Duncan Trumper/ Owen Jones	- Hoople have previously reported that they tend to base changes based on the amount of value they deliver, and typically pilot changes that yield cross-customer value to Hoople or Hertfordshire CC first. - Evidence provided which shows that between May 2017 - April 2018 inclusive, Hoople completed 87 change requests (36 for Herefordshire, 26 for the internal service, 13 for Rutland, and 12 for the remaining customers)	- Action taken at workshops (May 2018) for Hoople to create a separate stream for Lincolnshire County Council changes now to manage all changes required (GR) . - Ongoing discussions with Hoople and other customers to better understand the process of negotiating system changes (GR) .	C
Payroll Implementation - secure transition, implementation and ongoing delivery						
020	Competency to deliver a safe payroll service for Corporate.	Jason Davenport (JD)	Duncan Trumper	- The workshops from week commencing 14th May have been designed to cover a variety of areas. From service centre management principles, reviewing the 'To-Be' Hoople stack and considering gaps or areas to change and to working through particular scenarios that cause issue today and determine if Hoople's approach would improve service delivery. - The overall approach has further strengthened the understanding between both parties and expects that, whilst lots of work is still to be done, when it comes to cleaning data, creating a clean build and then starting to unit and sample test ahead of broader parallel type activity and service rehearsals, the direction of travel is still correct. - More than a dozen scenarios were created and reviewed that cover Fire, Schools, Corporate, NHS and a number of additional challenges such as IR35 treatment and Hoople were able to not just talk through the scenarios, but had taken the time to produce a test system so as to show the scenarios to reflect understanding and how they would treat them.	- Ongoing system testing through build phases (JD, GR) .	M

021	Capability to run a complex Fire and Rescue payroll system.	Jason Davenport (JD) / Gareth Roberts (GR)	Duncan Trumper	<ul style="list-style-type: none"> - A test scenario ("show and tell") session was held on 31st May to run through complex payroll scenarios, including a known number of complex Fire and Rescue scenarios. The outcome of this was very positive as Hoople demonstrated via recorded WebEx that their system solution could be used to meet the requirements, and this satisfied attendees from the project team. - Hoople have questioned why retained firefighters are paid on separate payrolls to whole time; the belief is that this is to do with data collection and the timeframe to deal with that from month end – so only likely to be improved if data provision and systems feeding into the BWON application were also changed. 	<ul style="list-style-type: none"> - Specification is developed - System receives appropriate levels of testing - Experienced personnel are confirmed to be allocated to this area - Review of Spitfire with key stakeholders (within LFR, Business Support & Serco) 	M
022	Further understand the means by which services are currently provided to schools accessing Hoople for support and how this may affect Lincolnshire schools.	Jane Maddison(JM) / Jason Davenport (JD)	Julie Davies/Duncan Trumper	<ul style="list-style-type: none"> - LCC will directly engage with schools concerning financial support. - Hoople will offer payroll support to schools. Further work to be established to identify the means by which Hoople schools currently access BWON and how this will affect Lincolnshire schools. 	<ul style="list-style-type: none"> - Develop a clear engagement and communication plan with schools (JM). - Ensure schools have a clear understanding of the need for a direct arrangement with LCC for financial support and a separate agreement with Hoople for payroll (JM). - LCC to establish a working group to engage with Hoople and schools to ensure the Hoople stack meets school's needs. It has been made clear that LCC would want schools to have e-forms and access to BWON – so a change from the current portal available to them (GR). 	M
023	Capability to run a complex schools payroll system.	Jason Davenport (JD) / Gareth Roberts (GR)	Duncan Trumper	<ul style="list-style-type: none"> - Require a demo of the Hoople provision to schools using the e-portal interface - Need to define what HR & Payroll processes are different for schools to determine gap between Hoople provision and requirements - Need to capture working scenarios that are unique to schools that can create exceptional requirements for HR & Payroll 	<ul style="list-style-type: none"> - Specification is developed - System receives appropriate levels of stress-testing - Experienced personnel are allocated to this area - Scenario tests included a number of schools issues – multiple post holders, teacher's pension scenarios etc.. all designed to test their understanding which was completed well. Hoople have a separate Schools Admin and Payroll Service team, deliberately established as recognising the service to Schools does differ to that required of Corporate. 	M
024	The lead-in period and length of dual running to ensure we have 6-9 months of accurate data prepared by Hoople.	Jason Davenport (JD)/ Gareth Roberts (GR)	Duncan Trumper/Owen Jones	<ul style="list-style-type: none"> - Hoople are preparing a transition plan with a view to commencing Aug/Sep 18 in order to provide sufficient support and capacity. 	<ul style="list-style-type: none"> - Works are ongoing to determine the best approach in order to ensure an appropriate level of testing. This will be achieved through the planning of a mixture of testing techniques, including: unit testing, the design of scenarios to test specific problematic test cases, volume testing, and a detailed approach to technical testing (such as user acceptance testing and appropriate sign-off gates) (GR). 	M

025	What controls and assurances are required for the accuracy and validation of the existing payroll delivered by Serco?	Gareth Roberts (GR)	Duncan Trumper/Owen Jones	<ul style="list-style-type: none"> - Second stage of the current payroll review is the verification work which changes the data or processes around data to better control the payroll environment. Currently all workarounds found have been documented. - Additional Payment & Deduction changes going through the Change Advisory Board (CAB) suggest correction work is still on-going. 	<ul style="list-style-type: none"> - Continual audit activity to review evidence that either data changes, or process changes are embedded and quality assured (JD). - A number of the workarounds are actually quality controls and need to be tested and evidenced as working correctly. - CAB continually reviewing P&D requests as a result of deficient results and enhancement required. - Dedicated project board to oversee this activity (JD). 	M
026	How will data migration be managed from the existing system?	Gareth Roberts (GR)	Duncan Trumper/Owen Jones	<ul style="list-style-type: none"> - As part of the Hoople design workshops, data migration has been an ongoing subject for deliberation. - Key areas to de-risk the data migration have been considered, including: the use/building of Agresso standard HR structures, data cleansing, and a number of tasks have been revealed to better align ourselves to Hoople settings (e.g. P&D codes, units of measure, standardised values). 	<ul style="list-style-type: none"> - An approved Unit4 partner (Moore-Stephens Insight) has been approached to create a proposal to provide the council with specific technical expertise and assurance to lead on a full data cleansing and hardening programme. We have received their outline proposal (11/6/18) and are currently working with Hoople on dovetailing the two together (GR). - An initial review suggests that the output of the HR/Finance workshops provides a useful initial scope to the cleansing, with Hoople in a clear position to define what our data must align to. Much of this is likely to be more a case of 'mapping' to fewer, more robust values rather than a-typical data cleansing per se. 	M
Service Maturity - capacity and scalability to support LCC						
027	The supplier meets all regulatory required standards: 1. Inspection results 2. Certification of standards met	Jason Davenport (JD)/ Gareth Roberts (GR)	Duncan Trumper	<ul style="list-style-type: none"> - Hoople have currently provided required evidence of compliance for all necessary standards provided by Audit and IMT. - This includes ISO 27001 certification, assurance of public sector network compliance, and appropriate PCI-DSS understanding and control as required. - Public and private audit reports have been examined, with Hoople's assurance for payroll control being rated as the equivalent of 'substantial' assurance. - Audit and JD have been assured that the relevant processes conform to acceptable standards. 	<ul style="list-style-type: none"> - Plan to ensure continued adherence to required standards are maintained (monitored via self-assessment, audit reporting, contract management and request to see continued assurance). - Agreement with Hoople to include contractual obligation on Hoople to maintain standards and certification (AMc). 	M
028	LCC and the supplier can demonstrate effective project management to ensure the successful implementation and delivery of the ERP and payroll function.	Gareth Roberts / Wendy Henry (WH)/ Jason Davenport (JD)	Duncan Trumper	<ul style="list-style-type: none"> - The workshops recently held have been designed to give both parties a clearer picture of the current situation. Hoople are now building their own plan to support the overall proposal and the workshops have flagged areas of concentration where gaps may exist that need to be closed. - CSSC programme includes a detailed project plan for this aspect which will be dovetailed with Hoople's approach to form an integrated approach. - Hoople propose to bring on a dedicated project manager, working directly with the CSSC programme to co-ordinate efforts. Works to date suggest that Hoople will continue to use best practice and pragmatically engage with third parties (e.g. Unit4) as required. 	<ul style="list-style-type: none"> - Hoople currently building a plan to support the proposal, expected end of June 18. - The change management stream has identified many areas of focus to be considered as part of the broader change required to make best use of the Hoople stack. This sits outside, but alongside the functional work that is required, to ensure successful service delivery once live (WH). 	S

029	The location and proximity of Herefordshire to Lincolnshire for both operational and staffing aspects.	Gareth Roberts (GR)/ Jason Davenport (JD)	Duncan Trumper	<ul style="list-style-type: none"> - No specific scenarios which adversely affect the distance between Herefordshire and Lincolnshire have been discovered. - Hoople physically host Business World On! in their own internal data centre, on site in Hereford. Serco currently host BWON in a sub-contracted supplier's facilities in London. To this extent, the physical distance between the two counties is irrelevant as long as sufficient network bandwidth/quality is available between the end-user device and the respective data centre. 	<ul style="list-style-type: none"> - Being worked on as part of the PESTLE review (re. 002) (JD). - Agreements need to be made on frequency and cohort required for service governance reviews (AMc). - Day to day service would operate in a similar remote manner – phone and email contact. - A strategy to consider is channel shift towards additional engagement channels, such as chat facility, remote desktop accessing and video conference capability (GR). 	M
030	Organisational structure, biographies of senior management, training and development plan	Jenna Hylton (JH)	Duncan Trumper	- Awaiting response with requested information.		C
031	How will the service be resourced to incorporate Lincolnshire? What assurances are there that experienced staff will focus on Lincolnshire's needs?	Gareth Roberts (GR)/ Jason Davenport (JD)	Duncan Trumper	<ul style="list-style-type: none"> - Hoople are aware of their responsibilities under TUPE should this apply. - Hoople have Admitted Body status within the Worcestershire County Council pension fund. - The Operational management team at Hoople would give consideration to the new client requirements, as well as the development of current post-holders. - A number of experienced staff would be selected to populate the new service and those who have been demonstrating the ability to take on more would be considered as part of the back fill to support current operations, allowing personal growth and development for all candidates. - With such a considerable increase in staffing, the new members of staff would be brought into the service with a range of functional skills, and supported through induction and mentoring to be able to support the service. 	The Operational management response has been consistent and is good industry practice, to release experienced individuals during a phased approach. This allows more experienced team to take control of testing and parallel processes, which back-filling them safely with those who will be stepping into the roles that are made vacant. Both strategies coupled with additional recruitment is the correct route to both organic and acquisitive growth in personnel.	M
032	Sickness, turnover and training records for staff over the past 3 years.	Jo Ogden (JO)	Duncan Trumper	- Good attrition and sickness records displayed.		S
033	The supplier can attract and retain staff who are appropriately skilled and qualified to meet the needs of the service.	Jason Davenport (JD)	Duncan Trumper	<ul style="list-style-type: none"> - Hoople have their own recruitment agents who work closely with the operational heads of service, to ensure close match of candidate profile to the positions available. - The recruitment campaign would be significant, but would be populating a variety of functions. Hoople have an excellent (low) attrition rate, which is a positive indicator of the leadership in place and the opportunities provided for development. 	<ul style="list-style-type: none"> - Hoople have their own recruitment arm, as well as a number of Preferred Suppliers for recruitment. They will seek appropriately qualified (CIPP / CIPD) personnel in the first instance and offer training to those who are seeking development. Hoople is close to Gloucester, Birmingham and Worcester Universities. - Monitored through transition and contract management (AMc). 	S
ICT - interfaces between LCC and Hoople systems are robust						
034	The IMT interface of LCC's server capacity and user equipment.	Gareth Roberts (GR)/Dave Rose-Allen (DRA)	Duncan Trumper	<ul style="list-style-type: none"> - Architecture presented in Hoople technical workshop meets all specified IMT requirements (including necessary security). - Key focus is on bandwidth (including resilience) and end-user equipment, but no issues raised by LCC IMT beyond ensuring bandwidth is available especially to more remote Lincolnshire sites. 	- Next review to be held when Hoople issue a further detailed design (GR) .	M

035	Ensure appropriate systems are in place and relevant interfaces are understood and developed.	Gareth Roberts (GR)/Dave Rose-Allen (DRA)	Duncan Trumper	- Current interfaces presented at technical workshop (30th May 2018); no issues raised currently. - Potential to deprecate some existing interfaces through the improved use of Business World On1 (e.g. Spitfire).	- Review to be considered upon receipt of Hoople proposal. - Further works to be commissioned as required to specify less-understood interfaces (GR).	M
036	Determine the requirements of relevant software licenses.	Gareth Roberts (GR)/Dave Rose-Allen (DRA)	Duncan Trumper	- Assurance is being sought that LCC's licenses are able to be used in Hoople's environment without further cost. - Other licenses will be reviewed as per Hoople's solution design.	- Other licenses will be reviewed as per Hoople's solution design (ongoing) (GR).	M
037	Ensure adequate testing of systems in all aspects	Gareth Roberts (GR)/Dave Rose-Allen (DRA)	Duncan Trumper	- Testing listed in current plan; approach provided by Hoople is credible in discussion and at technical workshop (30th May 2018).	- Low level designs to be developed with specification; this is to include how robust testing will be achieved to prove the interface (GR).	M

RAG Rating:

-  Minimal risk to the council after considering mitigations. Officers recommend accepting these risks.
-  There are outstanding, material risks which represent a low to medium threat to the council's projects and/or services. Officers recommend accepting these risks.
-  There are outstanding material risks which represent a high threat to the council's projects and/or services. Officers would recommend against accepting these risks.

MoSCoW Rating:

- M** - Must have this requirement to meet the business needs
- S** - Should have this requirement if possible, but project success does not rely on it
- C** - Could have this requirement if it does not affect anything else on the project
- W** - Would like to have this requirement later, but delivery won't be this time

% Complete	Task Name	Duration	Start	Finish	Milestone	Resource Names
1%	Programme Governance	609 days	Thu 01/03/18	Tue 30/06/20	No	
41%	Decision Making & Reporting	609 days	Thu 01/03/18	Tue 30/06/20	No	
100%	OSMB	2 hrs	Thu 26/04/18	Thu 26/04/18	Yes	Andrew Mclean
100%	Executive	8 hrs	Tue 01/05/18	Tue 01/05/18	Yes	Andrew Mclean
100%	Sounding Board (Update on Planned IMT Market Testing)	1 hr	Mon 14/05/18	Mon 14/05/18	No	Andrew Mclean,John Wickens,Steven North,Gail MacDonald
100%	CMB (Programme Update - Focus on Due Diligence)	1 hr	Wed 06/06/18	Wed 06/06/18	No	Andrew Mclean
100%	Sounding Board (Pre-Informal Executive Update on 19th June 18) report to be ready 6th June 2018	1 hr	Fri 08/06/18	Fri 08/06/18	No	Andrew Mclean,Wendy Henry,Jane Maddison
0%	Informal Executive (Project Planning & Due Diligence of Hoople) report to be ready by 8th June 2018	2 hrs	Tue 19/06/18	Tue 19/06/18	No	Andrew Mclean
0%	OSMB (Update on Due Diligence of Hoople) report to be ready 14th June 2018	2 hrs	Thu 28/06/18	Thu 28/06/18	No	Andrew Mclean
0%	Sounding Board (IMT Update Prior to OSMB on 30th August 18)	8 hrs	Tue 31/07/18	Tue 31/07/18	No	Andrew Mclean,John Wickens,Steven North,Gail MacDonald
0%	OSMB (Update on IMT Market Engagement) report to be ready 16th August 2018	2 hrs	Thu 30/08/18	Thu 30/08/18	Yes	Andrew Mclean
0%	Sounding Board (Payroll Update Prior to OSMB on 27th September 2018)	1 hr	Thu 13/09/18	Thu 13/09/18	No	Andrew Mclean,Jason Davenport,Wendy Henry,Jane Maddison
0%	OSMB (Pre-decision to Executive on 2nd Oct 18) report to be ready 13th September 2018	2 hrs	Thu 27/09/18	Thu 27/09/18	Yes	Andrew Mclean
0%	Executive (Decision on IMT, AP/AR, ACF, CSC, People Management) report to be ready 13th September 2018	2 hrs	Tue 02/10/18	Tue 02/10/18	Yes	Andrew Mclean
23%	CSSC Programme Board Meetings	604 days	Thu 08/03/18	Tue 30/06/20	No	
100%	Board Meeting	1 day	Thu 08/03/18	Thu 08/03/18	No	Programme Board Members
100%	Board Meeting	1 day	Mon 16/04/18	Mon 16/04/18	No	Programme Board Members
100%	Board Meeting	1 day	Mon 14/05/18	Mon 14/05/18	No	Programme Board Members
0%	Board Meeting	1 day	Mon 18/06/18	Mon 18/06/18	No	Programme Board Members
0%	Board Meeting	1 day	Tue 17/07/18	Tue 17/07/18	No	Programme Board Members
0%	Board Meeting	1 day	Thu 16/08/18	Thu 16/08/18	No	Programme Board Members

0%	Board Meeting	1 day	Wed 19/09/18	Wed 19/09/18	No	Programme Board Members
0%	Board Meeting	1 day	Wed 17/10/18	Wed 17/10/18	No	Programme Board Members
0%	Board Meeting	1 day	Thu 22/11/18	Thu 22/11/18	No	Programme Board Members
0%	Board Meeting	1 day	Thu 13/12/18	Thu 13/12/18	No	Programme Board Members
0%	Board Meeting	1 day	Wed 16/01/19	Wed 16/01/19	No	Programme Board Members
0%	Board Meeting	1 day	Mon 18/02/19	Mon 18/02/19	No	Programme Board Members
0%	Board Meeting	1 day	Tue 19/03/19	Tue 19/03/19	No	Programme Board Members
7%	Project Board Meetings	609 days	Thu 01/03/18	Tue 30/06/20	No	
17%	Payroll & Pension Project Board Meetings	609 days	Thu 01/03/18	Tue 30/06/20	No	
100%	Board Meeting	2 hrs	Mon 19/03/18	Mon 19/03/18	No	Project Board Members
100%	Board Meeting	2 hrs	Tue 17/04/18	Tue 17/04/18	No	Project Board Members
0%	Board Meeting	2 hrs	Wed 20/06/18	Wed 20/06/18	No	Project Board Members
0%	Board Meeting	2 hrs	Thu 19/07/18	Thu 19/07/18	No	Project Board Members
0%	Board Meeting	2 hrs	Fri 24/08/18	Fri 24/08/18	No	Project Board Members
0%	Board Meeting	2 hrs	Fri 21/09/18	Fri 21/09/18	No	Project Board Members
0%	Board Meeting	2 hrs	Mon 29/10/18	Mon 29/10/18	No	Project Board Members
0%	Board Meeting	2 hrs	Mon 26/11/18	Mon 26/11/18	No	Project Board Members
0%	Board Meeting	2 hrs	Wed 19/12/18	Wed 19/12/18	No	Project Board Members
0%	Board Meeting	2 hrs	Thu 24/01/19	Thu 24/01/19	No	Project Board Members
0%	Board Meeting	2 hrs	Mon 25/02/19	Mon 25/02/19	No	Project Board Members
0%	Board Meeting	2 hrs	Thu 21/03/19	Thu 21/03/19	No	Project Board Members
5%	ERP Project Board Meetings	609 days	Thu 01/03/18	Tue 30/06/20	No	
100%	Board Meeting	2 hrs	Tue 20/03/18	Tue 20/03/18	No	Project Board Members
100%	Board Meeting	2 hrs	Tue 17/04/18	Tue 17/04/18	No	Project Board Members
0%	Board Meeting	1 day	Wed 20/06/18	Wed 20/06/18	No	Project Board Members
0%	Board Meeting	1 day	Thu 19/07/18	Thu 19/07/18	No	Project Board Members
0%	Board Meeting	1 day	Wed 22/08/18	Wed 22/08/18	No	Project Board Members
0%	Board Meeting	1 day	Fri 21/09/18	Fri 21/09/18	No	Project Board Members
0%	Board Meeting	1 day	Mon 29/10/18	Mon 29/10/18	No	Project Board Members
0%	Board Meeting	1 day	Mon 26/11/18	Mon 26/11/18	No	Project Board Members
0%	Board Meeting	1 day	Wed 19/12/18	Wed 19/12/18	No	Project Board Members

0%	Board Meeting	1 day	Thu 24/01/19	Thu 24/01/19	No	Project Board Members
0%	Board Meeting	1 day	Mon 25/02/19	Mon 25/02/19	No	Project Board Members
0%	Board Meeting	1 day	Thu 21/03/19	Thu 21/03/19	No	Project Board Members
0%	Engagement with Key Stakeholders	673 days	Fri 01/09/17	Tue 31/03/20	No	
0%	Stakeholder analysis	1 day	Wed 20/06/18	Wed 20/06/18	No	CSSC Programme Team
0%	Lincolnshire Learning Partnership Board (LLPB),	492 days	Mon 14/05/18	Tue 31/03/20	No	
100%	Attendance at Partnership Board	0.5 days	Fri 18/05/18	Fri 18/05/18	No	Andrew Mclean,Jane Maddison,Wendy Henry
0%	Further attendance at Board if required	206 days	Fri 21/09/18	Fri 05/07/19	No	
0%	Schools Forum Meetings	501 days	Tue 01/05/18	Tue 31/03/20	No	
0%	Dates of attendance to be determine				No	TBC
0%	Headteacher Briefings	43 days	Fri 01/03/19	Tue 30/04/19	No	
0%	Dates of attendance to be determine				No	TBC
0%	Bursar Cluster Groups	673 days	Fri 01/09/17	Tue 31/03/20	No	
0%	Dates of attendance to be determine				No	TBC
0%	LCC Senior Leadership Meeting	501 days	Tue 01/05/18	Tue 31/03/20	No	
100%	Attendance at meeting	0.5 days	Wed 16/05/18	Wed 16/05/18	No	Andrew Mclean,Wendy Henry
0%	Further attendance at meetings if required	409 days	Thu 06/09/18	Tue 31/03/20	No	TBC
4%	Internal Control Environment	566 days	Tue 01/05/18	Tue 30/06/20	No	
4%	Internal Assurance	566 days	Tue 01/05/18	Tue 30/06/20	No	Lucy Pledge,George Spiteri
100%	Identify resources and establish team	1 day	Thu 03/05/18	Thu 03/05/18	No	Lucy Pledge
100%	Complete 'Assurance Risk Assessment'	1 day	Mon 23/04/18	Mon 23/04/18	No	Lucy Pledge
100%	Complete 'Delivery Capability Status'	1 day	Mon 23/04/18	Mon 23/04/18	No	Lucy Pledge
0%	Undertake periodic Internal Assurance reviews				No	Lucy Pledge,George Spiteri
1%	External Assurance	566 days	Tue 01/05/18	Tue 30/06/20	No	Local Partnerships
100%	Initial meeting & engagement with Local Partnerships	1 day	Wed 02/05/18	Wed 02/05/18	No	Local Partnerships,Lucy Pledge,George Spiteri
0%	Preparation and setting up Review	86 days	Thu 03/05/18	Thu 30/08/18	No	Local Partnerships,Lucy Pledge,George Spiteri
0%	Undertake Review (3 days on site)	20 days	Mon 01/10/18	Fri 26/10/18	No	Local Partnerships
0%	Issue Review report to stakeholders	1 day	Mon 01/10/18	Mon 01/10/18	Yes	Local Partnerships

7%	Shared Service Agreement with Herefordshire Council/ Hoople	508 days	Fri 20/04/18	Tue 31/03/20	No	
25%	Determine the appropriate form of agreement	116 days	Fri 20/04/18	Fri 28/09/18	No	
50%	Consider available forms of shared service arrangements which LCC and HC are prepared to engage with	116 days	Fri 20/04/18	Fri 28/09/18	No	Rob Ewing,Andrew Mclean,Debbie Barnes,Sophie Reeve,David Coleman
100%	Produce and share discussion document to aid dialogue with HC/ Hoople representatives	3 days	Fri 18/05/18	Tue 22/05/18	No	Sophie Reeve,David Coleman
0%	Obtain incoming CX and the political viewpoint on agreement options	16 days	Mon 21/05/18	Mon 11/06/18	No	Debbie Barnes,Andrew Mclean
50%	Completion of further due diligence work (as per Executive Report 02.05.18)	31 days	Wed 02/05/18	Wed 13/06/18	No	AMc,Andrew Mclean,Wendy Henry,Jason Davenport,Gareth Roberts,Jane Maddison,Joanna Ogden
0%	Due Diligence report into Informal Executive	1 day	Tue 19/06/18	Tue 19/06/18	No	Andrew Mclean,Wendy Henry,Jason Davenport
0%	Due Diligence report into OSMB	1 day	Thu 28/06/18	Thu 28/06/18	Yes	Andrew Mclean,Wendy Henry,Jason Davenport
0%	Formal agreement from HC to ratify detail and produce formal proposal	14 days	Tue 22/05/18	Fri 08/06/18	No	Rob Ewing,Andrew Mclean
0%	Formal proposal provided from HC/ Hoople	50 days	Mon 11/06/18	Fri 17/08/18	No	Rob Ewing
0%	Contract price submitted from HC/ Hoople	50 days	Mon 11/06/18	Fri 17/08/18	No	Rob Ewing
50%	Consider any VAT implications	21 days	Mon 18/06/18	Mon 16/07/18	No	Andrew Mclean,Karen Tonge
0%	LCC and HC political, legal approval and authorisation to proposals and final form of agreement	45 days	Mon 02/07/18	Fri 31/08/18	Yes	Rob Ewing,Debbie Barnes,Andrew Mclean
2%	Develop specific agreement schedules	75 days	Mon 21/05/18	Fri 31/08/18	No	
0%	Contract Summary	35 days	Mon 11/06/18	Fri 27/07/18	No	Andrew Mclean,Sophie Reeve,David Coleman
0%	Terms and Conditions	35 days	Mon 11/06/18	Fri 17/08/18	No	Andrew Mclean,Sophie Reeve,David Coleman
0%	Duration/ Termination	35 days	Mon 11/06/18	Fri 17/08/18	No	Andrew Mclean,Sophie Reeve,David Coleman
0%	Service Level Agreement - KPI's, contract monitoring, open book accounting, training and development	35 days	Mon 25/06/18	Fri 17/08/18	No	Andrew Mclean,Sophie Reeve,David Coleman,Wendy Henry,Jason Davenport,Gareth Roberts,Jane Maddison,Helen Edwards

0%	TUPE consideration and any local base requirements	21 days	Mon 21/05/18	Mon 18/06/18	No	Duncan Trumper,Andrew Mclean,Debbie Barnes
0%	Service Design and licensing of BWON	35 days	Mon 25/06/18	Fri 17/08/18	No	Wendy Henry,Gareth Roberts,Jason Davenport,Helen Edwards
0%	Serco usage of BWON	10 days	Mon 25/06/18	Fri 06/07/18	No	Duncan Trumper,Andrew Mclean,Sophie Reeve,Gareth Roberts
0%	Service Specification (Payroll and HR Admin), including hand-off points for LFR	40 days	Mon 25/06/18	Fri 17/08/18	No	Debbie Yeates,Wendy Henry,Jason Davenport
0%	Transition arrangements and associated payments (see section below)	35 days	Mon 25/06/18	Fri 17/08/18	No	Wendy Henry,Gareth Roberts,Jason Davenport,Helen Edwards
0%	Specify the IMT type support we will be seeking from HC/Hoople e.g. IT Service Desk, Apps Management etc.	40 days	Mon 25/06/18	Fri 17/08/18	No	DRA,JW,Andrew Mclean,Gareth Roberts,Wendy Henry
0%	Financial Schedule	35 days	Mon 11/06/18	Fri 17/08/18	No	Andrew Mclean,Sophie Reeve,David Coleman
20%	GDPR/data issues/Liability cap	50 days	Mon 11/06/18	Fri 17/08/18	No	David Ingham,Andrew Mclean,Sophie Reeve,David Coleman
0%	Authorisation by legal services, service leads and Programme Director	45 days	Mon 02/07/18	Fri 31/08/18	Yes	Rob Ewing,Debbie Barnes,Andrew Mclean,Sophie Reeve,David Coleman
0%	Transition Arrangements	496 days	Tue 08/05/18	Tue 31/03/20	No	
0%	Hoople to produce a Transition Plan to identify programme of works and associated cost to be ready for go live	30 days	Mon 11/06/18	Fri 20/07/18	No	Duncan Trumper,Owen Jones
0%	Identify internal/external resource requirements to support transition plan	20 days	Mon 02/07/18	Fri 27/07/18	No	Wendy Henry,Gareth Roberts,Jason Davenport,Helen Edwards
0%	Engage with Serco to confirm support required	6 days	Fri 20/07/18	Fri 27/07/18	No	Wendy Henry,Andrew Mclean,Sophie Reeve
0%	Develop and implement an appropriate form of contract with Hoople to oversee the transition arrangements	40 days	Mon 25/06/18	Fri 17/08/18	No	Wendy Henry,Gareth Roberts,Jason Davenport,Helen Edwards
0%	Monitor and manage performance/issues	413 days	Sat 01/09/18	Tue 31/03/20	No	Wendy Henry,Gareth Roberts,Jason Davenport,Helen Edwards,Andrew Mclean
0%	Develop proposed models of an internal intelligent client function	21 days	Tue 08/05/18	Tue 05/06/18	No	Fiona Thompson,Jason Davenport
0%	Develop engagement strategy for Schools, LFR and Corporate	47 days	Mon 21/05/18	Tue 24/07/18	No	Comm Engagement Team,Debbie Yeates,Martin Smith,Wendy Henry,Steve Cargill,Andrew Mclean

0%	Purchase Order (as per the agreement) raised	50 days	Mon 11/06/18	Fri 17/08/18	Yes	Andrew Mclean,Sophie Reeve,David Coleman
0%	Handover of document as part of BAU	50 days	Mon 11/06/18	Fri 17/08/18	Yes	Andrew Mclean,Sophie Reeve,David Coleman
60%	Payroll Initiation and Design	97 days	Thu 01/03/18	Fri 13/07/18	No	
66%	Payroll Specification / Blueprint	87 days	Thu 01/03/18	Fri 29/06/18	No	
100%	Issue of requirements specification	1 day	Mon 26/03/18	Mon 26/03/18	No	Wendy Henry,Jason Davenport,Gareth Roberts
100%	Engagement of MS Insight via Bloom Procurement	1 day	Mon 26/03/18	Mon 26/03/18	No	Michael Hunt,Wendy Henry
100%	Kick off meeting with MS Insight	1 day	Wed 28/03/18	Wed 28/03/18	No	Wendy Henry,Jane Maddison,Jason Davenport,Gareth Roberts
100%	Payroll specification development	20 days	Mon 23/04/18	Fri 18/05/18	No	MS Insight,Jason Davenport,Gareth Roberts
100%	Issue available all documents to MS Insight consultant	1 day	Wed 28/03/18	Wed 28/03/18	No	Jason Davenport
100%	Identify staff required to be interviewed from LCC & Serco	0 days	Thu 12/04/18	Thu 12/04/18	Yes	Jason Davenport,Gareth Roberts
100%	Workshop sessions with LCC & Serco	21 days	Wed 28/03/18	Wed 25/04/18	No	Jason Davenport,MS Insight
100%	Checkpoint meeting No 2 with MS Insight	2 hrs	Wed 25/04/18	Wed 25/04/18	No	Wendy Henry,MS Insight,Gareth Roberts,Jason Davenport
100%	Input into payroll service design (Hoople visit)	0.5 days	Thu 17/05/18	Thu 17/05/18	No	Fiona Thompson,Wendy Henry,Tracey Sampson,Jason Davenport
70%	Handover of payroll specification / blueprint to LCC for review	31 days	Fri 11/05/18	Fri 22/06/18	No	MS Insight
100%	Additional artefacts requested from Serco to support documentation	8 days	Mon 07/05/18	Wed 16/05/18	No	Jason Davenport,Debbie Eldridge
70%	Additional artefacts to be incorporated within specification and areas highlighted reviewed	21 days	Mon 14/05/18	Mon 11/06/18	No	Jason Davenport,Andrew Fraser
100%	Additional gap identified of Senior Leadership Pay. Actions take to close down by interviewing C Threapleton & L Hipworth (following request for resource)	6 days	Wed 30/05/18	Wed 06/06/18	No	Jason Davenport,Andrew Fraser
50%	Add detail from Senior Leadership review into the specification	4 days	Wed 06/06/18	Mon 11/06/18	No	Andrew Fraser
100%	Request made to Serco through formal channels for personnel to review document changes	1 day	Wed 06/06/18	Wed 06/06/18	No	Jason Davenport
50%	Review and sign off by LCC of payroll specification / blueprint document following review with Serco	27 days	Thu 24/05/18	Fri 29/06/18	Yes	Jason Davenport,Vicki Sharpe,Debbie Eldridge
50%	Review and refine specification for detail	23 days	Wed 23/05/18	Fri 22/06/18	No	Jason Davenport,Andrew Fraser,Owen Jones

50%	Share scenarios with Hoople for testing and validation whether detail is complete enough	15 days	Wed 23/05/18	Tue 12/06/18	No	Jason Davenport,Owen Jones,Wendy Henry,Gareth Roberts,Julie Davies
50%	Handover to Hoople for service design of payroll service	28 days	Wed 23/05/18	Fri 29/06/18	Yes	Jason Davenport,Andrew Fraser,Owen Jones
100%	Session established to walk through a number of hand-picked permutations to test majority of scenarios	0.5 days	Thu 31/05/18	Thu 31/05/18	No	LCC and Hoople Programme Team
0%	Develop and implement process of maintaining document up to date (BAU)	10 days	Mon 02/07/18	Fri 13/07/18	No	Fiona Thompson
45%	Payroll Service Delivery Specification	80 days	Mon 02/04/18	Fri 20/07/18	No	
100%	1st draft completed	21 days	Mon 16/04/18	Mon 14/05/18	No	Jason Davenport
100%	Socialise 1st draft with Hoople for comment	12 days	Thu 17/05/18	Fri 01/06/18	No	Jason Davenport
100%	HR/Payroll workshop used to identify additional areas to be populated such as Death in Service and Long Service Awards	1 day	Thu 24/05/18	Thu 24/05/18	No	Jason Davenport,Owen Jones,Broader Team
50%	Additional iteration to be added to for and closure development of draft following scenario testing and closure of gaps in pay service spec	20.5 days	Thu 31/05/18	Thu 28/06/18	No	Jason Davenport
0%	Review and sign off by LCC of payroll service delivery specification	18 days	Wed 06/06/18	Fri 29/06/18	Yes	Wendy Henry,Fiona Thompson
0%	Handover to Hoople & LCC team developing the Section 101 Delegation Agreement	10 days	Fri 15/06/18	Thu 28/06/18	No	TBC
0%	Develop and implement process of maintaining document up to date (BAU)	16 days	Fri 29/06/18	Fri 20/07/18	No	Fiona Thompson
0%	Buy Back Model for Schools	261 days	Tue 01/05/18	Tue 30/04/19	No	
100%	Initial discussion with LCC Schools Finance Team - future offer of payroll via the buy back model	1 day	Tue 01/05/18	Tue 01/05/18	No	Andrew Mclean,Mark Popplewell
0%	Agree LCC position of future offer of payroll to schools via the buy back model	86 days	Tue 01/01/19	Tue 30/04/19	Yes	Andrew Mclean,Debbie Barnes,Mark Popplewell
0%	Liaison with Hoople of LCCs position of schools payroll via the buy back model	86 days	Tue 01/01/19	Tue 30/04/19	No	Andrew Mclean
0%	Handover to Hoople & LCC team developing the Section 101 Delegation Agreement	22 days	Mon 01/04/19	Tue 30/04/19	No	Andrew Mclean

0%	School engagement regarding the buy back model	261 days	Tue 01/05/18	Tue 30/04/19	No	
0%	Bursar Groups	261 days	Tue 01/05/18	Tue 30/04/19	No	TBC
0%	Headteacher Briefings	261 days	Tue 01/05/18	Tue 30/04/19	No	TBC
0%	Review of Employee Lifecycle	130 days	Mon 02/04/18	Fri 28/09/18	No	
0%	Detemine scope of project	21 days	Fri 01/06/18	Fri 29/06/18	No	Wendy Henry,Fiona Thompson,Jane Maddison,Jason Davenport
17%	Fire and Rescue Payroll Solution & Provision	115 days	Mon 23/04/18	Fri 28/09/18	No	
100%	Create 'AS IS' workflow presentation for confirmation of understanding Spitfire processes	1 day	Thu 10/05/18	Thu 10/05/18	No	Jason Davenport
50%	Review 'AS IS' workflow for systems and processes with Debbie Yeates and establish future reviews to remain aligned	36 days	Mon 14/05/18	Mon 02/07/18	No	Jason Davenport,Wendy Henry,Vicki Sharpe,Helen Edwards,Gareth Roberts,Julie Castledine,Debbie Yeates
100%	Review use of systems both feeder and master for HR & Payroll and for those who are budget holders (Firewatch and BWON!)	10 days	Wed 16/05/18	Tue 29/05/18	No	Dan Marsland,Danny Moss,Spence Creek,Jason Davenport
100%	Share current pay specification build (including LFRS) with Hoople for consideration with Serco Workshops	1 day	Wed 16/05/18	Wed 16/05/18	No	Jason Davenport,Owen Jones
100%	Speak with Dan Marsland to review starter process and received forms for sharing with Hoople	1 day	Wed 23/05/18	Wed 23/05/18	No	Dan Marsland,Jason Davenport
80%	Review pay specification and Hoople build with Serco personnel for feedback on gaps / items to consider	1 day	Thu 24/05/18	Thu 24/05/18	No	Louisa Jelly,Glenys Obrien,Pay Supervisors (Laura & Jane),Hoople workshop attendees
20%	Follow up to share pay specification document with Serco pay supervisors for additional detail	23 days	Tue 29/05/18	Thu 28/06/18	No	Pay Supervisors (Laura & Jane)
20%	Develop additional workflow process maps for discussion with Debbie Yeates for new starter, changes and absence processing	32 days	Fri 25/05/18	Mon 09/07/18	No	Jason Davenport,Debbie Yeates,Vicki Sharpe,Gareth Roberts
100%	Develop test scenarios for discussion with Hoople to better understand system and process provision	5 days	Fri 25/05/18	Thu 31/05/18	No	Jason Davenport,Owen Jones,Duncan Trumper,Gareth Roberts,Dawn Hall
100%	Request and review all data sets connected with expense payments for review against Hoople Best Practice stack	1 day	Thu 24/05/18	Thu 24/05/18	No	Jason Davenport,Owen Jones,Paul Armstrong,Gareth Roberts

10%	Service specification to be added to with additional information discovered in workshops for Death in Service, Long Service, Fire Leavers,etc	36 days	Thu 24/05/18	Thu 12/07/18	No	Jason Davenport
10%	Follow up with each Pension Scheme to ensure alignment of process and procedure	27 days	Thu 24/05/18	Fri 29/06/18	No	Jason Davenport,Vicki Sharpe,Pension Providers
0%	Meeting set with Chief Fire Office to discuss direction of pay and analysis of all systems involved. To repeat for continuous review for future progress review and decisions	66 days	Fri 15/06/18	Fri 14/09/18	No	Jason Davenport,Andrew Mclean,Fiona Thompson,Debbie Yeates,Duncan Trumper,Nick Borrill
0%	Workshop / alignment required to ensure decision making from Fire & Rescue on associated systems to support broader initiatives than just PM services is known and the implications understood	66 days	Fri 15/06/18	Fri 14/09/18	No	Debbie Yeates,Wendy Henry,Jason Davenport
50%	Work in collaboration with Derek Hendrie to gain full insight into his business analysis of Fire Systems	84 days	Tue 29/05/18	Fri 21/09/18	No	Jason Davenport,Derek Hendrie
0%	Overview workshop to be established with Hoople and Debbie Yeates to support both sides understanding of what is possible and what limitations need to be considered	1 day	Wed 27/06/18	Wed 27/06/18	No	Jason Davenport,Wendy Henry,Owen Jones,Vicki Sharpe
0%	Full systems architecture and process review to be carried out to provide overview of how future solution and service provision can work to the benefit of Fire & Rescue	32 days	Thu 07/06/18	Fri 20/07/18	No	Jason Davenport,Wendy Henry,Owen Jones,Vicki Sharpe
0%	Broader system specification for Fire & Rescue of the purpose for each of its system and holding that in one repository for decision making and review	57 days	Thu 07/06/18	Fri 24/08/18	No	Jason Davenport,Derek Hendrie,Debbie Yeates,Vicki Sharpe
0%	Sign off of full suite of systems to be used for the overall solution approach for Fire and Rescue	76 days	Fri 15/06/18	Fri 28/09/18	No	Jason Davenport,Andrew Mclean,Nick Borrill,Debbie Yeates
3%	Initiation and design	94 days	Mon 23/04/18	Thu 30/08/18	No	
6%	Cleansing and hardening proposals	16 days	Mon 21/05/18	Mon 11/06/18	No	
100%	Moore-Stephens Insight workshop	1 day	Mon 21/05/18	Mon 21/05/18	No	Gareth Roberts,Andrew Fraser,Helen Edwards,Peter Morley

0%	Proposal produced by MSI and received by LCC	10 days	Tue 22/05/18	Mon 04/06/18	No	Andrew Fraser,Peter Morley
0%	Proposals reviewed and accepted	5 days	Tue 05/06/18	Mon 11/06/18	No	Andrew Fraser,Fiona Thompson,Gareth Roberts,Helen Edwards,Wendy Henry
30%	Hoople ERP design and specification	23 days	Tue 15/05/18	Thu 14/06/18	No	
30%	ERP Design workshops	13 days	Tue 15/05/18	Thu 31/05/18	No	
100%	Finance workshops	4 days	Tue 15/05/18	Fri 18/05/18	No	Helen Edwards,Steve Cargill,Gareth Roberts
100%	HR workshops	3 days	Tue 22/05/18	Thu 24/05/18	No	Gareth Roberts,Jason Davenport,Steve Cargill
100%	Technical workshops	2 days	Wed 30/05/18	Thu 31/05/18	No	Dave Rose-Allen,Gareth Roberts,Helen Edwards
0%	Hoople proposals (inc schedules) drafted and returned to LCC	21 days	Fri 01/06/18	Fri 29/06/18	No	Duncan Trumper
14%	Additional due diligence works	108 days	Wed 02/05/18	Fri 28/09/18	No	
20%	Additional materials gathered	27 days	Wed 02/05/18	Thu 07/06/18	No	Andrew Mclean,Gareth Roberts,Jason Davenport,Wendy Henry
0%	Revised report compiled for scrutiny	2 days	Mon 11/06/18	Tue 12/06/18	No	Jenna Hylton
0%	Scrutiny report lodged	0 days	Tue 12/06/18	Tue 12/06/18	No	Andrew Mclean
0%	Update to project documentation e.g. budget, PID	5 days	Wed 13/06/18	Tue 19/06/18	No	Gareth Roberts
0%	Initiation stage review	5 days	Fri 24/08/18	Thu 30/08/18	No	Andrew Mclean,Gareth Roberts
0%	Change management (process)	368 days	Wed 30/05/18	Fri 25/10/19	No	
0%	Inventory of service impacts collated	2 days	Wed 30/05/18	Thu 31/05/18	No	Gareth Roberts,Steve Cargill
0%	Service impacts assessed	3 days	Fri 01/06/18	Tue 05/06/18	No	Steve Cargill
0%	Priority and assessment agreed with board	3 days	Wed 06/06/18	Fri 08/06/18	No	Gareth Roberts,Steve Cargill
0%	Local business process re-engineering	18 mons	Mon 11/06/18	Fri 25/10/19	No	Gareth Roberts,Steve Cargill
0%	Local BPR completed	0 days	Fri 25/10/19	Fri 25/10/19	Yes	
0%	Build and change	200 days	Thu 30/08/18	Wed 05/06/19	No	
0%	Build start	0 days	Thu 30/08/18	Thu 30/08/18	Yes	
0%	Hoople core build	180 days	Fri 31/08/18	Thu 09/05/19	No	
0%	Hoople build, configure and issue maintenance	9 mons	Fri 31/08/18	Thu 09/05/19	Yes	Hoople TBA

0%	Ongoing snag list ma engagement	9 mons	Fri 31/08/18	Thu 09/05/19	No	Gareth Roberts,Hoople TBA
0%	Infrastructure	95 days	Fri 31/08/18	Thu 10/01/19	No	
0%	LCC Low level design for network/etc. confirmed	20 days	Fri 31/08/18	Thu 27/09/18	No	
0%	Technical design approved by LCC	5 days	Fri 28/09/18	Thu 04/10/18	No	
0%	Hoople infrastructure commissioned	60 days	Fri 05/10/18	Thu 27/12/18	No	
0%	Hoople infrastructure confirmed	10 days	Fri 28/12/18	Thu 10/01/19	Yes	
0%	MSI data cleanse and hardening	200 days	Fri 31/08/18	Thu 06/06/19	No	
0%	Data cleanse works	120 days	Fri 31/08/18	Thu 14/02/19	No	Andrew Fraser,Peter Morley
0%	Contingency	60 days	Fri 15/02/19	Thu 09/05/19	No	
0%	Testing for accuracy	20 days	Fri 10/05/19	Thu 06/06/19	No	
0%	Data cleansing and hardening completed	0 days	Thu 06/06/19	Thu 06/06/19	Yes	
0%	Testing and training	221 days	Fri 15/02/19	Fri 20/12/19	No	
0%	Unit testing	130 days	Fri 15/02/19	Thu 15/08/19	No	
0%	Data migration testing	60 days	Fri 15/02/19	Thu 09/05/19	No	
0%	Technical unit testing	60 days	Fri 10/05/19	Thu 01/08/19	Yes	
0%	Parallel pay runs	70 days	Fri 10/05/19	Thu 15/08/19	No	Jason Davenport
0%	Payroll testing samples	20 days	Fri 10/05/19	Thu 06/06/19	No	Jason Davenport,Gareth Roberts,Julie Castledine
0%	PPR1	10 days	Fri 07/06/19	Thu 20/06/19	No	Jason Davenport,Gareth Roberts,Julie Castledine
0%	PPR2	10 days	Fri 05/07/19	Thu 18/07/19	No	Jason Davenport,Gareth Roberts,Julie Castledine
0%	PPR3	10 days	Fri 02/08/19	Thu 15/08/19	No	Jason Davenport,Gareth Roberts,Julie Castledine
0%	Payroll testing completed	0 days	Thu 15/08/19	Thu 15/08/19	Yes	Jason Davenport,Gareth Roberts,Julie Castledine
0%	Interface testing	60 days	Fri 10/05/19	Thu 01/08/19	Yes	
0%	Training and documentation	60 days	Mon 05/08/19	Fri 25/10/19	No	Steve Cargill,Wendy Henry
0%	System and process documentation	60 days	Mon 05/08/19	Fri 25/10/19	No	
0%	End user documentation	60 days	Mon 05/08/19	Fri 25/10/19	No	

0%	Payroll / HR Admin / Support Service design and stand-up (TBC)	60 days	Fri 02/08/19	Thu 24/10/19	No	Fiona Thompson,Jason Davenport,Wendy Henry
0%	User Acceptance Testing	60 days	Mon 05/08/19	Fri 25/10/19	No	
0%	To be determined				No	
0%	IMT testing	81 days	Fri 02/08/19	Fri 22/11/19	No	
0%	Pen testing etc.	1 mon	Fri 02/08/19	Thu 29/08/19	No	
0%	IG/IMT approval to continue	1 mon	Mon 28/10/19	Fri 22/11/19	No	
0%	Go-live planning	40 days	Mon 30/09/19	Fri 22/11/19	No	
0%	Go/no-go decision	0 days	Fri 22/11/19	Fri 22/11/19	Yes	
0%	Go-live planning follow-up actions	20 days	Mon 25/11/19	Fri 20/12/19	No	
0%	Go-live and cut-over	83 days	Mon 23/12/19	Wed 15/04/20	No	
0%	Go-live activities	3 days	Mon 23/12/19	Wed 25/12/19	No	
0%	Board go-live decision	0 days	Mon 06/01/20	Mon 06/01/20	Yes	
0%	Go-live prep works	3 days	Mon 06/01/20	Wed 08/01/20	No	
0%	Full Service Go-live	0 days	Wed 08/01/20	Wed 08/01/20	Yes	
0%	Warranty period and post go-live support	3 mons	Thu 09/01/20	Wed 01/04/20	No	
0%	Project closedown activities	10 days	Wed 01/04/20	Tue 14/04/20	No	
0%	Project warranty exit (board)	0 days	Wed 01/04/20	Wed 01/04/20	Yes	
0%	Project log closedown and lessons learned	10 days	Thu 02/04/20	Wed 15/04/20	No	

Risk No	Risk Type	Risk Description	Impact Type	Risk Owner	Raised By	Date Raised	Existing Controls	Current Risk Score			Developing Controls	Action Owner	Due Date	Status	Risk Progress	Target Risk Score			Date of last update	Comment	Actual closure date
								Probability	Impact	Score						Probability	Impact	Score			
001	Organisational / Management / Human Factors	LCC is unable to change its business processes adequately in order to conform to Hoople's solutions	Quality	Wendy Henry	GR	06/04/18	Agreement (baked into terms of references) on the need for change. CMB sponsorship of the approach. Establishment of a technical design authority.	2	3	6	Development of a catalogue of required changes, complete with impact and MoSCoW rating to prioritise required change importance.	Gareth Roberts	Ongoing	Active	Static	1	3	3	13/06/18	GR 180613: updated, scores left unchanged. Dev controls updated post-workshop and change analysis. No show stoppers found in the change catalogue after review with BA.	
002	Strategic / Commercial	Hoople withdraw from becoming LCC's supplier for required services	Time	Andrew Mclean	GR	06/04/18	Continual dialogue to ascertain intention. Early disclosure of hygiene factors which may cause Hoople to consider this outcome. Expediency in formal agreement(s) with Herefordshire CC.	2	4	8	S101 agreement in order to provide a firm agreement, negating this possibility.	Jane Maddison	Ongoing	Active	Static	1	4	4	13/06/18	GR 180613: updated. Mindful of current scoring based on alternative theories for partnership (e.g. shareholder) being mused, but left unchanged currently.	
003	Technical / Operational / Infrastructure	Unexpected development/requirements impact on project timelines/budget	Cost	Gareth Roberts	GR	06/04/18	Scope drafted and agreed early via PID. IMT resource to identify system integrations; full specification to be provided and agreed with Hoople. Re-engineering principles to avoid new technical solutions.	2	2	4	Development of an agreed specification. Workshops to tease out larger impact work items. Prioritisation process now implemented within the Agresso Governance group to prioritise changes beneficial to the transition and organisational health.	Dave Rose Allen / Wendy Henry / Helen Edwards	Ongoing	Active	Static	2	2	4	13/06/18	GR 180613: updated, control in the Agresso governance group added based on HE/GR works to implement prioritisation. Score unchanged.	
004	Strategic / Commercial	Serco - unable/unwilling to field sufficient, appropriate SMEs	Quality	Andrew Mclean	GR	06/04/18	Early commercial dialogue and project pressure brought to bear in order to bring this to a head; pragmatic selection of Serco staff to support sessions.	1	3	3	Commercial agreement with Serco.	Andrew Mclean / Sophie Reeve	Ongoing	Active	Static	1	3	3	13/06/18	GR 180613: updated, score affirmed based on Serco's releasing of key SMEs for the workshops and ongoing dialogue. No current commercial agreement in place to formalise the process.	
005	Technical / Operational / Infrastructure	Serco - BAU service collapses or significantly erodes after ERP movement news	Quality	Fiona Thompson	GR	06/04/18	Careful relationship management with Serco. Identification of BCP/DR plans from Serco.	2	4	8	Review of BCPs/DR plans.	Wendy Henry	Summer 2018	Active	Static	1	4	4	13/06/18	GR 180613: updated, altered wording to 'significantly erodes' to better reflect the actual risk. Serco BCPs do not currently address staff attrition issues - JD managing. Current risk probability raised due to redefinition of probability as 'possible'.	
006	Technical / Operational / Infrastructure	Serco - Key non-BWON systems fail during the implementation of Hoople solution (e.g. Spitfire as warned)	Time	Dave Rose-Allen	GR	06/04/18	Expedited view of LFRS system and futures. Ongoing review of all IMT systems that are required for as part of existing end to end ERP processes.	2	2	4	Review of LFRS future report (still awaiting issuance).	Dave Rose-Allen	Ongoing	Active	Static	2	2	4	13/06/18	GR 180613: updated, to note that the LFRS system review report has not been published as of yet.	
007	Political	Non-corporate stakeholder groups (e.g. Schools/LFRS) do not feel that they are being sufficiently involved	Benefit	Gareth Roberts	GR	06/04/18	Comms analysis being worked on. Detailed thought process in involving schools and LFRS via other representatives.	2	3	6	Development of ERP steering board which will contain schools and LFRS.	Steve Cargill	Ongoing	Active	Static	1	3	3	13/06/18	GR 180613: updated, developing controls still remain effective to best mitigate the risk, and ongoing change management/engagement works as part of the wider programme.	
008	Technical / Operational / Infrastructure	Corruption of 19/20 payroll prevents the payroll system and service being tested according to standard methodology of 3 parallel pay runs	Quality	Andrew Mclean	GR	10/04/18	None.	3	3	9	Raising of risk to Service Manager - People (10/4/18) and formal raising of risk to programme board for resolution. Ongoing monitoring of payroll audit actions for continual assessment.	Wendy Henry	Ongoing until 31/3/19	Active	Static	3	3	9	13/06/18	GR 180613: updated, no change to the risk profile (confirmed with JD).	
009	Technical / Operational / Infrastructure	Counter-product changes are made to the existing system whilst working towards Hoople's implementation	Quality	Wendy Henry / Helen Edwards	GR	10/04/18		4	2	8	Establishment of a defined change freeze ASAP. Current risk score assumes this will be implemented in good time, in 2019.	Wendy Henry / Helen Edwards	Ongoing	Active	Static	2	2	4	13/06/18	GR 180613: updated, change prioritisation has now formally begun - effectiveness to be gauged over the next development sprint.	
010	Technical / Operational / Infrastructure	No solution for existing SAP system is found, and subsequently SAP licensing costs/technical impact is borne by LCC from 2020.	Cost	A Mclean	Amc	19 April 2018	None - project was due to move data out of SAP to allow system and license closure but this has not yet delivered.	3	2	6	Commercial understanding of the SAP position. Alternatives explored with Hoople.	A Mclean / Gareth Roberts	Ongoing	Active	Static	2	2	4	13/06/18	GR 180613: exploration with Hoople on their default proposition for providing a database for non-transitioned data has continued; IMT engaged and positive with the initial proposal. Hoople have requested technical SAP data with a view of providing a webex demonstration of their solution (currently used by a number of their clients).	
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Page 39

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Risk No	Risk Type	Risk Description	Impact Type	Risk Owner	Raised By	Date Raised	Existing Controls	Current Risk Score			Developing Controls	Action Owner	Due Date	Status	Risk Progress	Target Risk Score			Date of last update	Comment	Actual closure date
								Probability	Impact	Score						Probability	Impact	Score			
001	Organisational / Management / Human Factors	Insufficient LCC capacity and capability within the payroll project team	People/Resources	Wendy Henry	Jane Maddison	26.03.18	Service Leads to identify known capacity risks, seeking to utilise existing resource of the commercial project team wherever possible. Engagement of a payroll 'expert' to support the project	2	3	6	Resource plans being developed in conjunction with Hoople resource plans	Jane Maddison Jason Davenport	30.06.18	Active	Static	2	2	4	13.06.18	Hoople plans expected late June 18	
002	Organisational / Management / Human Factors	Insufficient time to deliver the project	Time	Wendy Henry	Jane Maddison	26.03.18	High level timeline in place Project plan in place	3	3	9	Project plan to be refined based on Hoople requirements	Jane Maddison	30.06.18	Active	Static	2	2	4	13.06.18		
003	Strategic / Commercial	Serco do not release the appropriate resources to the project	Quality	Wendy Henry	Jane Maddison	26.03.18	Commercial discussions in place and ongoing with Serco. Resource plan developed to identify resource requirements from Serco for workshops - Letter issued to Mark Bennett, Serco requesting resources 6.4.18	4	3	12	Further Serco resources may be required following the review of Hoople resource requirements	Sophie Reeve Jane Maddison Jason Davenport	30.06.18	Active	Static	2	2	4	13.06.18		
004	Organisational / Management / Human Factors	Key resources at Serco are diverted to the project which has a direct impact on quality of BAU services	Quality	Wendy Henry	Jane Maddison	26.03.18	Agreed to recharge to Serco for resource to cover back fill requirements	3	3	9	Review of plan regarding Serco resources and back fill requirements	Jane Maddison	30.6.18	Active	Static	2	2	4	13.06.18		
005	Organisational / Management / Human Factors	Insufficient contingency plans built within the project	Time	Wendy Henry	Jane Maddison	26.03.18		4	3	12	Project plan will include contingency Planned 3 months dual running of payroll as an additional contingency	Jane Maddison	30.06.18	Active	Static	2	2	4	13.06.18		
006	Strategic / Commercial	In the absence of a signed Section 101 agreement with Hoople, they are under no obligation to provide future services to LCC	Scope	Wendy Henry	Andrew McLean	26.03.18		4	3	12	Continued dialogue on the Section 101 agreement with Herefordshire CC	Sophie Reeve Andrew Mclean	30.09.18	Active	Static	2	2	4	13.06.18		
007	Technical / Operational / Infrastructure	Lack of system to process retained fire pay as Spitfire is at "end of life" and at risk of fall over / failing	Scope	Wendy Henry	Fiona Thompson	09.04.18		4	4	16	Revised fire solution / proposal being considered Hoople working on solutions for Fire pay and engaged individuals with fire expertise Meeting with Fire to discuss 15.6.18	Jason Davenport	30.09.18	Active	Static	2	2	4	13.06.18		
008	Organisational / Management / Human Factors	Lack of appropriate levels of investment in developing the Council's intelligent client capacity in relation to payroll systems and matters.	People/Resources	Fiona Thompson	Andrew McLean	17.04.18		2	3	6	Organisational structure to include Intelligent Client Function. Document and proposals currently being worked up	Fiona Thompson	30.06.18	Active	Static	2	2	4	13.06.18		
009	Organisational / Management / Human Factors	Key resources at Serco are not retained and leave to secure more secure employment	People/Resources	Fiona Thompson	Andrew McLean	17.04.18		3	4	12	Commercial discussion of potential financial retainer of key staff within the payroll function	Sophie Reeve	30.06.18	Active	Static	3	3	9	13.06.18		
010	Organisational / Management / Human Factors	Hoople are unable to recruit sufficient, suitability skilled payroll staff to deliver the function from January 2020 and beyond	People/Resources	Fiona Thompson	Tony Warnock	24.04.18		3	4	12	Hoople already assessing resource requirement. Looking to engage their experience workforce on the LCC payroll. Recruitment to take place later in 2018	Fiona Thompson	01.10.19	Active	Static	2	2	4	13.06.18		
011	Technical / Operational / Infrastructure	Relevant balance sheet 'control accounts' wont be reconciled immediately prior to April 2020	Quality	Tony Warnock	Tony Warnock	24.04.18		3	4	12	Rectification workstream within pay statement project	Tony Warnock	31.03.19	Active	Static	2	2	4	13.06.18		
012	Technical / Operational / Infrastructure	Hoople may decline to take on HR admin and payroll function when the full extent of the payroll issues with the current payroll system and data are known	People/Resources	Andrew Mclean	Jane Maddison	24.04.18	Disclosure to Hoople of all current issues (May 2018)	2	3	6	Section 101 agreement	Andrew Mclean	31.07.18	Active	Static	2	2	4	13.06.18		
013	Technical / Operational / Infrastructure	Not all manual work arounds are known which could have an impact of the future configuration and delivery	Quality	Wendy Henry	Jane Maddison	24.04.18		3	4	12	Initial summary reviewed by Internal Audit. Further work scheduled for audit review in August 2018	Jason Davenport Julie Castledine	31.8.18	Active	Static	2	2	4	13.06.18		

Page 41

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Equality Impact Analysis to enable informed decisions

The purpose of this document is to:-

- I. help decision makers fulfil their duties under the Equality Act 2010 and
- II. for you to evidence the positive and adverse impacts of the proposed change on people with protected characteristics and ways to mitigate or eliminate any adverse impacts.

Using this form

This form must be updated and reviewed as your evidence on a proposal for a project/service change/policy/commissioning of a service or decommissioning of a service evolves taking into account any consultation feedback, significant changes to the proposals and data to support impacts of proposed changes. The key findings of the most up to date version of the Equality Impact Analysis must be explained in the report to the decision maker and the Equality Impact Analysis must be attached to the decision making report.

****Please make sure you read the information below so that you understand what is required under the Equality Act 2010****

Equality Act 2010

The Equality Act 2010 applies to both our workforce and our customers. Under the Equality Act 2010, decision makers are under a personal duty, to have due (that is proportionate) regard to the need to protect and promote the interests of persons with protected characteristics.

Protected characteristics

The protected characteristics under the Act are: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation.

Section 149 of the Equality Act 2010

Section 149 requires a public authority to 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 relevant protected characteristics and persons who do not share those characteristics
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The purpose of Section 149 is to get decision makers to consider the impact their decisions may or will have on those with protected characteristics and by evidencing the impacts on people with protected characteristics decision makers should be able to demonstrate 'due regard'.

Decision makers duty under the Act

Having had careful regard to the Equality Impact Analysis, and also the consultation responses, decision makers are under a personal duty to have due regard to the need to protect and promote the interests of persons with protected characteristics (see above) and to:-

- (i) consider and analyse how the decision is likely to affect those with protected characteristics, in practical terms,
- (ii) remove any unlawful discrimination, harassment, victimisation and other prohibited conduct,
- (iii) consider whether practical steps should be taken to mitigate or avoid any adverse consequences that the decision is likely to have, for persons with protected characteristics and, indeed, to consider whether the decision should not be taken at all, in the interests of persons with protected characteristics,
- (iv) consider whether steps should be taken to advance equality, foster good relations and generally promote the interests of persons with protected characteristics, either by varying the recommended decision or by taking some other decision.

Conducting an Impact Analysis

The Equality Impact Analysis is a process to identify the impact or likely impact a project, proposed service change, commissioning, decommissioning or policy will have on people with protected characteristics listed above. It should be considered at the beginning of the decision making process.

The Lead Officer responsibility

This is the person writing the report for the decision maker. It is the responsibility of the Lead Officer to make sure that the Equality Impact Analysis is robust and proportionate to the decision being taken.

Summary of findings

You must provide a clear and concise summary of the key findings of this Equality Impact Analysis in the decision making report and attach this Equality Impact Analysis to the report.

Impact – definition

An impact is an intentional or unintentional lasting consequence or significant change to people's lives brought about by an action or series of actions.

How much detail to include?

The Equality Impact Analysis should be proportionate to the impact of proposed change. In deciding this asking simple questions “Who might be affected by this decision?” “Which protected characteristics might be affected?” and “How might they be affected?” will help you consider the extent to which you already have evidence, information and data, and where there are gaps that you will need to explore. Ensure the source and date of any existing data is referenced.

You must consider both obvious and any less obvious impacts. Engaging with people with the protected characteristics will help you to identify less obvious impacts as these groups share their perspectives with you.

A given proposal may have a positive impact on one or more protected characteristics and have an adverse impact on others. You must capture these differences in this form to help decision makers to arrive at a view as to where the balance of advantage or disadvantage lies. If an adverse impact is unavoidable then it must be clearly justified and recorded as such, with an explanation as to why no steps can be taken to avoid the impact. Consequences must be included.

Page 45

Proposals for more than one option If more than one option is being proposed you must ensure that the Equality Impact Analysis covers all options. Depending on the circumstances, it may be more appropriate to complete an Equality Impact Analysis for each option.

The information you provide in this form must be sufficient to allow the decision maker to fulfil their role as above. You must include the latest version of the Equality Impact Analysis with the report to the decision maker. Please be aware that the information in this form must be able to stand up to legal challenge.

Background Information			
Title of the policy / project / service being considered	Corporate Support Services Commissioning	Person / people completing analysis	Andrew McLean, Programme Manager
Service Area	Corporate Services	Lead Officer	Debbie Barnes, Executive Director and Programme Sponsor
Who is the decision maker?	LCC Executive	How was the Equality Impact Analysis undertaken?	A desktop review.
Date of meeting when decision will be made	Initial decision to be made on the 1 st May 2018	Version control	Version 0.1
Is this proposed change to an existing policy/service/project or is it new?	Existing policy/service/project	LCC directly delivered, commissioned, re-commissioned or de-commissioned?	Commissioned
Describe the proposed change	<p>To carry out a full commissioning review of the existing Corporate Support Services contract held between LCC and Serco in order to determine the future commissioning arrangements when the existing agreement comes to an end on the 31st March 2020. Existing services affected by this review include Payroll, People Management, Exchequer services, Adult Care Finance, IMT and the Customer Service Centre. The Council's Enterprise Resource Planning (ERP) system is also subject to this review.</p> <p>The services are all essential back office support and there is no intention to de-commission any of the service areas covered by the existing contract. Instead the Council is reviewing how the services can best be commissioned from April 2020. The possible outcomes are an extension of the contract with Serco, insourcing some or all of the services or finding a third party provider for some or all of the services or a combination of the above. Once the preferred option is identified then the objective of the programme will be to implement that preferred approach.</p>		

At this stage of the review, the Council is recommending entering into a shared service arrangement with Herefordshire County Council, for the exercise of the Council's payroll and HR administration functions through its wholly owned supplier Hoople and to provide access to Hoople's Business World ERP for the Council's finance functions from the 1st April 2020 subject to a satisfactory conclusion to some additional outstanding work that is still to be done including the negotiation of a shared services agreement. The key drivers are to secure a safe and effective Payroll with a low error rate; to retain the benefits of an ERP system and to secure an ERP which is fit for purpose, flexible, cost effective and easy to use. These drivers will be kept under review by the Programme Board.

In addition, a recommendation has been made and agreed for the Council to carry out market engagement with IMT providers.

Serco have also been asked to price for an extension of the contract as a result it is possible that in fact there will be no or minimal change to the existing arrangements with Serco.

Evidencing the impacts

In this section you will explain the difference that proposed changes are likely to make on people with protected characteristics. To help you do this first consider the impacts the proposed changes may have on people without protected characteristics before then considering the impacts the proposed changes may have on people with protected characteristics.

You must evidence here who will benefit and how they will benefit. If there are no benefits that you can identify please state 'No perceived benefit' under the relevant protected characteristic. You can add sub categories under the protected characteristics to make clear the impacts. For example under Age you may have considered the impact on 0-5 year olds or people aged 65 and over, under Race you may have considered Eastern European migrants, under Sex you may have considered specific impacts on men.

Data to support impacts of proposed changes

When considering the equality impact of a decision it is important to know who the people are that will be affected by any change.

Population data and the Joint Strategic Needs Assessment

The Lincolnshire Research Observatory (LRO) holds a range of population data by the protected characteristics. This can help put a decision into context. Visit the LRO website and its population theme page by following this link: <http://www.research-lincs.org.uk> If you cannot find what you are looking for, or need more information, please contact the LRO team. You will also find information about the Joint Strategic Needs Assessment on the LRO website.

Workforce profiles

You can obtain information by many of the protected characteristics for the Council's workforce and comparisons with the labour market on the [Council's website](#). As of 1st April 2015, managers can obtain workforce profile data by the protected characteristics for their specific areas using Agresso.

Positive impacts

The proposed change may have the following positive impacts on persons with protected characteristics – If no positive impact, please state 'no positive impact'.

Page 49

Age	There is no known positive impact identified save that Council and school staff may receive more reliably accurate salary payments. This will benefit all employees and in that sense has the potential to positively benefit old and young employees alike though not differentially in terms of employees with non-protected characteristics.
Disability	There is no known positive impact identified save that Council and school staff may receive more reliably accurate salary payments. This will benefit all employees and in that sense has the potential to positively benefit disabled employees though not differentially in terms of employees with non-protected characteristics.
Gender reassignment	There is no known positive impact identified save that Council and school staff may receive more reliably accurate salary payments. This will benefit all employees and in that sense has the potential to positively benefit those employees who have undergone gender reassignment though not differentially in terms of employees with non-protected characteristics.
Marriage and civil partnership	There is no known positive impact identified save that Council and school staff may receive more reliably accurate salary payments. This will benefit all employees and in that sense has the potential to positively benefit those who are married or in a civil partnership though not differentially in terms of employees with non-protected characteristics.
Pregnancy and maternity	There is no known positive impact identified save that Council and school staff may receive more reliably accurate salary payments. This will benefit all employees and in that sense has the potential to positively benefit pregnant employees or those on maternity leave though not differentially in terms of employees with non-protected characteristics.
Race	There is no known positive impact identified save that Council and school staff may receive more reliably accurate salary payments. This will benefit all employees and in that sense has the potential to positively benefit employees whatever their race.
Religion or belief	There is no known positive impact identified save that Council and school staff may receive more reliably accurate salary payments. This will benefit all employees and in that sense has the potential to positively benefit those employees with religious or other beliefs though not differentially in terms of employees with non-protected characteristics.

Sex	There is no known positive impact identified save that Council and school staff may receive more reliably accurate salary payments. This will benefit all employees and in that sense has the potential to positively benefit all employees whatever their gender though not differentially in terms of employees with non-protected characteristics
Sexual orientation	There is no known positive impact identified save that Council and school staff may receive more reliably accurate salary payments. This will benefit all employees and in that sense has the potential to positively benefit employees whatever their sexual orientation though not differentially in terms of employees with non-protected characteristics.

If you have identified positive impacts for other groups not specifically covered by the protected characteristics in the Equality Act 2010 you can include them here if it will help the decision maker to make an informed decision.

Adverse/negative impacts

You must evidence how people with protected characteristics will be adversely impacted and any proposed mitigation to reduce or eliminate adverse impacts. An adverse impact causes disadvantage or exclusion. If such an impact is identified please state how, as far as possible, it is justified; eliminated; minimised or counter balanced by other measures.

If there are no adverse impacts that you can identify please state 'No perceived adverse impact' under the relevant protected characteristic.

Negative impacts of the proposed change and practical steps to mitigate or avoid any adverse consequences on people with protected characteristics are detailed below. If you have not identified any mitigating action to reduce an adverse impact please state 'No mitigating action identified'.

Age	No perceived adverse impact however consideration needs to be given to the younger and the older workforce within the Payroll service to determine impact.
Disability	Staff with specific disabilities could be affected should services in the future be delivered outside of Lincolnshire. At the appropriate time, we will be requesting TUPE information from Serco and further analysis will be necessary. Regular communication with staff affected will be carried out by the Council and Serco to minimise the impact.
Gender reassignment	No perceived adverse impact
Marriage and civil partnership	No perceived adverse impact
Pregnancy and maternity	Staff may feel adversely affected by changes because of their absence from the workplace. At the appropriate time, we will be requesting TUPE information from Serco and further analysis will be necessary. Regular communication with staff affected will be carried out by both the Council and Serco to minimise the impact.

Race	No perceived adverse impact
Religion or belief	No perceived adverse impact
Sex	Given the services in scope, we believe there may be greater number female employees likely to be affected by TUPE. At the appropriate time, we will be requesting TUPE information from Serco and further analysis will be necessary. Regular communication with staff affected will be carried out by both the Council and Serco to minimise the impact.
Sexual orientation	No perceived adverse impact

If you have identified negative impacts for other groups not specifically covered by the protected characteristics under the Equality Act 2010 you can include them here if it will help the decision maker to make an informed decision.

If the Council changes its commissioning arrangements from April 2020 there could be a negative impact due to the potential for TUPE transfer of LCC employees into other organisations and also the potential TUPE transfer of Serco employees into other organisations (which may include some insourcing to the Council).

Given the services in scope, we believe there may be greater number of female employees likely to be affected by TUPE. At the appropriate time, we will be requesting TUPE information from Serco and further analysis will be necessary.

Services in the future may potentially be delivered outside Lincolnshire.

It should be noted that depending on arrangements TUPE transfers could be seen as positive or negative by an employee. In any event the change will require careful management.

Stakeholders

Stake holders are people or groups who may be directly affected (primary stakeholders) and indirectly affected (secondary stakeholders)

You must evidence here who you involved in gathering your evidence about benefits, adverse impacts and practical steps to mitigate or avoid any adverse consequences. You must be confident that any engagement was meaningful. The Community engagement team can help you to do this and you can contact them at consultation@lincolnshire.gov.uk

State clearly what (if any) consultation or engagement activity took place by stating who you involved when compiling this EIA under the protected characteristics. Include organisations you invited and organisations who attended, the date(s) they were involved and method of involvement i.e. Equality Impact Analysis workshop/email/telephone conversation/meeting/consultation. State clearly the objectives of the EIA consultation and findings from the EIA consultation under each of the protected characteristics. If you have not covered any of the protected characteristics please state the reasons why they were not consulted/engaged.

Page 53

Objective(s) of the EIA consultation/engagement activity

There has been no specific stakeholder consultation or engagement activity at this stage of the review.

Who was involved in the EIA consultation/engagement activity? Detail any findings identified by the protected characteristic

Age	
Disability	
Gender reassignment	
Marriage and civil partnership	
Pregnancy and maternity	
Race	
Religion or belief	

Page 54

Sex	
Sexual orientation	
<p>Are you confident that everyone who should have been involved in producing this version of the Equality Impact Analysis has been involved in a meaningful way?</p> <p>The purpose is to make sure you have got the perspective of all the protected characteristics.</p>	<p>Yes at this stage of the review. Going forward the programme will seek to:</p> <ul style="list-style-type: none"> Analyse both LCC and Serco HR data in order to understand and analyse the make-up of staff with protected characteristics. Identify the potential impacts and any mitigating actions required. <p>Consultation or engagement exercises will be undertaken at the appropriate stage, if any changes to employment and working practices are considered, comments from staff will be taken into account.</p> <p>Staff on maternity or paternity leave will receive the same information, support and guidance as those staff who are not pregnant or on maternity or paternity leave. Staff will not be treated differently if they become pregnant.</p> <p>A person's disability should not act as a barrier to employment if the person is able to demonstrate that they can undertake the work.</p> <p>In the event of any transfers from one employer to another there will be counselling opportunities available for staff who feel they need to access this.</p>
<p>Once the changes have been implemented how will you undertake evaluation of the benefits and how effective the actions to reduce adverse impacts have been?</p>	<p>Workforce statistical data will continue to be monitored throughout the implementation of the programme.</p>

Further Details

Are you handling personal data?	<p>Yes</p> <p>If yes, please give details.</p> <p>Going forward we will be handling HR data on LCC and Serco employees identifying protected characteristics.</p>
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Actions required	Action	Lead officer	Timescale
Include any actions identified in this analysis for on-going monitoring of impacts.	Clarify workforce information and undertake analysis by protected characteristics – particularly gender, disability and pregnancy/maternity.	Wendy Henry	30 June 2018
	Continued iteration of the impact analysis throughout the programme	Wendy Henry	Ongoing
	In the event of any change in employer, consultation exercised will be required at the appropriate time.	Appropriate Service Leads as required.	TBC

Page 56

Version	Description	Created/amended by	Date created/amended	Approved by	Date approved
v0.1	Issued following establishment of the CSSC programme.	Andrew McLean	04/04/2018	Debbie Barnes	
v0.2	Updated for OSMB 28/06/2018	Andrew McLean	14/06/2018	Debbie Barnes	15/06/2018

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

Report to:	Overview and Scrutiny Management Board
Date:	28 June 2018
Subject:	Commissioning and Commercialisation Strategies

Summary:

This report invites the Overview and Scrutiny Management Board to consider a report on the Commissioning and Commercialisation Strategies which is being presented to the Executive on 3 July 2018. The views of the Board will be reported to the Executive as part of its 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 as set out in the report.
- 2) agree any additional comments to be passed to the Executive in relation to this item.

1. Background

The Executive is due to consider a report on the Commissioning and Commercialisation Strategies at its meeting on 3 July 2018. The full report to the Executive is attached at Annex 1 to this report.

2. Conclusion

Following consideration of the attached report, 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?

See body of report.

b) Risks and Impact Analysis

See body of report.

4. Appendices

These are listed below and attached at the back of the report	
Annex 1	Report on Commissioning and Commercialisation Strategies to be presented to the Executive at its meeting on 3 July 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 Sophie Reeve, who can be contacted on 01522 552578 or sophie.reeve@lincolnshire.gov.uk.

**Open report on behalf of Pete Moore, Executive Director of
Finance and Public Protection**

Report to:	Executive
Date:	03 July 2018
Subject:	Commercialisation and Commissioning Strategies
Decision Reference:	I015755
Key decision?	Yes

Summary:

This report identifies progress made by the Council on commissioning commercialisation. It asks the Executive to approve the content of the Commissioning Strategies in the form attached at Appendix B and to approve the Commercialisation Strategy at Appendix D.

Recommendation(s):

That the Executive:

1. Approve the content of the Commissioning Strategies which have been considered by the relevant Scrutiny Committee set out in the form of the Highlight Reports attached at Appendix B;
2. Receive a further report before approving the Commissioning Strategies which are yet to be considered by the relevant Scrutiny Committee and which are itemised at Appendix C once they have been to scrutiny;
3. Approves the Commercialisation Strategy at Appendix D;
4. Delegates to the Executive Director of Finance and Public Protection the setting of a target for the generation of income collection in consultation with the Leader, the Executive Councillor for Commercial and Environmental Management and the Chief Executive as part of the budget setting process.

Alternatives Considered:

Not to approve either the Commissioning Strategies' content as set out in Appendix B or the Commercialisation Strategy set out in Appendix D.

Reasons for Recommendation:

Increasingly the Council sees itself as a commissioner of services whether that be from in-house providers, external contractors, shared services or other similar arrangements. The view is that Commissioning Strategies will ensure ;

- the better matching of need and improved services
- the better development of services in accordance with priorities
- better balance between tiers of services e.g. an increase in preventative services
- increased causal connectivity between services and desired outcomes
- better engagement with service users, the market and commissioning partners

In order to balance future budgets the Council needs to embrace commercialisation and the opportunities that presents for both income generation and improved service.

Amendments can be made to the strategies if required.

1. Background

Commissioning

1. Lincolnshire County Council is a commissioning council. Within the Business Plan we define our purpose to include commissioning for outcomes based on our communities' needs. The commissioning principles we work to are;

- Councillors are at the heart of shaping and making strategic decisions;
- Securing high quality evidence of needs in the context of political priorities and a consistent approach;
- We focus on the outcomes we are seeking to achieve;
- We commission with others where that would improve results;
- High quality support operates across the Council;
- Commissioners are ultimately accountable and in turn hold Service Providers to account.

2. We created a definition of what we mean by commissioning...

"Commissioning is the cycle of assessing the needs of people in an area, designing and then achieving appropriate outcomes. The service may be delivered by the public, private or civil society (a.k.a. third sector) sectors."

3. Outcomes are the direct results or benefits for individuals, families, groups, communities, organisations, or systems and cover the issues that matter to people. National outcomes have been developed for Public Health and Adult Care. The Council reports its performance against these, and outcomes it has chosen in the Business Plan. Examples include, people have a positive experience of care; reduce the risk of flooding and children are safe and healthy.

4. The Council's functional areas were covered in seventeen groupings which were each to be governed by a single commissioning strategy. The 2015-16 budgets were re-structured to enable reporting to reflect the seventeen strategies and performance reporting was also changed to reflect the chosen outcomes.
5. In 2017 further work was undertaken to simplify commissioning and to review Member involvement so that senior members had early sight of proposed outcomes, services and how they might best be delivered. This resulted in a "Minimum requirements for Commissioning Strategies and Plans" which commissioners follow. It is attached at Appendix A.
6. For ease and consistency a Commissioning Highlight Report template was set out enabling each Commissioning Strategy to be summarised in a way which included the minimum requirements. Additionally the 17 Commissioning Strategies were reduced to 14. This was because the areas set out in Table 1 below do not fit well within a commissioning approach as much of it is regulatory and policy activity. Instead these activities provide a corporate framework for the Council's business supporting the other commissioning strategies.

Table 1

Chief Officer	Draft Commissioning Strategy Title & Description	Activities in scope
Executive Director of Finance and Public Protection	<p>Enablers and support to the Council's outcomes</p> <p>This commissioning strategy will include the enablers required to support the delivery of the Council's agreed outcomes.</p>	<ul style="list-style-type: none"> • ICT Strategy & support • Property Strategy & support • People Strategy & support • Commissioning / procurement / contract strategy & support • Specialist programme management & support • Strategic communication • Lincolnshire Research Observatory (LRO)
Executive Director of Finance and Public Protection	<p>How we do our business</p> <p>This commissioning strategy will include the overarching governance and standards for the Council, including decision making through the democratic process.</p>	<ul style="list-style-type: none"> • Budget & Policy Framework • Finance & Audit • Corporate Standards & culture • Decision making, including democratic processes

Chief Officer	Draft Commissioning Strategy Title & Description	Activities in scope
Chief Executive	<p>Enablers and support to key relationships</p> <p>This commissioning strategy encompasses the Council's corporate strategies and the support to our relationships with the public, service users, partners and outside bodies.</p>	<ul style="list-style-type: none"> Partnership engagement & support

7. With regard to Executive member engagement the approach has been to make the most of informal consultation through a Commissioning Board allowing fuller and earlier engagement without imposing a significant additional resources burden. This is in addition to and not instead of the formal decision making required for example to go out on a procurement or to let a major contract. A member led Commissioning and Commercial Board was established in 2017 to monitor the progress and implementation of the Council's Commissioning Strategies.
8. The Commissioning and Commercial Board has now been consulted on all of the Highlight Reports for the 14 Commissioning Strategies. Further many of those Strategies have also been through their relevant Scrutiny Committee e.g. Children and Young People Scrutiny Committee. These are those Strategies summarised in Appendix B. Those Commissioning Strategies which are yet to go through Scrutiny are summarised in Appendix C.

Commercialisation

9. The Council is conscious of the need for greater commercialisation to help with ongoing financial challenges and to maintain and improve service. A draft Commercialisation Strategy has been developed and is attached at Appendix D. The work has been led by the Executive Director for Finance and Public Protection with engagement from the Executive Councillor for Commercial and Environmental Management. The draft strategy takes a broad view of commercialisation covering a wide scope of activity. It has benefited from work done by other authorities in this area.
10. What is particular to Lincolnshire's Strategy is the identification of 2 main commercial principles (i) the customer service ethos is at the heart of everything we do and (ii) the need to manage risk so that we do not put the public service offer at risk. As a result we are unlikely to invest in opportunities outside of Greater Lincolnshire and any risk taken must be well managed and proportionate to the reward. In general terms there is little

point in taking significant risk that could result in material losses if the reward on success is small.

11. The draft Commercialisation Strategy sets out different categories of commercialisation some of which are business as usual within existing resource and the others which are project and business case based. Arranged on a continuum depending on the degree of risk the activities are as follows;

- Adopting a commercial mindset and displaying commercial acumen and discipline;
- Being productive in everything we do for ourselves;
- Increased focus on how we buy goods and services including procurement, contract management, shared service arrangements;
- Maximising the return on our assets;
- Covering our costs through charging;
- Trading our services;
- Investing.

12. Existing governance arrangements will be used to oversee commercialisation so that CMB and the Commissioning and Commercial Board will provide early feedback prior to the Council's formal decision making being invoked. A project scoring tool to help with prioritising commercial projects is included at the back of the draft strategy at Appendix D. This will be developed over time with experience.

13. So that budgets can be managed the Council needs to understand what income it can reasonably expect to generate over the short and medium term and what the resourcing implications of that are. With this in mind an income generation target would be helpful whilst accepting that returns in the very short term are unlikely.

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.

It is not considered that the approval of the content of the Commissioning Strategies or the adoption of the Commercialisation Strategy have any direct Equality Act implications. There may be differential impacts on groups with a protected characteristic arising out of specific projects and initiatives and these impacts will be reported to the Executive through the usual formal decision-making arrangements for those projects and initiatives.

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 the JHWS as well as national outcomes frameworks have been taken into account in the development of the Commissioning Strategies. As an overarching strategy, the Commercialisation Strategy has no direct impact on the JSNA or the JHWS. Regard will be had to the JSNA and JHWS in developing individual initiatives arising out of either the Commissioning Strategies or the Commercialisation Strategy.

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.

Certain of the Commissioning Strategies especially those in the area of Public Protection but also Children's Services and other areas have direct impacts and are designed to have direct impacts on the section 17 issues. While the Commercialisation Strategy has no direct implications for section 17 issues these will be taken into account in reaching future formal decisions on individual initiatives and projects.

3. Conclusion

The Executive is invited to approve the recommendations.

4. Legal Comments:

The Council has the power to adopt the contents of the Commissioning Strategies and the Commercialisation Strategy.

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

5. Resource Comments::

There are no additional budget implications arising from this report.

6. Consultation

a) Has Local Member Been Consulted?

N/a

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

The decisions set out in this Report will be the subject of pre-decision scrutiny by the Overview and Scrutiny Management Board on 28 June 2018 and the comments of the Board will be reported to the Executive at its meeting.

The strategies contained in Appendix B of this report were considered at the following Scrutiny committee meetings:

- 'Children are Safe and Healthy', 'Learn and Achieve', 'Readiness for Adult Life' and 'Readiness for School' at the Children and Young People Scrutiny Committee meeting on the 8th September 2017.
- 'Sustaining and Growing Business and the Economy' at Economic Scrutiny Committee on 21st July 2015.
- 'Protecting and Sustaining the Environment' at Economic Scrutiny Committee on 8th September 2015.
- 'Sustaining and developing prosperity through infrastructure' at Economic Scrutiny Committee on the 20th October 2015.
- 'Community Resilience and Assets' at Public Protection and Communities Scrutiny Committee on 13th June 2017.

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

Yes

e) Risks and Impact Analysis

See the body of the Report.

7. Appendices

These are listed below and attached at the back of the report	
Appendix A	Minimum Requirements for Commissioning Strategies and Plans
Appendix B	Commissioning Strategy Highlight Reports where the Commissioning Strategy has been to Scrutiny Committee
Appendix C	Commissioning Strategy Highlight Reports where the Commissioning Strategy has not been to Scrutiny Committee
Appendix D	Draft Commercialisation Strategy

Background Papers

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

This report was written by Sophie Reeve, who can be contacted on 01522 552578 or Sophie.reeve@lincolnshire.gov.uk .

Minimum requirements for Commissioning Strategies and Plans

1. Introduction

In 2013, Lincolnshire County Council declared that it was going to become a commissioning council. Within our Business Plan we define the County Council's purpose as...

- Making the best use of all of our resources
- Investing in infrastructure and the provision of services
- Commissioning for outcomes based on our communities' needs
- Promoting community wellbeing and resilience
- Influencing, co-ordinating and supporting other organisations that contribute to the life of Lincolnshire

We identified 17 strategies that incorporate all of our functions.

A new approach was proposed with a number of principles to be used across the Council in developing and delivering the Commissioning Strategies;

- Councillors at the heart of shaping and making strategic decisions
- Emphasis on high quality evidence of needs in the context of political priorities
- Focus on outcomes we are seeking to achieve and organising around them
- Commissioning with others where that would improve results
- Consistent approaches
- Right skills in the right place and time
- High quality support operating across the Council
- Commissioners ultimately accountable
- Members and commissioners hold all service providers rigorously to account

1.1 What is Commissioning?

We created a definition of what we mean by commissioning...

"Commissioning is the cycle of assessing the needs of people in an area, designing and then achieving appropriate outcomes. The service may be delivered by the public, private or civil society (a.k.a. third sector) sectors."

Effective commissioning is evidence based and focussed on the needs and desired outcomes for citizens and service users.

1.2 What is an outcome?

Outcomes are the direct results or benefits for individuals, families, groups, communities, organisations, or systems and cover the issues that matter to people. Examples include changes in knowledge, skill development, changes in behaviour and wellbeing. National outcomes have been developed for Public Health and Adult Care. The Council reports its performance against both these national outcomes and the outcomes it has chosen to adopt in its Business Plan.

Examples of outcomes in the Council's Business Plan include, ensure that people have a positive experience of care and support; reduce the risk of flooding and children are safe and healthy.

1.3 What is the commissioning cycle?

It is based on a standard Analyse, Plan, Do, Review approach.



We developed a toolkit around this to support Commissioners which can be found at

<http://george/section.asp?docid=106776&ovt=1>

There is no requirement to use the toolkit.

1.4 When to use Commissioning

Generally commissioning should be used whenever one of the following triggers occurs;

- Market change
- New or changed service requirement
- Changing Council priorities
- Contract renewal
- Current delivery not fit for purpose
- Budget pressures
- Time since last review

1.5 Councillor Engagement

We committed to taking political priorities into account and putting our Councillors, the elected representatives of our communities, at the heart of shaping and making strategic decisions.

Consequently, Councillors must be engaged in the approval and scrutiny of the following;

- Approval and scrutiny of Commissioning Strategies including the specified **Outcomes**
- Approval and scrutiny of Commissioning Plans including the **Services and Delivery Analyses and Commercial Model**

2 The Commissioning Strategy and Commissioning Plan

A Commissioning Strategy is a high level plan of action designed to achieve the prioritised needs and securing the Council's desired outcomes for the local population and the economy and place of Lincolnshire. It is the expression of long term wide ranging commissioning intentions indicating the needs to be met and outcomes to be secured and in general terms how this will be done for the future.

The level of resource expended and the amount of the development activity carried out should be proportionate to the scale of the Commissioning Strategy.

In some cases the Council will work with partner organisations to develop a joint Commissioning Strategy where the partner takes the lead using its agreed process rather than this Minimum Requirements document. Such an approach would meet the Council's requirements so long as it includes a needs assessment and is evidence based.

The development of a Commissioning Strategy should result in;

- the better matching of need and services
- the better development of services in accordance with priorities
- better balance between tiers of services e.g. an increase in preventative services
- increased causal connectivity between services and desired outcomes
- better engagement with service users, the market and commissioning partners

A Commissioning Plan details how we will deliver the Strategy, along with rationales and budget requirements for the recommended services and delivery channels.

Commissioners are responsible for the range of services in place and for ensuring that the money is well spent. Where there is a shortfall in the range of services available then that is the responsibility of the commissioner to address budget permitting for example by creating new delivery mechanisms (e.g. the transport Teckal).

3 Minimum Requirements-Commissioning Strategy –[A] Analyse Phase

3.1 Strategic Needs Assessment

The first step is to carry out a Strategic Needs Assessment of each of the local population; service users; economy and place as relevant. This will require the collation and analysis of the available relevant data and engagement with the local population and communities. The Joint Strategic Needs Assessment (JSNA), available on the [LRO](#), highlights health and wellbeing needs, other broader data sets are also available on the [LRO](#). The Council's [Open Data](#) Portal is another location where data relating to Lincolnshire is published which may be of use in developing the needs assessment.

The Customer Service Centre can be commissioned to collect customer feedback across the range of Council activity through bespoke one off or regular surveys. The Community Engagement Team can also help by identifying focus groups and independent representative groups who may be able to help in the gathering of relevant information. The team also holds asset management information.

Early engagement with relevant providers and the market more generally may also provide useful information whilst building relationships and signalling opportunities.

The evidence collected must be analysed and presented to provide an objective **Summary of Findings** document in plain English where acronyms are defined.

3.2 Understanding the Needs and How They Can Be Met

Once the **Summary of Findings** is available different perspectives and considerations must be taken into account to understand future needs and how best to address them to ensure that the outcomes arrived at are balanced. Each of the following considerations must take place and the methodology used and the analysis undertaken will need to be set out in a **Needs Analysis**: -

- Political priorities / risks
- Demographic and consultation feedback
- Legal framework
- National and local policy and guidance
- Current performance e.g. through a system and service performance analysis
- Stakeholder views
- Partners current commissioning activities and future intentions
- Available resources now and in the foreseeable future
- Market offers (external / internal)

The **Strategic Needs Assessment** will include a summary of the emerging issues and other factors to be taken into account identified from the interpretation of the **Needs Analysis**. This might include areas where there are conflicting drivers or where there may be some gaps in data or information. As a consequence judgements on the desired **Outcomes** identified from the **Strategic Needs Assessment** may need to be made on conflicting or partial information.

The Commissioning Strategy –further content

The Commissioning Strategy will include;

- Statement of scope-the functional areas which are in and out and why;
- A list of key stakeholders engaged with and the nature of the engagement ;
- The contribution of different Council service areas to meeting the specified needs/outcomes;
- A list of any documents which have been influential;
- the performance metrics;
- A starting position statement covering the existing contracts, partnerships, services and how they relate to the outcomes with input

from the current provider, with other key summary data including cost, utilisation, satisfaction etc.

- The inter-dependencies between the Commissioning Strategy in question and the other Commissioning Strategies with any assumptions about contributions from or towards other Commissioning Strategies in relation to the achievement of shared Outcomes being made explicit.

4. Minimum Requirements-Commissioning Plan [B] Plan Phase

- 4.1 A Commissioning Plan provides detail on the activities and services which provide the best way forward for the delivery of the identified **Outcomes**. Given the scale of activity in the Council it is only necessary to complete a Commissioning Plan when there is a reasonable likelihood that a change to the way we deliver the Outcomes would bring benefit. Where there is no anticipated benefit and no change proposed which may be for example in circumstances where the service delivers a regulatory function driven by statutory process, a Commissioning Plan is not required. In cases where the intention is not to complete a Commissioning Plan there must be a statement setting out the reasons why.

Where a Commissioning Plan is required the conclusions and recommended way forward will be set out in a **Services Analysis** drawn from the evidence and will set out the proposed activities to be undertaken and the services to be provided or secured to include priority and non-priority areas to be addressed e.g. statutory duties and nice-to-have's. The Commissioning Plan will also identify any significant issues or risks in terms of future delivery and meeting the outcomes and will include a statement detailing the current resources available to deliver the **Outcomes**.

4.2 Delivery Options

Our definition of commissioning clarifies that “The service may be delivered by the public, private or civil society sectors.” Commissioning Plans will identify the best channels for delivering the identified services and activities and will also consider the option of decommissioning as follows: -

- Internal
- External-grant or contract
- Partnership
- Co-production
- Influence
- Decommission

Internal services will need to demonstrate effectiveness and value for money. Consideration must be given as to whether any delivery channel is better than others for protecting the Council including its reputation in the event of service and or delivery failures.

An options appraisal to determine future delivery is needed a **Delivery Analysis**, which is clearly presented and evaluates the relative merits of each available delivery channel to achieve the required services and activities. It is likely that some of the activities and services identified in the **Services Analysis** will suit one delivery channel with other activities and services better suiting another.

Typical content for each option: -

- Description of delivery option
- Description of the governance arrangements to be adopted
- Outcome(s) the delivery option will achieve
- Alignment with policy and political priorities
- Cost/Benefit (or dis-benefit) & ROI (where appropriate)
- Other resources needed
- Risks
- SWOT analysis or equivalent analytical tool

The adopted option will form the basis of a **Delivery Plan**. Commissioners will develop a risk register for each **Delivery Plan** recording the identified risks, their severity, and the actions steps to be taken to mitigate them. The risk register will be maintained through implementation.

Realistic timetables for delivery should be set out with key milestones marked so that progress can be monitored and mitigating action taken if required.

4.3 Commercial Model

Where an external delivery or partnership delivery channel is chosen regard must be had to the most appropriate commercial terms to be applied. Key terms which generally will need to be determined are set out below. The ones in bold are the ones that members may want to be engaged on;

- **the duration of the arrangement;**
- **payment terms setting out what the Council will pay and whether payments are indexed and related to performance;**
- **where payment is related to performance the Key Performance Indicators, how they will be measured and the payment deductions to apply where performance fails;**

- how the arrangements can end early in the event of poor performance;
- any limits on the providers liability;
- the contractors right to use sub-contractors and the Council's rights on termination;
- Data Protection responsibilities/liabilities including information sharing agreements;
- where Council staff transfer pension liability;
- **where Council property is involved how occupation is to be dealt with and how the costs of maintenance and repair are to be apportioned;**
- the contingency arrangements which will be available in the event of provider failure which should be proportionate with the risk and scale of failure;
- delivery milestones for transformation activity or other contractual commitments.

The content will vary depending on matters such as the commerciality of the market, the balance of supply and demand, the nature of the services and the supplier's margin and appetite for risk.

Commissioners should provide a rationale for the position reached in each Delivery Plan having regard to the market and other stakeholders. Support can be obtained from the Commercial Team and Legal Services.

Commissioners must ensure that appropriate governance arrangements proportionate to the scale, complexity and urgency of the implementation remain in place until business as usual is achieved.

Commissioners should also make provision for adequate contract management on external arrangements so that the provider can be held to account.

Commissioning and Commercial Board

Collated Highlight Report

Report	Page
Children are safe and healthy	2
Learn and Achieve	5
Readiness for Adult Life	9
Readiness for school	12
Sustaining and growing business and the economy	15
Protecting and sustaining the environment	21
Sustaining and developing prosperity through infrastructure	26
Community Resilience and Assets	30

Commissioning/Delivery Strategy	Children are Safe and Healthy		
Sponsor	Debbie Barnes	Commissioning Lead	Janice Spencer
Lead Officer (if applicable)	Mark Rainey	Stage	Commissioning Strategy completed. Tactical and operational commissioning plans are at varying stages of completion.

Summary Description

The purpose of the commissioning strategy is to ensure that Lincolnshire's children and young people are safe and healthy. This is achieved through children growing up in homes where they feel safe and where they are supported to make decisions to live a healthier life. The commissioning strategy reviews how Children's Services is performing to ensure that Lincolnshire children and young people are safe and healthy, adopting a Signs of Safety approach to understand what is working well, what we are worried about and establishes priorities to address what we are going to do about it.

<p>How have the "Needs" been established and agreed (include engagement activities)</p> <ul style="list-style-type: none"> Political priorities / risks – through engagement with the Executive portfolio holder as part of Executive Directorate Management Team meetings (DMT) along with desktop analysis. Demographic and stakeholder engagement feedback – various engagement activities are undertaken in relation to the specific commissioned services set out in the strategy. Legal framework, national and local policy and guidance – a desktop analysis has been undertaken. Current performance – summary analysis of targeted measures detailed within Appendix A. Available resources now and in the foreseeable future – a financial summary, including identified pressures and saving requirements, has been completed. Market offers (external / internal) – an overview of the marketplace has been undertaken to determine opportunities and highlight gaps. 	<p>What are the agreed "Outcomes"</p> <ul style="list-style-type: none"> Children are safe and healthy <ul style="list-style-type: none"> Children are safe and protected from harm Children and families are supported as soon as problems emerge Looked After Children feel supported and reach adulthood happy and healthy 	<p>How is success measured?</p> <table border="1" data-bbox="1435 775 2085 930"> <thead> <tr> <th>No. of measures</th> <th>Targeted/ measured?</th> <th>Of the targeted measures:</th> </tr> </thead> <tbody> <tr> <td>4</td> <td>4 Targeted</td> <td>4 achieving the target</td> </tr> </tbody> </table> <p>For information about performance in relation to targets for Q4 2017/18 please see Appendix A</p>	No. of measures	Targeted/ measured?	Of the targeted measures:	4	4 Targeted	4 achieving the target
No. of measures	Targeted/ measured?	Of the targeted measures:						
4	4 Targeted	4 achieving the target						

Page 76

Key Contracts (>£1m or those of a politically sensitive nature)									
Service Contracted	Provider	Duration	Review Date	Contract KPI's (Y/N)	Performance (Good/Ave/Poor)	Corrective measures (if needed)	Payment Terms (Arrears/Advance)	Performance Driven / Independent?	Volume Sensitive (Y/N)?
Independent Foster Care	Multiple providers	Linked to individual needs of child	Linked to individual needs of child	Y	Linked to individual provider – Overall Good	N/A	Arrears (monthly)	Performance Driven	Y
Independent Residential Children's Homes	Multiple providers	Linked to individual needs of child	Linked to individual needs of child	Y	Linked to individual provider – Overall Good	N/A	Arrears (monthly)	Performance Driven	Y
Intense Needs Supported Accommodation (INSA)	Multiple providers	Linked to individual needs of child	Linked to individual needs of child	Y	Linked to individual provider – Overall Average	N/A	Arrears (weekly)	Performance Driven	Y
Supported Accommodation for Unaccompanied Asylum Seeking Children	Locate Limited	Linked to individual needs of child	Sep 2017	Y	Good	N/A	Arrears (monthly)	Performance Driven	Y
Children & Adolescent Mental Health Services (CAMHS)	LPFT	2 + 1 years (Mar 2019)	Jan 2018	Y	Good	N/A	Arrears (quarterly)	Performance Driven	N
Healthy Minds Lincolnshire service	LPFT	3 + 1 + 1 years (Sep 2022)	Jan 2019	Y	New service – October 2017	N/A	Arrears (quarterly)	Performance Driven	N
Return Interview Service (for Children who have runaway or gone missing from home or care)	Barnardo's	12 months (Mar 2018)	Oct 2017	Y	Good	N/A	Arrears (quarterly)	Performance Driven	Y
Safe Families for Children – supporting families on the edge of care	Safe Families for Children	12 months (Mar 2018)	Oct 2017	Y	Good	N/A	Arrears (monthly)	Performance Driven	Y

Page 77

Existing Pooled Budget/Co-commissioning arrangements (if any)

CAMHS - a jointly commissioned service, in partnership with Lincolnshire Clinical Commissioning Groups (CCGs), with Children's Services acting as Lead Commissioner. The pooled fund for 16/17 (£7.2m) is made up mainly via contributions from CCGs (£6.35m).

LSCB – a Pooled budget of c. £0.5m held by LCC who host the Lincolnshire Safeguarding Children Board. Contributions come from Children's Services, CAFCASS, CRC, District Councils, Health, Fire & Rescue, Lincolnshire Police, HMP Lincoln etc.

Property Implications (if any)

Desire to utilise existing Council properties – such as Fire Houses – to meet the needs of Children and Young People requiring (Intense Needs) Supported Accommodation. Some co-location as a result of partnership working with other agencies e.g. SAFE Team/Barnardo's at Grantham Police station, PCSO/ DWP secondees as part of Troubled Families programmes etc.

Commercial opportunities (if any)

Will be considered and explored as part of ongoing review of individual elements of the Commissioning Strategy. However, one immediate possibility may be to consider utilising the recent expansion of bed spaces at The Beacon, Grantham, to offer residential care to Children with a Disability (CWD) from other Local Authorities.

Commissioners Comments

Completed by: Janice Spencer (Assistant Director)

Work is being undertaken through a dedicated Looked After Children (LAC) and Care Leavers Accommodation Board to face the challenges presented by an increasing number of and enhanced level of complexity of LAC within our in-house services, and to develop and improve the commissioning of placements for children and young people across the independent sector for Foster Care, Residential Children's Homes and supported accommodation so that there is a clear pathway in place to enable step-up/step-down provision and reduce the number of expensive independent sector placements.

Status (RAG)

Supporting comment if Red or Amber

Green

Page 78

Appendix A



Children are safe and healthy

The purpose of this commissioning strategy is that children growing up in Lincolnshire are safe and healthy. We think this can be achieved by children growing up in homes where they feel safe and are supported to make decisions to live a healthier life.

[Show performance](#)

Children are safe and healthy



Commissioning/Delivery Strategy	Learn and Achieve		
Sponsor	Debbie Barnes	Commissioning Lead	Heather Sandy
Lead Officer (if applicable)	Caroline Jackson	Stage	Commissioning Strategy completed. Tactical and operational commissioning plans are at varying stages of completion.

Summary Description
 This commissioning strategy reviews how Children's Services is performing to ensure that Lincolnshire children and young people learn and achieve, adopting a Signs of Safety approach to understand what is working well, what we are worried about and establishes priorities to address what we are going to do about it. The principles that support Learn & Achieve are joint working, innovative practice and the perpetual pursuit of improvement.

<p>How have the "Needs" been established and agreed (include engagement activities)</p> <p>Political priorities / risks – through engagement with the Executive portfolio holder as part of Executive Directorate Management Team meetings (DMT) along with desktop analysis. Demographic and stakeholder engagement feedback – various engagement activities are undertaken in relation to the specific commissioned services set out in the strategy.</p> <ul style="list-style-type: none"> • Legal framework, national and local policy and guidance – a desktop analysis has been undertaken. • Current performance – summary analysis of targeted measures detailed within Appendix A. • Available resources now and in the foreseeable future – a financial summary, including identified pressures and saving requirements, has been completed. • Market offers (external / internal) – an overview of the marketplace has been undertaken to determine opportunities and highlight gaps. 	<p>What are the agreed "Outcomes"</p> <p>Children and young people are able to learn and achieve:</p> <ul style="list-style-type: none"> • Improve educational attainment for all pupils • Young people thrive in learning environments which best meet their needs • To improve the outcomes of our most vulnerable children 	How is success measured?			
		No. of measures	Targeted/ measured?	Of the targeted measures:	
		5	5 Targeted	2 not achieving the target 1 improving but not achieved 2 achieved	
		<p>For information about performance in relation to targets for Q4 2017/18 please see Appendix A</p>			

Page 79

Key Contracts (>£1m or those of a politically sensitive nature)									
Service Contracted	Provider	Duration	Review Date	Contract KPI's (Y/N)	Performance (Good/Ave/Poor)	Corrective measures (if needed)	Payment Terms (Arrears/Advance)	Performance Driven / Independent?	Volume Sensitive (Y/N)?
Short breaks provision for children with disabilities (CWD)	Action for Children	2 years (Mar 18)	Oct 2017	Y	Good	N/A	Arrears (monthly)	Performance Driven	N
Early support and learning provision for CWD	KIDS	3 + 1 + 1 years (Apr 2020)	Oct 2017	Y	Good	N/A	Arrears (monthly)	Performance Driven	Y
Domiciliary care for CWD	Lincolnshire Community Health Services	3 + 1 + 1 years (Sep 2020)	Oct 2017	Y	Poor	Re-tender	Arrears (monthly)	Performance Driven	Y
Challenging Behaviour Outreach Service	Family Action	3 + 1 + 1 years (Aug 2021)	Jan 2019	Y	Good	N/A	Arrears (monthly)	Performance Driven	N
Autism and Learning Disability outreach service	Gosberton House Academy	3 + 2 years (Aug 2020)	Jan 2019	Y	Good	N/A	Arrears (monthly)	Performance Driven	N
Physical Disability outreach service	St Francis Special School	3 + 2 years (Aug 2020)	Jan 2019	Y	Good	N/A	Arrears (monthly)	Performance Driven	N
Home to school and college transport	Various (315 suppliers)	Various - Ongoing	Continuous	Y	Various (Overall Good)	Dependent upon specific supplier	Arrears (monthly)	Performance Driven	Y

Existing Pooled Budget/Co-commissioning arrangements (if any)

There are no specific arrangements in place although the outreach support services for challenging behaviour, autism/learning disabilities and physical disabilities are funded by the dedicated schools budget and agreed with the Schools Forum.

Property Implications (if any)

Not applicable.

Commercial opportunities (if any)

Recent gaps in the marketplace for home to school transport have resulted in the Council developing a commercial entity to fill this void; Transport Connect Ltd. Further commercial opportunities in relation to this sector will feature as part of the Sustaining and developing prosperity through infrastructure commissioning strategy.

Commissioners Comments	
Completed by: Heather Sandy (Chief Commissioning Officer for Learning)	Status (RAG)
As well as the Permanent Exclusions measures shown in Appendix A below there are also a number of other measures reported in the Council Business Plan for Learn and Achieve. They are all annually reported measures and the latest data is shown in the table below. The Council's SEND team is on track to meet the deadline for completion of all statements transfers is 31 st March 2018. The SEN Schools' Review is currently considering the county's specialist provision and how it can be enhanced to ensure pupils with SEN and Disabilities (SEND) have access to an integrated school system where they get the right health, care and education, in the right place, at the right time, as close as possible to where they live. The Council's work on the 'Inclusive Lincolnshire Strategy' is beginning to have marked impact. While elsewhere in England, primary exclusions are rising; in Lincolnshire that trend has been reversed. The Lincolnshire Learning Partnership's first major sponsored initiative, the MOBILISE project, had a phenomenal sign-up rate with over ninety percent of Lincolnshire schools taking part and implementing evidenced best practices regarding the use of Teaching Assistants in their classrooms.	<i>Supporting comment if Red or Amber</i> Green

Appendix A

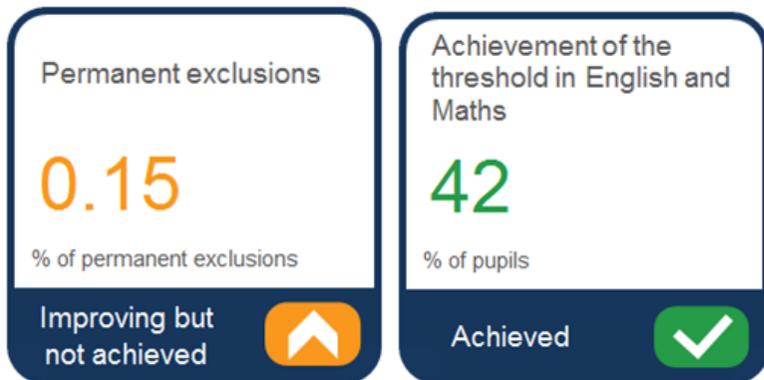
Page 81

Learn and achieve

The purpose of this commissioning strategy is for all children and young people to learn and achieve, enabling them to reach their potential.

[Show performance](#)

Improve educational attainment for all pupils



Measures Measures are how we will monitor and report progress in achieving the outcome.	Annual Target April 17 – March 18	Actual Performance and Tolerance as at 31 March 2018	Achieved/not achieved
The percentage of children achieving at least the expected level in the Early Learning Goals in the prime areas of learning and in the specific areas of Literacy and Mathematics (Good Level of Development) (Bigger percentage is better)	72%	Actual: 70%	Not achieved
Closing the Gap Early Years Foundation Stage Profile -The percentage gap in achievement between the lowest 20 per cent of achieving children in the local authority, and the score of the median (Smaller percentage is better)	19%	Actual: 20%	Achieved
Achievement gap between disadvantaged pupils (achieving the threshold in English and Mathematics) and their peers at Key Stage 4 (Smaller percentage is better)	31%	Actual: 34%	Not achieved

2018

Commissioning/Delivery Strategy	Readiness for Adult Life		
Sponsor	Debbie Barnes	Commissioning Lead	Jo Kavanagh
Lead Officer (if applicable)	Andrew McLean	Stage	Commissioning Strategy completed. Tactical and operational commissioning plans are at varying stages of completion.

Summary Description
 This commissioning strategy reviews how Children's Services is performing to ensure that Lincolnshire children and young people are ready for adult life, adopting a Signs of Safety approach to understand what is working well, what we are worried about and establishes priorities to address what we are going to do about it. The principles of Readiness for Adult Life are that all young people should have an equal opportunity to do well, to lead happy and fulfilled lives and make their own choices to shape the direction of their own lives.

<p>How have the "Needs" been established and agreed (include engagement activities)</p> <ul style="list-style-type: none"> Political priorities / risks – through engagement with the Executive portfolio holder as part of Executive Directorate Management Team meetings (DMT) along with desktop analysis. Demographic and stakeholder engagement feedback – various engagement activities are undertaken in relation to the specific commissioned services set out in the strategy. Legal framework, national and local policy and guidance – a desktop analysis has been undertaken. Current performance – summary analysis of targeted measures detailed within Appendix A. Available resources now and in the foreseeable future – a financial summary, including identified pressures and saving requirements, has been completed. Market offers (external / internal) – an overview of the marketplace has been undertaken to determine opportunities and highlight gaps. 	<p>What are the agreed "Outcomes"</p> <ul style="list-style-type: none"> Children and young people are ready for adult life <ul style="list-style-type: none"> Young people are supported to reach their potential Care leavers are safe and are able to lead independent lives Vulnerable young people are appropriately supported to be able to succeed as their peers 	<p>How is success measured?</p> <table border="1"> <thead> <tr> <th>No. of measures</th> <th>Targeted/ measured?</th> <th>Of the targeted measures:</th> </tr> </thead> <tbody> <tr> <td>3</td> <td>- 3 Targeted</td> <td>- 2 achieving the target -1 not achieving the target</td> </tr> </tbody> </table> <p>For information about performance in relation to targets for Q4 2017/18 please see Appendix A</p>	No. of measures	Targeted/ measured?	Of the targeted measures:	3	- 3 Targeted	- 2 achieving the target -1 not achieving the target
No. of measures	Targeted/ measured?	Of the targeted measures:						
3	- 3 Targeted	- 2 achieving the target -1 not achieving the target						

Page 33

Key Contracts (>£1m or those of a politically sensitive nature)									
Service Contracted	Provider	Duration	Review Date	Contract KPI's (Y/N)	Performance (Good/Ave/Poor)	Corrective measures (if needed)	Payment Terms (Arrears/ Advance)	Performance Driven / Independent?	Volume Sensitive (Y/N)?
Supported Accommodation for young people at risk of homelessness	Nacro	3 + 1 + 1 years (Jun 2020)	Jun 2018	Y	Good	N/A	Arrears (monthly)	Performance Driven	N
Leaving Care services for care leavers	Barnardo's	3 + 1 + 1 years (Mar 2020)	Jul 2018	Y	Good	N/A	Arrears (monthly)	Performance Driven	N
Secure Accommodation (LCC is the supplier of a contract awarded by the Youth Justice Board)	Lincolnshire County Council Secure Unit	2 + 1 + 1 years (Mar 2018)	Oct 2017	Y	Good	N/A	Arrears (monthly)	Performance Driven	N

Existing Pooled Budget/Co-commissioning arrangements (if any)

Not applicable.

Property Implications (if any)

There are implications for the Lincolnshire Secure Unit (LSU) site should the Council be un-successful in the forthcoming Youth Justice Board tender for secure accommodation places. If LCC's bid is not successful, consideration would have to be given to the ongoing commercial viability of unit, including the property and land contained therein.

Commercial opportunities (if any)

As part of the current review for an alternative site for the LSU, there is scope to expand the size of the unit and seek to enhance the contract volume with the Youth Justice Board and also to charge for or trade Welfare bed spaces to other local authorities.

Page 14 of 14

Commissioners Comments	
Completed by: Jo Kavanagh (Assistant Director)	Status (RAG)
On-going work is taking place with district councils and other partner agencies to improve the transition for care leavers and homeless young people post 18, highlighting the particular vulnerabilities of this group of young people. There are further opportunities to improve our services to young people within this commissioning strategy through our Partners in Practice Work. We are currently exploring a delivery model which will improve the way Children's services and partner agencies intervene and support young people who are engaging in risky behaviours outside of statutory child protection arrangements, alongside complementary work to divert as many young people as possible away from the Criminal Justice system through the development of Divisionary Panels and the use of Signs of Safety to develop integrated assessments and plans.	<i>Supporting comment if Red or Amber</i> Green

Appendix A

Page 85



Readiness for Adult life

The purpose of this commissioning strategy is for all young people to be prepared and ready for adult life.

[Show performance](#)

Young people are supported to reach their potential



Commissioning/Delivery Strategy	Readiness for School		
Sponsor	Debbie Barnes	Commissioning Lead	Sally Savage
Lead Officer (if applicable)	Kevin Johnson	Stage:	Commissioning Strategy completed. Tactical and operational commissioning plans are at varying stages of completion.

Summary Description
 The purpose of this commissioning strategy is for all children to have the best possible start in life so that they are ready to learn when they start school, ensuring that there is a secure foundation for all children to progress through school and life. This commissioning strategy reviews how Children's Services is performing to ensure that Lincolnshire children and young people are ready for school, adopting a Signs of Safety approach to understand what is working well, what we are worried about and establishes priorities to address what we are going to do about it.

Page 86	How have the "Needs" been established and agreed (include engagement activities)	What are the agreed "Outcomes"	How is success measured?		
	<ul style="list-style-type: none"> Political priorities / risks – through engagement with the Executive portfolio holder as part of Executive Directorate Management Team meetings (DMT) along with desktop analysis. Demographic and stakeholder engagement feedback – various engagement activities are undertaken in relation to the specific commissioned services set out in the strategy. Legal framework, national and local policy and guidance – a desktop analysis has been undertaken. Current performance – summary analysis of targeted measures detailed within Appendix A. Available resources now and in the foreseeable future – a financial summary, including identified pressures and saving requirements, has been completed. Market offers (external / internal) – an overview of the marketplace has been undertaken to determine opportunities and highlight gaps. 	<ul style="list-style-type: none"> Children are ready for school: <ul style="list-style-type: none"> There is a secure foundation for all children to progress through school and life. Children are physically and emotionally prepared for school in order to achieve their full potential. 	No. of measures	Targeted/ measured?	Of the targeted measures:
			2	2 Targeted	1 achieving the target 1 not achieving the target
For information about performance in relation to targets for Q4 2017/18 please see Appendix A.					

Key Contracts (>£1m or those of a politically sensitive nature)									
Service Contracted	Provider	Duration	Review Date	Contract KPI's (Y/N)	Performance (Good/Ave/Poor)	Corrective measures (if needed)	Payment Terms (Arrears/Advance)	Performance Driven / Independent?	Volume Sensitive (Y/N)?
Best Start Lincolnshire: Early Years and Family Service	Pre-School Learning Alliance	3 + 1 + 1 years (June 2022)	June 2020	Y	New Service from July 2017	N/A	Arrears (monthly)	Performance Driven	N

Existing Pooled Budget/Co-commissioning arrangements (if any)

Lincolnshire Integrated Sexual Health Service: Children's Services are putting £250,000 per annum additional funding into Public Health's contract with Lincolnshire Community Health Services NHS Trust to enhance the Lincolnshire Integrated Sexual Health Service for young people from age 13-19 (up to 25 with SEND).

Property Implications (if any)

Children's Centres: Ongoing monitoring and review in relation of the usage of children's centre buildings will be undertaken in respect of early education services, children's health services, social care meetings and other uses.

Children's Health Services: Capacity in children's centres and other Council premises will become more limited with the insourcing of the Children's Health Service 0-19.

Commercial opportunities (if any)

Will be considered and explored as part of ongoing review of individual elements of the commissioning strategy.

Commissioners Comments

Completed by: Jo Kavanagh (Assistant Director)

Following a comprehensive commissioning review of early years and children's health services, a number of new commissioning arrangements have been established to ensure that children have the best possible start in life so that they are ready to learn when they start school. The new Best Start Lincolnshire Service has a greater focus on supporting those children who are not achieving the same level of development as their peers to be better prepared for learning when they start pre-school and school. With the integration of the Children's Health Service 0-19, we will be much better able to provide the right support at the right time – whether it is health visiting, early years, early help or social care – to ensure that all children have the opportunity to develop well throughout their early years.

Status (RAG)

Supporting comment if Red or Amber

Green

Page 87

Appendix A



**Readiness
for school**

The purpose of this commissioning strategy is for all children to get the best possible start in life so that they are ready to learn when they start school.

[Show performance](#)

There is a secure foundation for all children to progress through school and life

Achievement at a good level of development in the Early Years Foundation Stage

70

% of children

Not achieved



Achievement gap between the lowest 20% of pupils and their peers at Foundation stage

20

% of pupils

Achieved



Commissioning/Delivery Strategy	Sustaining and growing business and the economy		
Sponsor	Richard Wills	Commissioning Lead	Justin Brown
Lead Officer (if applicable)	Justin Brown	Stage:	Do

Summary Description

Economic development is all about facilitating private sector investments, tackling Lincolnshire's need to fill job vacancies, and creating an environment for growth.

Greater Lincolnshire Local Enterprise Partnership is an essential partnership for driving forward economic development.

This commissioning strategy has five elements: improving skills and employability; economic infrastructure and regeneration; lobbying and attracting funding for investment; encouraging enterprise through support to our businesses and sectors; and attracting and expanding business investment.

Page 89	How have the "Needs" been established and agreed (include engagement activities)	What are the agreed "Outcomes"	How is success measured?								
	<ul style="list-style-type: none"> We undertake regular business needs surveys, including a Quarterly Economic Survey and a business confidence survey We have conducted detailed surveys into a number of parts of this strategy eg specific sectors' skills needs, what type of premises are needed to assist business growth, what business advice is most valuable to businesses, and what services the market will provide without public sector funding We actively speak to the business community, both through partnership boards as part of the GLLEP (100+ businesses are actively involved) and through direct contact with the business community We engage in national networks in order to hear about future policy direction and to learn from best practice (eg County Economic Development Officers Society, LEP Network) We debate policy, and LCC's response to it, at the Environment and Economy scrutiny committee 	<ul style="list-style-type: none"> Jobs created as a result of the Council's support 	<table border="1"> <thead> <tr> <th>No. of measures</th> <th>Targeted/measured ?</th> <th>Of the targeted measures:</th> </tr> </thead> <tbody> <tr> <td>4</td> <td>- 4 Targeted</td> <td>- 4 achieving the target</td> </tr> </tbody> </table>	No. of measures	Targeted/measured ?	Of the targeted measures:	4	- 4 Targeted	- 4 achieving the target	<p>For information about performance in relation to targets for Q4 2017/18 please see Appendix A</p>	
No. of measures	Targeted/measured ?	Of the targeted measures:									
4	- 4 Targeted	- 4 achieving the target									

Key Contracts (>£1m or those of a politically sensitive nature)									
Service Contracted	Provider	Duration	Review Date	Contract KPI's (Y/N)	Performance (Good/Ave/Poor)	Corrective measures (if needed)	Payment Terms (Arrears/Advance)	Performance Driven / Independent?	Volume Sensitive (Y/N)?
<u>Employment and skills</u> We receive government funding to commission adult and community learning	The contracts are delivered mainly by local colleges and private training providers.	Annual	December	Y	Good	n/a	Government pays LCC in advance; LCC pay our contractors a proportion of their contract in advance then the remainder on performance		Y
We have co-commissioned vocational training programmes with Job centre Plus and the Skills Funding Agency	The contracts are delivered mainly by local colleges and private training providers. One college which is external to Lincolnshire, Calderdale, is the primary contractor for a major vocational training programme.	Three years: 2016/2017 to 2018/2019	In process	Y	Average	The timescale for delivery was compressed as a result of the Brexit vote purdah and follow up period. Contractors are being pressed to promote their programmes aggressively so that funding is not returned unused.	n/a The co-commissioning arrangement is that it is the Job Centre and SFA who operate the contracts	Y	Y
<u>Regeneration</u> Skegness Countryside Business Park	This is an internal commission to the Economic Development Services team	Three Years	August 2018	Y	Average	The private sector partner has proposed a different value for the land which makes the original project no more than marginally viable. We are therefore restructuring the project	LCC will be contract holders	Y	Y

Holbeach Peppermint Junction	This is an internal commission to the Economic Development Services team	Three Years	August 2018	Y	Average	We have recently identified that the cost of utility provision to the wider site could be substantially more than expected. We are currently opening negotiations with utility providers to seek to reduce those costs	LCC will be contract holders	Y	N
North Sea Coastal Observatory	This is an internal commission to the Economic Development Services team	Five Years	August 2018	Y	Average	Some of the costs have increased due to utilities and the nature of the site. We are now revising the budget, which will still be affordable within the overall capital programme	LCC will be contract holders	Y	N
K31 Grantham	This is an internal commission to the Economic Development Services team	Two years	September 2018	Y	Average	We continue to liaise with the land owner over the land transfers. The road layout is affecting our negotiations but we continue to keep the programme board informed of progress	LCC will be contract holders	Y	N
Lincoln High Street Public Realm	This is an internal commission to the Economic Development Services team	Two Years	August 2018	Y	Good		LCC will be contract holders	N	N

<p><u>Encouraging enterprise</u></p> <p>We receive national and EU government funding to run the Business Growth Hub advisory service</p>	<p>East Midlands Business Limited</p>	<p>Three years: 2016/2017 to 2018/2019</p>	<p>Autumn 2018</p>	<p>Y</p>	<p>Good</p>	<p>n/a</p>	<p>We receive government funding in advance and EU funding quarterly in arrears; we pay the contractor in arrears</p>	<p>Y</p>	<p>Y</p>
<p>There are no contracts >£1m in the "Lobbying and attracting funding for investment" or "Attracting and expanding business investment" elements of the commissioning strategy.</p>									

page 92

Existing Pooled Budget/Co-commissioning arrangements (if any)

LCC and Greater Lincolnshire LEP have pooled our business investment budget in order to align our activities. We intend to attract private sector contributions to our business investment work by expanding Team Lincolnshire, a partnership of business leaders and intermediaries. This will add more to the LCC/LEP combined budget.

Property Implications (if any)

Each of the Regeneration projects will create a property as part of the LCC Economic Development property portfolio.

In the longer term we have identified several priorities for facilitating business investment –sites and premises schemes- where the market will not provide a solution without public sector input. These priorities have been shaped by the Environment and Economy scrutiny committee and agreed by the executive councillors for Economy and for Commercialisation. We are currently exploring the feasibility of these schemes, and in some cases LCC property may be able to be used to bring the schemes forward.

Commercial opportunities (if any)

As above, we have identified several priorities for facilitating business investment –sites and premises schemes- where the market will not provide a solution without public sector input. These priorities have been shaped by the Environment and Economy scrutiny committee and agreed by the executive councillors for Economy and for Commercialisation. As part of our feasibility work we are exploring the opportunity for commercial solutions to the priorities.

Commissioners Comments

Completed by:

Status (RAG)

*Supporting comment if
Red or Amber*

The work with Greater Lincolnshire LEP enables us to produce a commissioning strategy which is informed by business and has the opportunity to attract government grants. We have invested time in research/intelligence which helps us to know what is required in Lincolnshire and what we as a county council should do either by commissioning it directly or by supporting others to deliver.

Green

All of our activity is reviewed robustly, we meet our internal delivery team monthly to review progress and we meet most of our external contracts either monthly or sometimes quarterly. We operate a number of programme boards so that there is appropriate challenge in our management of these commissions.

Justin Brown

Page 93

Appendix A



Sustaining and growing business and the economy

The purpose of this commissioning strategy is for businesses in our most important sectors to be developed, to encourage investment in Lincolnshire and help to train people so that there is a skilled workforce to whom businesses can offer quality jobs.

[Show performance](#)

Jobs created as a result of the Council's support

Jobs created and safeguarded

375

Jobs

Achieved



Businesses supported by the Council

1,006

Businesses

Achieved



Qualifications achieved by adults

1,076

Qualifications

Achieved



Amount of external funding attracted to Lincolnshire

48,349,451

£

Achieved



Commissioning/Delivery Strategy	Protecting and sustaining the environment		
Sponsor	Richard Wills	Commissioning Lead	Andy Gutherson
Lead Officer (if applicable)	David Hickman	Stage: Draft Plan	Analyse, Plan, Do, Review

Summary Description				
This Commissioning Strategy sets out Lincolnshire County Council's approach to supporting economic growth by aligning its activities in flood risk and water management, carbon reduction, strategic and spatial planning, transport and access policy and environmental and waste management. The purpose of the strategy is to ensure that Lincolnshire's environment and natural resources are maintained as a key enabler for future growth and prosperity.				
How have the "Needs" been established and agreed (include engagement activities)	What are the agreed "Outcomes"	How is success measured?		
		No. of measures	Targeted/measured ?	Of the targeted measures:
Core evidence base is detailed in relevant service strategies for flood risk management, transport, carbon management, waste and historic and natural environmental management. Infrastructure delivery plans provide this detail supporting prioritisation and delivery of infrastructure, and unlocking developer contributions.	<ul style="list-style-type: none"> Flood risk and water management is co-ordinated to protect people, property and business and to enable growth The county's natural and historic environment is managed and promoted to grow Lincolnshire's economy (particularly the visitor economy) Spatial planning and transport policy is co-ordinated with adopted Local Plans to support the county's growth ambitions Provide travel choice to enable access to work, training, health and leisure Co-ordinated waste management services support economic growth and maintenance of Lincolnshire's high quality environment Harmful greenhouse gas emissions continue to reduce Whole life cycle approach to sustainability, supporting the value for money agenda Maximise external funding generation to support the County Council's priority objectives 	8	- 4 Targeted - 4 Measured	- 2 achieving the target - 2 not achieving the target
Statutory responsibilities shape flood risk, development management, spatial planning, public rights of way, open access, biodiversity and land management, and waste services in particular, with delivery plans in response to extensive public and partner consultation undertaken for each service area.		For information about performance in relation to targets for Q4 2017/18 please see Appendix A		
These are supplemented by extensive demographic, social and economic data and projections from national sources and the Lincolnshire Research Observatory, aligned with the growth objectives in the Strategic Economic Plan. Forward looking projections are informing current public and stakeholder consultations on waste management, rail franchising, water resources and flood risk partnership working.		Waste measures are currently being redeveloped as part of the new Joint Municipal Waste Management Strategy; flood risk measures are due to be reviewed during 2018-19		
		Up to date Local Plan Documents and planning applications being determined ahead of Government targets		
		Transport measures are currently being developed to include KPIs. Robust information is currently held for CallConnect usage and data collection methods for supported local bus services are being improved.		
		The development of the Total Transport project will also require a set of measures and should drive efficiencies and service improvements through pooled budgets.		

Key Contracts (>£1m or those of a politically sensitive nature)									
Service Contracted	Provider	Duration	Review Date	Contract KPI's (Y/N)	Performance (Good/Ave/Poor)	Corrective measures (if needed)	Payment Terms (Arrears/Advance)	Performance Driven / Independent?	Volume Sensitive (Y/N)?
Lead Local Flood Authority – local flood risk management	LCC	Ongoing	2018-19	N	Good			PD	Y
Land drainage consenting & enforcement	14 Internal Drainage Boards	Three years	2018-19	N	Good	N/A	Annual in arrears		N
Flood risk and water management Strategy review / GLLEP Water Management Plan	LCC & Partner Risk Management Authorities	One year	April 2018-March 2019	N	N/A	N/A			Y
Providing a statutory response to LPAs	LCC	Ongoing	N/A	Y	Good	N/A	N/A		N
Checking technical works relating to new estate roads and highway improvement schemes	LCC	Ongoing	N/A	Y	Good	N/A	Advance		
Saltfleet – Gibraltar Point coastal review / Wash banks	EA & partner risk management authorities	2017-2020	April 2021						
Boston Barrier	EA/LCC/BBC	To 2019/20	Dec 2017 (post Barrier PI project board review)	N		N/A			
Appraisal of investment options that will bring economic benefits to Boston and the surrounding area	AW/LCC/BSIDB/EA/LWT/NE/LEP Private landowners	ongoing	2018, 2020 & 2025	N		N/A	Project based; as and when required		
Energy from Waste Plant	FCC Recycling	Ongoing	2039	Y	Good				Y
Household Waste Recycling Centres & Waste Transfer Stations	All in-house apart from Kirkby-on-Bain and Boston from April	Ongoing	Reviewed as new contracts are awarded	Y	Ave	Development of new Waste Management Strategy			Y
Waste treatment / disposal / operational admin	Various	Ongoing	Reviewed as new contracts are awarded	Y	Ave	Development of new Waste Management Strategy			Y

New Municipal Waste Management Strategy	Largely in-house, but with various small contracts	Two years	April 2017-March 2019	N	Good	N/A	Project based, as and when required	PD	N
Carbon management plan	Lincolnshire County Council	CMP2 will conclude in March 2018	New plan is currently in development	Measured within the CBP	Good	n/a	n/a	n/a	n/a
Local Transport Plan	Lincolnshire County Council	Ongoing	Review to commence during 2017/18						
Supported local bus services and demand responsive transport (CallConnect)	LCC	Ongoing	Multiple contracts regularly review and retendered	KPIs being developed	Multiple contracts regularly review and retendered	Multiple contracts regularly review and retendered	Multiple contracts regularly review and retendered	Multiple contracts regularly review and	Multiple contracts regularly review and retendered
Influencing Local Plans & planning policy	LCC	Ongoing	Various district local development schemes	N	Good	N/A	N/A	PD	Y
Influencing rail enhancements and investment	DfT, Network Rail & Train Operating Companies	Ongoing							
Planning Services	LCC	Ongoing	N/A	N	Good	N/A			N
Historic environment advice to districts, LCC & statutory undertakers	LCC	Ongoing	N/A	Y	Good				Y
Linking people and places	LCC	Ongoing projects		Y					
Strategic place-shaping in the historic environment	LCC, in partnership with Historic England	Renewable projects	Plans in development	Y					
Natural environment & countryside services, AONB; LCC sites; projects incl. Lincolnshire Chalk Streams, Coastal Country Park, Heritage Coast	LCC, strategic partners (eg GLNP, LWT, EA, NE) and small contracts	Ongoing	Natural Environment Strategy – 2017-18	N	Good		AONB & GLNP – annual	PD	Y

Page 97

Existing Pooled Budget/Co-commissioning arrangements (if any)

Co-commissioning flood risk programme (Common Works Programme) through Lincolnshire Flood Risk and Water Management Partnership
 Developing co-commissioned programme through revised Joint Municipal Waste Management Strategy
 Co-commissioned programme through Wolds AONB partnership (Wolds Management Plan) – pooled budget arrangement
 Co-commissioned planning advice from Heritage Lincs

Property Implications (if any)

Potential for greater use of energy efficient technologies in LCC estate

Commercial opportunities (if any)

Energy efficiencies
 Property enhancements
 Provision of specialist services – archaeological planning advice
 Potential for charging for pre-application planning advice
 Transport Services Group provides support for Demand Responsive Transport for 5 other local authorities
 Permitting for Household Waste Recycling Centres

Commissioners Comments

Completed by:	Status (RAG)
	<p><i>Supporting comment if Red or Amber</i></p> <p>Red</p> <p>Amber</p> <p>Green</p>

Page 98

Appendix A



Protecting and sustaining the environment

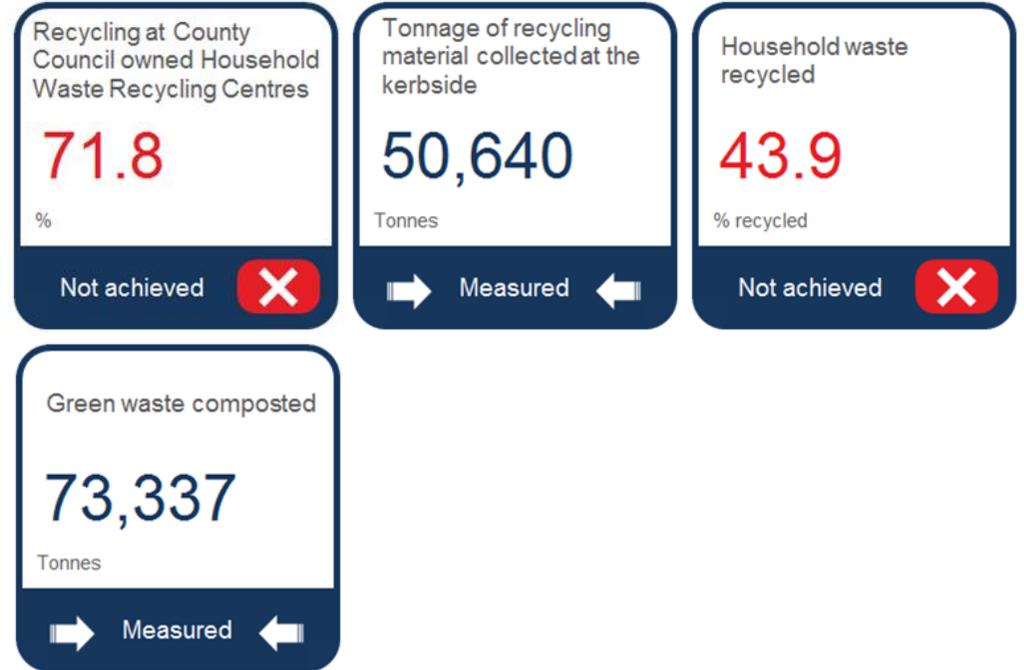
The purpose of this commissioning strategy is an environment that supports economic growth. We think this can be best achieved when the environmental opportunities for investment are emphasised whilst still making sure that the natural environment is protected.

Show performance

Reduce the risk of flooding



Increase recycling



Reduced carbon emissions



Page 99

Commissioning/Delivery Strategy	Sustaining and Developing Prosperity Through Infrastructure		
Sponsor	Richard Wills	Commissioning Lead	Paul Rusted
Lead Officer (if applicable)		Stage: (delete as applicable)	Analyse, Plan, Do, Review

Summary Description									
<p>The strategy describes the approach used by the Council to build new and maintain existing infrastructure. New and existing infrastructure is a key element in sustaining and developing the prosperity of the County. An effective highways and transport service is one of the Wider Determinants of Health and can help to improve access to services and to tackle social exclusion.</p>									
<p>How have the "Needs" been established and agreed (include engagement activities)</p> <p>The need for major capital schemes is usually established through the development of a Major Schemes Business Case.</p> <p>The need for other new infrastructure is usually established through the development of Integrated Transport Strategies for the main areas of population or Route Action Plans for the most used elements of the highway network.</p> <p>New Capital Improvements are initially agreed at the Capital Programme Steering Group and then through the appropriate Scrutiny, Portfolio Holder and Executive process.</p> <p>Needs for the existing highway infrastructure is determined through a combination of the yearly National Highways and Transportation Survey which measures customer satisfaction with, and the importance of services and a range of asset related machine and visual surveys. Treatment decisions are then defined against the Highways Asset Management Policy, Strategy and Plan. This includes decisions related to the Winter Maintenance Service..</p> <p>Other Network Management decisions are defined against the current Network Management Plan.</p> <p>All highway infrastructure provision and maintenance decisions are framed by an overarching Local Transport Plan.</p>	<p>What are the agreed "Outcomes"</p> <p>LTP 4 sets out a vision for a transport system that provides for a high performing economy within a safe, reliable and well managed environment. This vision is aligned to enhancing the overall performance of the economy and delivering business success and growth</p> <p>Investment in infrastructure will be aligned to the delivery of the Strategic Economic Plan priorities so that infrastructure investment delivers economic benefits including housing growth and economic development as a result of delivery eg GSRR</p> <p>There is an identified hierarchy to the network providing the context for targeted improvements which will allow for a consistent approach to policy application and interpretation to deliver:</p> <ul style="list-style-type: none"> • Eased congestion • Improved road safety • Improved and more reliable journey times • Reduced response times for complaint resolution • Reduction in the percentage of the network requiring maintenance across all road classes <p>These outcomes will form the basis of an agreed prioritised programme of works for investment in the network</p>	<p>How is success measured?</p> <p>There are three agreed key measures within the Council Business Plan (CBP) used to determine successful delivery. These relate to the overall condition of the highway network</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 25%;">No. of measures</th> <th style="width: 25%;">Targeted/measured ?</th> <th style="width: 50%;">Of the targeted measures:</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">3</td> <td style="text-align: center;">- 3 Targeted</td> <td style="text-align: center;">- 3 achieving the target</td> </tr> </tbody> </table> <p>For information about performance in relation to targets for Q4 2017/18 please see Appendix A</p> <p>Further to the CBP measures there are other regimes that are used as a measure of schemes to deliver the outcomes. For example: -</p> <ul style="list-style-type: none"> • For DfT funding allocations and grant awards received - Currently LCC is a Band 3 authority resulting in maximum allocation of incentive fund monies. • LRSP develop an annual Delivery Plan to be approved by the LRSP Board. The Delivery plan will set out the key outcomes, tasks necessary to achieve those outcomes and identify key risks. The LRSP Board will monitor and review progress 	No. of measures	Targeted/measured ?	Of the targeted measures:	3	- 3 Targeted	- 3 achieving the target	
No. of measures	Targeted/measured ?	Of the targeted measures:							
3	- 3 Targeted	- 3 achieving the target							

against the Delivery Plan at their quarterly meetings, including safety camera effectiveness, scheme assessment, trends, connections, and casualty reduction. Delivery of adopted transport strategies and delivery of projects highlighted within those strategies eg Lincoln E-W link, LEB.

- Capital project delivery - Major scheme post construction monitoring to DfT and other are usually subject to post construction monitoring to evaluate the success in achieving pre construction predictions of performance for issues such as improvements in journey times.

In addition,

- Complaints and service request are monitored and a reduction in complaints along with targeted service requests would be considered to be a success
- The Highways Alliance Contracts are subject to a suite of performance measures which are reported to the Highways and Transport Scrutiny Committee on a quarterly basis which ensures an improvement in the network condition and that agreed programmes of work are delivered eg length of carriageway surface dressed.
- Civil Parking Enforcement is the subject of a statutory annual report to ensure that the enforcement of the regulations results in improved traffic flows, lower congestion and allows the public and businesses to gain access to services, businesses and retail areas.

Key Contracts (>£1m or those of a politically sensitive nature)									
Service Contracted	Provider	Duration	Review Date	Contract KPI's (Y/N)	Performance (Good/Ave/Poor)	Corrective measures (if needed)	Payment Terms (Arrears/Advance)	Performance Driven / Independent?	Volume Sensitive (Y/N)?
Highway Works Term Contract	Kier	Up to 10 Years	Yearly	Y	Good		Arrears	PD	Y
Traffic Signals Term Contract	Dinniq	Up to 10 Years	Yearly	Y	Good		Arrears	PD	Y

Professional Services Contract	WSP	Up to 10 Years	Yearly	Y	Good		Arrears	PD	Y
Midlands Highways Alliance Medium Schemes Framework 2	Various	4 years	Yearly	Y	Good/Average		Arrears	PD	Y
Lincolnshire County Council Highways Works Select List Framework Contracts	Various	4 years	Yearly	Y	Good		Arrears	PD	Y
Lincoln Eastern Bypass	Carillion	2 years	N/A	Y	Average		Arrears	PD	Y
Civil Parking Enforcement	APCOA	5years	N/A	Y	Good		Arrears	PD	Y
Gritter Fleet Lease inc Maintenance	Essential	Various	N/A		Good		Arrears	PD	N
Waste Management Contract	ESPO	4 years	N/A		Good		Advance		Y

Page 102

Existing Pooled Budget/Co-commissioning arrangements (if any)

Property Implications (if any)
 Highway depots are required for the efficient operation of the highway service with shared opportunities with supply chain partners and neighbouring authorities.

Commercial opportunities (if any)
 Potential traded service opportunities for LincsLab and for the Technical Services Partnership.
 Traded service for highway and Infrastructure Client Intelligence with Cranfield University (Proving Ltd.)

Commissioners Comments	
Completed by:	Status (RAG)
	Supporting comment if Red or Amber Red

Appendix A

Page 103



Sustaining and developing prosperity through infrastructure

The purpose of this commissioning strategy is to develop infrastructure that supports economic growth and prosperity. We want to encourage investment and enhance the economic potential of Lincolnshire. We think this can be achieved by encouraging new investment in transport, supporting business, managing and maintaining a high quality network and encouraging a reliable and accessible transport service.

[Show performance](#)

Reduce barriers to business growth



Commissioning/Delivery Strategy	Community Resilience and Assets		
Sponsor	Richard Wills	Commissioning Lead	Nicole Hilton
Lead Officer (if applicable)	Bev Finnegan, Michaela Finan, Will Mason	Stage: (delete as applicable)	Analyse/Plan/Do/Review

Summary Description
 Lincolnshire County Council recognises the importance of having flourishing, healthy communities in Lincolnshire, and believes that resilient citizens are supported by successful communities. An active community can deliver a great deal for its citizens. As such, it is the ambition of the Community Resilience and Assets strategy to commission services that will deliver outcomes where citizens are supported to identify and meet their needs and those of their communities; however they may come to exist.

<p>How have the "Needs" been established and agreed</p> <p>All: LCC Policy Framework Statutory/Legislative Duty What Citizen's Want Lincolnshire Research Observatory Intelligence</p> <p>Library: <ul style="list-style-type: none"> Library Service LNA. Feedback from customers Library Service users survey National Library Needs Framework </p> <p>Culture: <ul style="list-style-type: none"> Feedback is obtained via site surveys and trip advisor comments Visit England's Visitor Attraction Quality Assurance Scheme, report, which assesses everything a visitor will expect to find at all our sites In-service regular qualitative and quantitative evaluation Heritage Business Plan </p> <p>Engagement: <ul style="list-style-type: none"> Soft intelligence & feedback obtained through relationship with Town & Parish councils to understand local issues Service evaluations by those using Citizens Advice/VCS/LCVS Survey on volunteer support services CSC Intelligence </p>	<p>What are the agreed "Priorities"</p> <p>The Community Resilience and Assets have sets five key priorities. These are broken down into 29 outcomes as defined in the strategy.</p> <ul style="list-style-type: none"> Our citizens are informed and engaged Citizens do it for themselves Facilitation of the transfer of resource to enable community action Our assets are protected and celebrated Develop a strong sense of place 	<p>How is success measured?</p> <table border="1"> <thead> <tr> <th>No. of measures</th> <th>Targeted/measured ?</th> <th>Of the targeted measures:</th> </tr> </thead> <tbody> <tr> <td>6</td> <td>- 6 Targeted</td> <td>- 5 achieving the target - 1 not achieved</td> </tr> </tbody> </table> <p>For information about performance in relation to targets for Q4 2017/18 please see Appendix A</p>	No. of measures	Targeted/measured ?	Of the targeted measures:	6	- 6 Targeted	- 5 achieving the target - 1 not achieved
No. of measures	Targeted/measured ?	Of the targeted measures:						
6	- 6 Targeted	- 5 achieving the target - 1 not achieved						

Page 104

Key Contracts (>£1m or those of a politically sensitive nature)									
Service Contracted	Provider	Duration	Review Date	Contract KPI's (Y/N)	Performance (Good/Ave/Poor)	Corrective measures (if needed)	Payment Terms (Arrears/Advance)	Performance Driven / Independent?	Volume Sensitive (Y/N)?
Library services contract	Greenwich Leisure Limited (GLL)	5 years +5 <small>Midnight 31 March 2021 or Midnight 31 March 2026 if extended</small>		Y	Good	none	Monthly in arrears		N
Volunteer Support Grant Funding agreement	VCS	Two years ending March 2019	December 2018	Y	Good	None	Quarterly in arrears	Indepen-dent	N
Citizen's Advice Bureau Grant Funding Agreement (CAB core & Income Max)	CAB	One year ending March 2018	Report to Portfolio Holder 10 October 2017	Y	Good	None	Quarterly in arrears	Indepen-dent	N
Chance to Share Contracts	Peele School (SHDC)								
	Kirton Middlecott (Nuffield Health/David Ross Academy)	2027		N	Not rated	None	Inc. Annually in arrears Exp. Quarterly in arrears	Indepen-dent	N
	ONENK (NKDC/One Life)	2021		N	Not rated	None	Annual in arrears	Indepen-dent	N
Customer Service Centre	Serco	2020 + 2 + 2 years	2018	Y	Good	None	Monthly in arrears	Performance Driven	Y

Page 105

Existing Pooled Budget/Co-commissioning arrangements (if any)

None

Property Implications (if any)

Library – 13 of the 15 core library sites are located in pre-existing Teir1 and Teir2 library sites consisting of 10 freehold and 3 leasehold properties. These properties are leased by Greenwich Leisure Limited (GLL) for the duration of the contract.

Cultural – Heritage services have a number of properties that have leasehold arrangements. These arrangements would need to form part of the wider strategic direction of the service.

The Archive building has specific risks associated with the maintenance infrastructure, in that its air handling systems will need replacing at some stage in the near future. This forms part of the wider Archive Capital Build Project, which is being addressed.

Engagement – Lease three facilities in connection with Chance to Share programme.

Customer Service Centre – None. Serco privately lease Thomas Parker House.

Commercial opportunities (if any)

Library - IT – at the request of the Council, GLL have provided an updated version of their ICT 'To Be' model bid submission. This will provide clarity on how they could provide an IT service offering to both library core sites and Community Hubs going forward. It is hoped that this will demonstrate savings to the Council while enhancing service delivery. This outcome of this is inconclusive at present.

Mobile Service – an options paper is currently being prepared by GLL. It is hoped that this paper will demonstrate that with greater utilisation of smaller vehicles cost savings can be made while innovating the current service offering.

Culture - In October 2016 the County Council Executive gave approval for the Heritage Service to explore ways to reduce the costs of its service whilst improving and enhancing its public offer. The Service could retain any yearly surplus achieved as an offset to service delivery. The aim is to reduce the overall net cost of operating the Heritage Service to a point where the service is self-sustaining. This requires a £1.8 million pound saving from the heritage service net operating costs. To achieve this the Heritage service have developed a business plan to address existing cost pressures, as well as developing opportunities to both generate income, identify efficiency savings and enhance the offer. As of September 2017, Heritage is evaluating the viability of alternative governance options to deliver the service.

Engagement – In 2016 a business case was compiled to establish whether community engagement services could be 'sold'. A draft business plan has since been created, with supporting documentation (such as engagement planning, market research and skills audit). Team representatives are active members of the Commercialisation Community of Practice to ensure any commercialised service would work within a corporate framework. The business plan is currently under review as the programme moves from the 'preparation' stage to the 'development' phase.

Customer Service Centre – The contract has the flexibility to absorb existing or new services and the option remains to the Council should it look like a cost effective option. A number of channel shift projects are in train such as a Council payment gateway and web chat facilities which will leverage future opportunities when in place.

Commissioners Comments

Completed by:	Status (RAG)
	<i>Supporting comment if Red or Amber</i> Red Amber Green

Page 106

Appendix A



Community Resilience and Assets

The purpose of these commissioning strategies is for communities to be resilient and to improve the health and wellbeing of people in Lincolnshire. We think this can be best achieved when people and communities have the information they need to come together, solve the problems they face and build the county they want, when people are supported to be independent, make healthier choices and live healthier lives.

[Show performance](#)

Enable and encourage people to participate in Lincolnshire's culture



Communities and residents are supported to be involved in local decision making and have their views taken into account



Page 107

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Commissioning and Commercial Board

Collated Highlight Report

Report	Page
Specialist Adult Services	2
Carers	6
Adult Frailty, long term conditions and physical disability	10
Adult Safeguarding	15
Protecting the Public	19
Wellbeing	22

Commissioning/Delivery Strategy	Specialist Adult Services		
Sponsor	Glen Garrod	Commissioning Lead	Justin Hackney
Lead Officer (if applicable)	N/A	Stage: (delete as applicable)	Analyse, Plan, Do, Review

Summary Description

Specialist Adult Services lead on the commissioning of Adult Social Care (ASC) for Adults with Learning Disability and/or Autism aged 18+ and Adults with Mental Health needs aged 18 to 64. For those service users who are eligible for ASC a care and support plan identifying the outcomes to be achieved will be developed alongside a personal budget to fund the care and support needed. The Council will commission services to meet the identified needs or alternatively the service user can choose to take the personal budget by direct payment and commission services and support directly. Key aims of our commissioning activities are to promote independence and control for service users, keeping them safe from harm whilst also delivering value for money in the services that are commissioned. The majority of services commissioned are done so via joint commissioning arrangements. Joint commissioning arrangements are facilitated via two Section 75 agreements one with Lincs CCG's for Learning Disability services and the second with LPFT for Mental Health services. This allows the costs associated with commissioning services and assessments to be shared across agencies and for service users to benefit from more joined up provision with reduced "system" duplication. There are also a number of related joint commissioning strategies including the Lincolnshire Transforming Care Plan and the Lincolnshire All Age Autism Strategy. The Specialist Adult Services Joint Delivery Board are currently overseeing a review of Lincolnshire's Mental Health Strategy. Key challenges faced by commissioners are a projected growth in the volume and complexity of needs of eligible service users, reducing spare capacity in the residential, nursing and community services markets, ongoing price increases in provider cost bases linked to the National Living Wage consolidated by recruitment and retention difficulties in some key professional groups including Nursing and some of the care sectors. These conditions potentially impact on both the quality and cost of care. Key opportunities for sustaining outcomes and VFM include a continuation of joint commissioning arrangements, maintaining or increasing the use of direct payments, a review of Residential Care expected costs, the further development of the community services market including growth in shared lives provision and affordable housing options. There is the potential to utilise capital investment to reduce future revenue costs as well as building additional capacity in the market.

<p>How have the "Needs" been established and agreed</p> <p>JSNA: The JSNA includes a chapter on Learning Disability, Mental Health and for the first time now also includes one on the topic of Autism. Gaps in needs and commissioning priorities are identified within the JSNA.</p> <p>Specific Needs Assessment Activities : In addition to the JSNA specific needs assessment have also been completed with the support of public health for both Learning Disability and Mental Health services.</p> <p>Joint Commissioning Arrangements: Joint commissioning priorities have been identified via respective joint commissioning governance arrangements including the Joint Commissioning Board and the Specialist Adult Services Joint Delivery Board.</p> <p>Engagement activity with Service Users and Carers: Specific workshops have been held with service users and carers to identify the priority outcomes they which to achieve.</p>	<p>What are the agreed "Outcomes"</p> <ul style="list-style-type: none"> • Maintain or improve Health and Wellbeing; • Enhanced quality of life and care for people with learning disability autism and or mental illness • Maintained or improved levels of Independence and control; • Parity of Esteem – In particular reduced inequality of life expectancy; • People have a positive experience of care; • Improved Transition to Adulthood; • Employment and vocational opportunities; • Increased affordable housing options within the community; • Friendships and self-care opportunities facilitated via community capacity building; • Improved access to universal support including reduced need for transport. 	<p>How is success measured?</p> <table border="1"> <thead> <tr> <th>No. of measures</th> <th>Targeted/measured</th> <th>Of the targeted measures:</th> </tr> </thead> <tbody> <tr> <td>5</td> <td>5 Targeted</td> <td>4 achieving the target</td> </tr> <tr> <td></td> <td></td> <td>1 not achieving the target</td> </tr> </tbody> </table> <p>For information about performance in relation to targets for Q4 2017/18 please see Appendix A</p>			No. of measures	Targeted/measured	Of the targeted measures:	5	5 Targeted	4 achieving the target			1 not achieving the target
		No. of measures	Targeted/measured	Of the targeted measures:									
		5	5 Targeted	4 achieving the target									
		1 not achieving the target											

Key Contracts (>£1m or those of a politically sensitive nature)									
Service Contracted	Provider	Duration	Review Date	Contract KPI's (Y/N)	Performance (Good/Ave/Poor)	Corrective measures (if needed)	Payment Terms (Arrears/Advance)	Performance Driven / Independent?	Volume Sensitive (Y/N)?
LD - Residential Care	Consolidated with 10 prime providers	Expected Costs reviewed every three years	2017/2018	Y	Majority Good	Ongoing contract management arrangements in place	Mixed	Independent	Y
LD - Community Supported Living	Consolidated with 10 prime providers	5 years	2019/2020	Y	Majority Good	Ongoing contract management arrangements in place	Mixed	Independent	Y
LD - Direct Payments	Service User commissions services directly	N/A	Annual Review	N/A	N/A	N/A	N/A	N/A	Y
LD – External Day Care	Multiple providers	Spot contracts	2017/2018	N	Average	Targeted Contract Management	Mixed	Independent	Y
LPFT Section 75 Agreement	Lincolnshire Partnership NHS Foundation Trust	3 to 5 years	2019/20	Y	Average with elements of good	Ongoing contract management arrangements in place	Mixed	Independent	Partially

Existing Pooled Budget/Co-commissioning arrangements (if any)	
Page 111	<ul style="list-style-type: none"> - Existing Pooled budget with risk share arrangement for Learning Disability Services with the 4 Lincolnshire Clinical Commissioning Groups; - Lincolnshire's Transforming Care Plan - Lincolnshire's All Age Autism Strategy - Existing section 75 budget with risk share arrangements with LPFT for Adult Mental Health Services; - Specialist Adult Services Joint Delivery Board - Learning Disability and Autism Partnership Boards.

Property Implications (if any)	
<ul style="list-style-type: none"> - Some historical properties currently managed directly by Adult Care being reviewed and transferred to corporate property portfolio; - Modernisation of In-House services almost complete with replacement for Grantham being key priority - Potential opportunity for capital investment in Residential/ Community Living Options that would reduce future revenue costs and address shortages in market supply 	

Commercial opportunities (if any)	
<ul style="list-style-type: none"> - Opportunity to include Remaining In-House Day Services within a Trading Arm of LCC; - Opportunity to include re-provision of Shared Lives Scheme within LCC Trading Arm. 	

Commissioners Comments	
3	

Completed by:	Status (RAG)
	<i>Supporting comment if Red or Amber</i> Red Amber Green

Appendix A



Specialist Adult Services

The purpose of this commissioning strategy is to improve the wellbeing of adults with learning disability, autism and/or mental health needs with sustainable resources.

Show performance

Enhanced quality of life and care for people with learning disability, autism, and or mental illness

Adults with learning disabilities who live in their own home or with family

76.9

% of adults

Achieved



Adults in contact with secondary mental health services living independently

70.9

% of adults

Achieved



Adults who receive a direct payment (Learning Disability or Mental Health)

51

%

Achieved



Adults who have received a review of their needs (Learning Disability or Mental Health)

91

%

Achieved



Satisfaction with learning disability and autism care and support services

75.6

% satisfied

Not achieved



Page 113

People have a positive experience of care

Commissioning/Delivery Strategy	Carers  CarersCommissioning Strategy2015v5.pdf		
Sponsor	Glen Garrod	Commissioning Lead	Jane Mason
Lead Officer (if applicable)	Emma Krasinska	Stage:	Do, Review

Page 14

Summary Description
 To support the increasingly complex needs of unpaid family carers of all ages. This includes young adult carers and people looking after relatives with a very wide range of conditions, including dementia, mental ill-health, physical disabilities and long term conditions, learning disability, autism, palliative and end of life care and substance misuse. It includes young carers and parent carers.

Our overarching aim is to ensure that people who find themselves in a caring role, whatever their age, are identified *early*, get information, advice and help as soon as possible in their caring journey to enable them to maintain a balanced quality of life and be able to look after their own health and wellbeing.

How have the "Needs" been established and agreed <ul style="list-style-type: none"> Carers needs were consulted upon extensively during the preparation of the Joint Carers Strategy 2014-18. Carers designed their own key outcomes within the above public facing strategy, which drive operational and strategic service provision. A Strategic Needs Analysis was carried out to inform the Carers Commissioning Strategy 2016-18. This included carer voice, service & performance data, service reviews & quality assurance. This resulted in the four overarching themes of Early Help, Collaboration, Assurance & Workforce Development to improve support for carers, captured in an annual Delivery Plan. 	What are the agreed "Outcomes"? – nationally set. National Integrated Outcomes Framework: Adult Care <ul style="list-style-type: none"> Carers can balance their caring roles and maintain their desired quality of life People (including carers) are able to find employment when they want, maintain a family and social life and contribute to community life, and avoid loneliness or isolation People who use social care and their carers are satisfied with their experience of care and support services Carers feel that they are respected as equal partners throughout the care process People (including carers) know what choices are available to them locally, what they are entitled to, and who to contact when they need 	How is success measured?						
		<table border="1"> <thead> <tr> <th>No. of measures</th> <th>Targeted/measured ?</th> <th>Of the targeted measures:</th> </tr> </thead> <tbody> <tr> <td>6</td> <td>6 Targeted</td> <td>- 3 achieving the target - 3 not achieved</td> </tr> </tbody> </table>	No. of measures	Targeted/measured ?	Of the targeted measures:	6	6 Targeted	- 3 achieving the target - 3 not achieved
No. of measures	Targeted/measured ?	Of the targeted measures:						
6	6 Targeted	- 3 achieving the target - 3 not achieved						

<ul style="list-style-type: none"> In 2017, after a co-production workshop with carers and stakeholders, the Carers topic of the Joint Strategic Needs Assessment was completely rewritten, to build a sound evidence base of carer needs from national research as well as local voice. 	<p>help</p> <p style="text-align: center;">NHS</p> <ul style="list-style-type: none"> Enhancing (health related) quality of life for carers (caring for people with long term conditions) Improving people's experiences of integrated care <p style="text-align: center;">Public Health</p> <ul style="list-style-type: none"> Improving the wider determinants of health: reducing social isolation and improving social connectedness 	<p>6 weekly practice focused Joint Quality Assurance & Performance meeting with representatives from Serco, Carers FIRST, Commissioners, Adult Care Quality Assurance and Lead Professional teams.</p> <p>The providers are required to report on their Performance, on a quarterly basis as part of Commercial Services contract & grant management arrangements. This includes Performance Indicators and a narrative report, proportionate to the level of the contract or grant.</p> <p>In addition, the Commissioning Team conduct an annual service review, allowing a deeper dive into operational issues of practice & process, looking at service quality (safe, positive and effective) and recommending service improvements.</p>
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Key Contracts (>£1m or those of a politically sensitive nature)

Service Contracted	Provider	Duration	Review Date	Contract KPI's (Y/N)	Performance (Good/Ave/Poor)	Corrective measures (if needed)	Payment Terms (Arrears/Advance)	Performance Driven / Independent?	Volume Sensitive (Y/N)?
Lincolnshire Carers Service: Community based statutory support for adult carers: assessment, range of support; lead strategic partner & all age carer engagement	Carers FIRST	3+	May 2018	Y	Good		Arrears	Yes	Y
Care and Wellbeing Hub at Customer Service Centre (CSC) : first point of contact for the Lincolnshire Carers Service, telephone based statutory support and Carers Emergency Response Service	Serco (CSC)	Permanent budget transfers from Adult Care during 2006-09 and 2015	tbc	Y	Good	Action Plan following service review in Sept 16		Yes	Y

Existing Pooled Budget/Co-commissioning arrangements (if any)

The Better Care Fund (BCF) will fund Lincolnshire- based organisation Every-One, in the form of a grant, in order to further expand the success of the Carers Quality Award. Total value: £231,875 Duration: 30 September 2017- 31 March 2020.

The Better Care Fund will also fund Carers FIRST, in the form of a contract variation, to deliver new projects to better support carers in the domains of employment, providing early help, information and advice through pharmacies, and to improve early identification and early help through primary care, Neighbourhood teams and Community hospitals. Total value £ 1,161,091 Duration: 30 September 2017- 31 March 2020.

The "Dementia Family Support Service" (details within Adult Frailty and Long Term Conditions Commissioning Strategy) is co-commissioned, part funded by NHS funding for carers. The service was jointly commissioned by Adult Care Frailty & Long Term Conditions and Carers. Young Carers – Support for young carers is now delivered within the Early Help arrangements for Children's Services, LCC, enabled by a permanent budget transfer from Adult Care to Children's Services.

Property Implications (if any)

Carers FIRST rent private office accommodation as an administrative base in Grantham.
The service makes full use of LCC Touchdown Points or hot desking with fellow voluntary & community organisations across the county.
Carers FIRST are also based in acute hospitals (Lincoln, Boston, Grantham) and have service links with Peterborough Hospital

Commercial opportunities (if any)

Commissioners Comments

Completed by: Emma Krasinska and Jane Mason

Status (RAG)

Appendix A

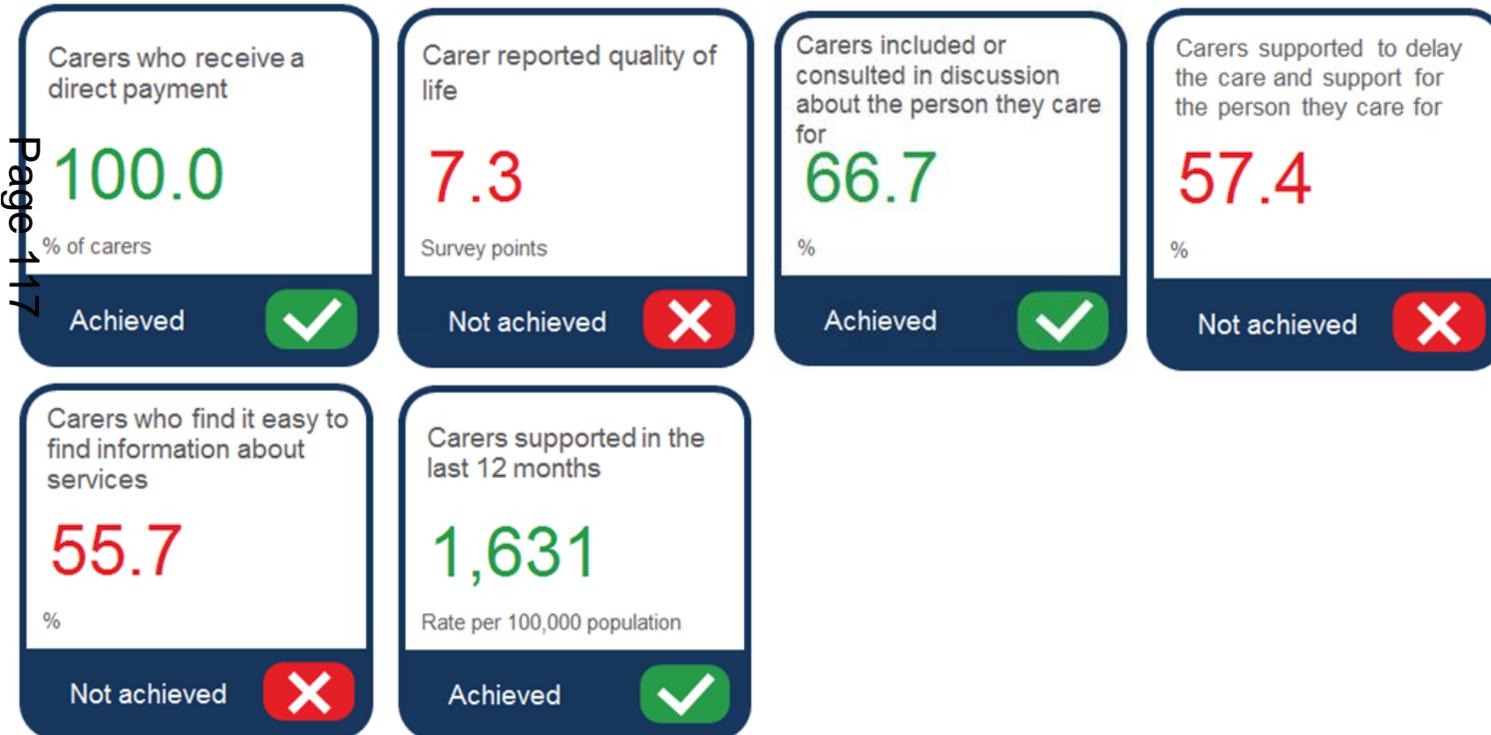


Carers

The purpose of this commissioning strategy is to help carers build resilience in their caring role and to prevent young carers from taking on inappropriate caring roles, protecting them from harm. Carers should have appropriate access to support which enables them to improve their quality of life and help prevent crisis.

[Show performance](#)

Carers feel valued and respected and able to maintain their caring roles



Commissioning/Delivery Strategy	Adult Frailty and Long Term Conditions (AF<C)		
Sponsor	Glen Garrod	Commissioning Lead	Carolyn Nice
Lead Officer (if applicable)	Wendy Ramsay	Stage: (delete as applicable)	Analyse, Plan, Do, Review

Summary Description									
<p>The summary and intentions for this service have been outlined in the published AF& LTC Commissioning Strategy 2016-19. In summary, the strategy and associated activities support people with eligible needs as outlined by the Care Act 2014. The customer groups supported by this strategy are Older People, People with Physical Disabilities and People with Sensory Impairments. The service provides an assessment and review function of people's care needs for these customer groups and then ensures commissioned services or direct payments are made available to meet those needs appropriately. The arrangements ensure the Council is able to support in excess of 11,000 local people and their carers.</p>									
Page 118	How have the "Needs" been established and agreed (include engagement activities):	What are the agreed "Outcomes"	How is success measured?						
	<ul style="list-style-type: none"> Commissioning strategy consulted on in 2016 with user groups and other stakeholders Lead on development of Joint Strategic Needs Assessment topics for physical disabilities and sensory impairment, dementia and long term conditions Peer review of the service through sector body ADASS in 2016 Quality assurance & contract management of commissioned services Annual service user survey of customer experience, service specific user surveys – ie Homecare Independent rate reviews of residential services undertaken every 3 years. Ongoing engagement with executive and scrutiny members Specific engagement with public, user and carer groups around key policies and process – non-residential contributions, direct payments, prepaid cards 	<p>The outcomes agreed and set out in the AF&LTC Commissioning strategy are as follow:</p> <ul style="list-style-type: none"> Delay and reduce the need for care and support Enhance the quality of life for people with care and support needs Ensure that people have a positive experience of care and support 	<table border="1"> <thead> <tr> <th>No. of measures</th> <th>Targeted/measured ?</th> <th>Of the targeted measures:</th> </tr> </thead> <tbody> <tr> <td>5</td> <td>- 5 Targeted</td> <td>- 4 achieving the target - 1 not achieving the target</td> </tr> </tbody> </table>	No. of measures	Targeted/measured ?	Of the targeted measures:	5	- 5 Targeted	- 4 achieving the target - 1 not achieving the target
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			<p>For information about performance in relation to targets for Q4 2017/18 please see Appendix A</p>						

Key Contracts (>£1m or those of a politically sensitive nature)									
Service Contracted	Provider	Duration	Review Date	Contract KPI's (Y/N)	Performance (Good/ Ave/ Poor)	Corrective measures (if needed)	Payment Terms (Arrears/Advance)	Performance Driven / Independent?	Volume Sensitive (Y/N)?
Home Based Reablement Service	Nestor Primecare Services t/a Allied Healthcare	Contract start – 03/11/15 Contract end – 02/11/18	03/11/17	Y	Good	Financial penalties (& incentives) set out in the contract	Arrears-Monthly	Y	Y
Community Support Homecare Contracts	12 x Provider Contracts	Contract start – 26/09/15 Contract end – 26/09/18	26/09/17	Y	Varies per contract	Financial penalties, default, termination	Arrears-Monthly	Y	Y
Residential Care Contracts	315 x Provider Contracts	Contract start – 01/04/15 Contract end 31/03/18	Currently under review	Y	Varies per contract	Financial penalties, default, suspension, termination	2 weeks advance, 2 weeks arrears	Y	Y
Joint commissioned step up and step down block beds with LCHS across 24 providers	Round 1 Block Round 2 Block	Three years from 08/08/16 08/08/17 with an option of +1 +1	08/08/19	N	Good	Default, suspension, termination, withholding payment	Arrears	N	Yes

Page 119

Lincolnshire Sensory Impairment Services	Action for Hearing Loss	Contract start – 01/04/16 Contract end – 31/03/19 (contract extensions available 1 + 1 years)	31/03/18	Y	Average	Financial penalties in the form of service credits as set out in the contract	Arrears - monthly	Performance driven and independent	Y
Dementia Family Support Service. Community based support post diagnosis and hospital in-reach for families living with dementia	Alzheimer's Society	3 years	October 2017	Y	Average	Action Plan following service review in May 17	Arrears	Yes	No

Page 120

Existing Pooled Budget/Co-commissioning arrangements (if any)

The "Dementia Family Support Service" (details above) is co-commissioned, part funded by NHS funding for carers. In addition there are jointly commissioned block bed contracts (details above) with LCHS to increase user/system access to step up/down support.

Property Implications (if any)

Stamford Day Centre, LCC operated social provision for Older people is subject to development plans and investment to modernise, resource has already been made available for this project and it is underway.

Commercial opportunities (if any)

Commissioners Comments

Completed by:	Status (RAG)
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Wendy Ramsay, Adult Frailty and Long Term Conditions Programme Manager (interim)

*Supporting comment if
Red or Amber*

Green



**Adult frailty,
long term
conditions and
physical
disability**

The purpose of this commissioning strategy is to outline the local authority's intentions in Adult Care Commissioning for Adult Frailty and Long Term Conditions across Lincolnshire. The key commissioning intentions focus on supporting people to live in their own homes for as long as they wish by developing high quality, personalised services that are flexible, responsive, and give people choice and control over how their care and support is provided.

Show performance

Delay and reduce the need for care and support

Permanent admissions to residential and nursing care homes aged 65+

1,020

People

Achieved



Requests for support for new clients, where the outcome was universal services/ signposting

47.2

%

Not achieved



Ensure that people have a positive experience of care and support

People in receipt of long term support who have been reviewed

86.2

%

Achieved



Enhance the quality of life for people with care and support needs

People using the service with control over their daily life

78

%

Achieved



Adults who receive a direct payment

34.9

%

Achieved



Commissioning/Delivery Strategy	Safeguarding Adults		
Sponsor	Glen Garrod	Commissioning Lead	Justin Hackney
Lead Officer (if applicable)	County Manager Adult Safeguarding (post currently vacant)	Stage: (delete as applicable)	Analyse, Plan, Do, Review

Summary Description

The Adult Safeguarding commissioning strategy covers 4 key areas of Adult safeguarding activity as follows. The Lincolnshire Safeguarding Adults Board (LSAB) which is the statutory multi-agency arrangement required to safeguard vulnerable adults. The LSAB also co-ordinates Serious Adult Reviews. The Adult Safeguarding Team who co-ordinate the response to Adult Safeguarding referrals, facilitate Section 42 enquiries and adult protection plans as well as contributing to wider multi-agency safeguarding boards and arrangements. The Deprivation of Liberty Safeguard Team (DOLS) that consider and (where appropriate) authorise the Deprivation of Liberty for Adults. The Emergency Duty Team (EDT) who provide a social care response at times when the main service is not available (i.e. evening, night, weekends and bank holidays) as well as the out of hours Approved Mental Health Professional (AMHP) assessment service. The majority of these services are fulfilled via in-house teams with the exception of some services commissioned from Lincolnshire Partnership NHS Foundation Trust (LPFT) as detailed below.

Key challenges relate to an increase in Adult Safeguarding referrals and section 42 enquiries since the implementation of the Care Act 2015 and a requirement for wider multi-agency working in response to a number of emerging national contemporary safeguarding agenda's e.g. Modern Day Slavery, Hoarding and Cyber Security. A need to continue to restate the statutory role of the local authority in safeguarding adults and re-enforcing with all partners that Safeguarding Adults is everyone's responsibility. Another key challenge is the significant increase in DOL's applications in response to the Cheshire West case law judgement which has resulted in a backlog of application in all local authority areas requiring a risk management based response.

In addition to the existing Adult Safeguarding commissioning strategy the LSAB also has a multi-agency Adult Safeguarding Strategy and an annual plan with agreed priorities. Two of the LSAB key priorities that also have particular relevance to the Adult Care Safeguarding activity and offer opportunities for improved demand management are Making Safeguarding Personal (MSP) and developing a Lincolnshire Safeguarding Prevention Strategy which is a cross cutting initiative with the LSAB is leading on behalf of LSAB, LSCB and the Community Safety Partnership.

<p>How have the "Needs" been established and agreed (include engagement activities)</p> <p>The Care Act 2015 and related statutory guidance: sets out the statutory responsibilities for the local authority and our partners in relation to safeguarding Adults.</p> <p>JSNA: The JSNA includes a topic area on Safeguarding and identifies key priorities.</p> <p>LSAB: Safeguarding priorities have been identified with the LSAB and via other multi-agency safeguarding arrangements.</p>	<p>What are the agreed "Outcomes"</p> <ul style="list-style-type: none"> Safeguarding adults with care and support needs, protecting them from avoidable harm and acting in their best interests where they lack capacity; Authorising Deprivation of Liberties where this is in their Best Interests; Ensuring people are asked what outcomes they want to achieve and respecting the right for Adults to make unwise decisions; Where ever possible preventing the demand for Safeguarding referral and associated interventions; 	How is success measured?		
		No. of measures	Targeted/measured ?	Of the targeted measures:
		4	4 Targeted	- 4 achieving the target
For information about performance in relation to targets for Q4 2017/18 please see Appendix A				

Key Contracts (>£1m or those of a politically sensitive nature)									
Service Contracted	Provider	Duration	Review Date	Contract KPI's (Y/N)	Performance (Good/Ave/Poor)	Corrective measures (if needed)	Payment Terms (Arrears/Advance)	Performance Driven / Independent?	Volume Sensitive (Y/N)?
Best Interest Assessments (POL's)	LPFT via Section 75	3 to 5 years	2019/2020	Y	Good	Regular contract management in place	Arrears	Independent	Y

Existing Pooled Budget/Co-commissioning arrangements (if any)
- Lincolnshire Safeguarding Adults Board (LSAB) – Facilitated through annual funding of £40k per lead agency including LCC, Lincolnshire Police and Lincolnshire Clinical Commissioning Groups.

Property Implications (if any)
- N/A

Commercial opportunities (if any)

- N/A

Commissioners Comments

Completed by:

Status (RAG)

*Supporting comment if
Red or Amber*

Red

Amber

Green



Safeguarding Adults

The purpose of this commissioning strategy is that vulnerable adults' rights are protected so that everyone can live safely and free from abuse and neglect.

[Show performance](#)

Safeguarding adults whose circumstances make them vulnerable, protecting them from avoidable harm and acting in their best interests where they lack capacity

Page 126



Commissioning/Delivery Strategy	DRAFT Public Protection-(Not including Fire)		
Sponsor	Pete Moore	Commissioning Lead	Daryl Pearce
Lead Officer (if applicable)	n/a	Stage: DRAFT Plan	Analyse, Plan, Do, Review

Summary Description
 The business of Public Protection focusses on keeping our communities safe and making them feel safe and secure. This cuts across a number of themes in safeguarding and wellbeing. One of the key themes within the Public Protection commissioning strategy is bringing partners together by influencing and co-ordinating collaborative efforts to contribute to the safety of Lincolnshire. This activity cuts across both internal LCC services such as Trading Standards, Community Safety, Registration/Coroners, Highways, Children's and Adults and external partners such as the PCC, Police, Districts and Probation. This strategy has many interdependencies that are in the main managed through statutory boards such as the LCSP, LASB, LCSB and LRSP

Page 127	How have the "Needs" been established and agreed (include engagement activities)	What are the agreed "Outcomes"	How is success measured?						
	<ul style="list-style-type: none"> The LCSP conducted a recent survey (November 2016) to understand the feelings of the community and to support the strategic priority setting looking ahead. Analytical work is undertaken to assess outcomes and current issues LCC is currently reviewing needs on behalf of the LCSP Survivor feedback is sought from victims of DA who have both used the services in Lincolnshire and many who haven't Link with other engagement channels such as the PCC and national crime surveys Trading Standards carry out local Strategic Threat assessment and take note of national and regional versions LRSP use analysis of collision and accident data 	<ul style="list-style-type: none"> The public are protected from unsafe and dangerous goods Vulnerable repeat victims of scams are protected Improve public safety by reduction in alcohol and drugs misuse, inc. alcohol fuelled violence and anti-social behaviour, young people and drug misuse. Increase public confidence in how we tackle domestic abuse. Reduce the number of people killed or seriously injured on Lincolnshire's roads Reduce adult reoffending Reduce the number of young people committing a crime Reduce young people entering criminal justice system Ensure routes to integrity of citizenship, nationality and prevent sham marriage Ensure integrity of death investigation by Coroners and to support the prevention of further deaths 	<p>Success is measured on performance against the Council Business Plan measures.</p> <table border="1"> <thead> <tr> <th>No. of measures</th> <th>Targeted/measured ?</th> <th>Of the targeted measures:</th> </tr> </thead> <tbody> <tr> <td>20</td> <td>- 14 Targeted - 6 Measured</td> <td>- 7 Achieving or exceeding the target - 2 improving but not achieving the target - 5 Not Achieving the target</td> </tr> </tbody> </table>	No. of measures	Targeted/measured ?	Of the targeted measures:	20	- 14 Targeted - 6 Measured	- 7 Achieving or exceeding the target - 2 improving but not achieving the target - 5 Not Achieving the target
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20	- 14 Targeted - 6 Measured	- 7 Achieving or exceeding the target - 2 improving but not achieving the target - 5 Not Achieving the target							
<p>For information about performance in relation to targets for Q4 2017/18 please see Appendix A</p>									

Key Contracts (>£1m or those of a politically sensitive nature)									
Service Contracted	Provider	Duration	Review Date	Contract KPI's (Y/N)	Performance (Good/Ave/Poor)	Corrective measures (if needed)	Payment Terms (Arrears/Advance)	Performance Driven / Independent?	Volume Sensitive (Y/N)?
Trading Standards	LCC	ongoing							
Domestic Abuse Outreach Services-Standard and Medium risk victims incl children	WLDAS,NCHA, Boston Mayflower	Current end Mar18	In process	Y	Good	none	Q in arrears		N
IDVA – Independent Domestic Violence Advisor (support offered to high risk cases in MARAC process)	Safer Communities LCC	Current end Mar18	In process	Y	Good	none	Q in arrears		N

Assisting Rehabilitation through Collaboration (ARC) Co-ordinator	Safer Communities LCC	LCC funding ends Mar18	In process	In development	Good early results	none			N
Community Safety Analysis, Coordination and Commissioning (incs Police secondment)	Safer Communities LCC	ongoing							
Services for Appropriate Adult Provision across Lincolnshire Police custody suites (Children's Services)	TAS	3years +1+1	Just retendered	Y	Good	none	Monthly in arrears		Y
Engineering: Identify and implement an annual programme of engineering safety schemes	LCC -Highways	ongoing							
Continue to run and manage School Crossing Patrol facilities across the County	LCC Direct funding for School Crossing Patrols	ongoing							
Delivery of National Driver Offender Retraining Scheme courses	Strategic Partnership between LCC and PCC	ongoing							
Registration , Celebratory and Coroners Services – Mortuary, post mortem and body removal	Empath, Independent Funeral Directors								

Page 128

Existing Pooled Budget/Co-commissioning arrangements (if any)

Delivery of National Driver Offender Retraining Scheme Courses Utilises income as a result of Strategic Partnership between LCC and the Office of Police and Crime Commissioner for Lincolnshire to deliver National Driver Reoffender Retraining Scheme courses (approx. £1.65m)

Property Implications (if any)

ARC team collocated in 1 room at Myle Cross to promote multi-agency working (includes Police officers, probations services, YOS and health)

Commercial opportunities (if any)

Will be considered as part of draft commissioning strategy-some already exploited in Celebratory Services and Trading Standards.

Commissioners Comments

Completed by:	Status (RAG)
	<i>Supporting comment if Red or Amber</i> Red Amber Green

APPENDIX A



Protecting the public

The purpose of this commissioning strategy is to create an environment that enables the people of Lincolnshire to succeed and prosper, to ensure the public feel protected and secure and that those that are most vulnerable are safeguarded.

Show performance

The public are protected from unsafe and dangerous goods



Reduce adult reoffending



Improve public safety by the reduction in drugs and alcohol misuse, focused on town centre alcohol fuelled violence and anti-social behaviour, young people and drug misuse



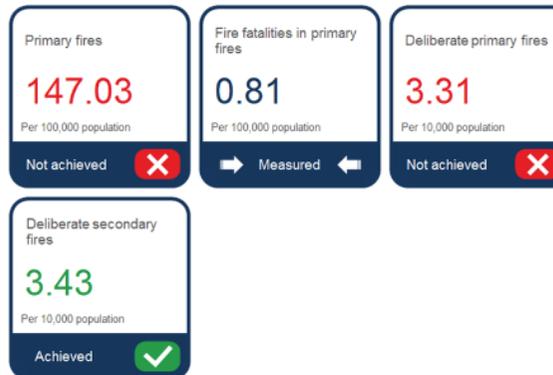
Reduce the number of young people committing a crime



Increase public confidence in how we tackle domestic abuse



Reduce fires and their consequences



Reduce the number of people killed and seriously injured on Lincolnshire's roads



Page 129

Commissioning/Delivery Strategy	Community Wellbeing		
Sponsor	Glen Garrod	Commissioning Lead	Tony McGinty
Lead Officer (if applicable)	Robin Bellamy	Stage: (delete as applicable)	Analyse, Plan, Do, Review

Summary Description

The Community Wellbeing Commissioning Strategy seeks to ensure that people living and working in Lincolnshire lead long, healthy and happy lives by improving and protecting the health of the population whilst reducing inequalities. The Community Wellbeing Commissioning Strategy covers services mandated by the Public Health regulations of the Health and Social Care Act 2012, mandated services under the Care Act 2014, other non-mandated functions within the Health and Social Care Act 2012 and the wider community wellbeing commissioning priorities of the Council.

To achieve this we are committed to:

- Working with our partners, providers and the public to understand the needs of people living and working in Lincolnshire and the ability and capacity of our providers and partners to meet those needs;
- Involve our customers in the development of public health in Lincolnshire by adopting a co-production approach whilst being clear and explicit about what we can and cannot do for them;
- Improve outcomes for individuals by developing an overarching performance framework based on outcomes and manage everything we do through a clear and transparent set of operating procedures.

In order to achieve the purpose of the strategy we will take different approaches to different issues. In some cases we will want to buy specific, good value for money services for local people to help them overcome specific problems. In other cases we will want to influence other organisations and local people to do things that are good for community wellbeing like advising the NHS on what services local people need. Finally, we will work with other agencies which have a responsibility to protect people from diseases like cancer, environmental and biological hazards and emergencies to assure ourselves that their work is effective.

How have the "Needs" been established and agreed (include engagement activities) Customer, patient, service user and stakeholder views have been critical in commissioning these services from the needs analysis phase through to the procurement stages of commissioning. This feedback along with the needs analysis which has been completed in support of our commissioning work can be found at http://www.research-lincs.org.uk/joint-strategic-needs-assessment.aspx .	What are the agreed "Outcomes" <ul style="list-style-type: none"> • People are supported to lead healthier lifestyles • People are able to live life to the full and maximise their independence • Peoples health and wellbeing is protected • Work with others to promote community wellbeing. 	How is success measured?			
		No. of measures	Targeted/measured ?	Of the targeted measures:	
		5	- 5 Targeted	- 4 achieving the target - 1 improving but not achieved the target	
For information about performance in relation to targets for Q4 2017/18 please see Appendix A					

Key Contracts (>£1m or those of a politically sensitive nature)									
Service Contracted	Provider	Duration	Review Date	Contract KPI's (Y/N)	Performance (Good/Ave/Poor)	Corrective measures (if needed)	Payment Terms (Arrears/Advance)	Performance Driven / Independent?	Volume Sensitive (Y/N)?
Lincs Community Alcohol & Drug Treatment	Addaction	5 years (2 year extension)	5 year end date: 30/09/2021	Y	Good	Yes (Service Credits at 20% of contract value)	Arrears		N

Wellbeing Service	NKDC, ELDC, LILP	4 years (ending on 31/3/18)	Currently being re-commissioned	Y	Ave	Not currently	Arrears		N
Lincolnshire Integrated Sexual Health Service (LISH)	LCHS	5 years (2 year extension)	5 year end date: 31/03/2021	Y	Ave	Yes (Service Credits at 10% of contract value)	Arrears		N
Housing Related Support Services	Various	3 years (2 year extension)	3 year end date: 30/06/2018	Y	Good	Yes (Service Credits at 10% of contract value)	Arrears		N
Domestic Abuse Floating Support Services	Various	4 ½ years (ending on 31/3/18)	Currently being re-commissioned	N	Good	None	Arrears		N
Stop Smoking Services	North 51 Ltd	2 years 3 months (1 year extension)	Contract end date: 31/03/2018	Y	Good	Yes (Service Credits)	Arrears		N
Healthwatch	Healthwatch Lincolnshire	Grant Aid Agreement (5 years ending 31/03/18)	Currently being re-commissioned	N	Good	None	Arrears		N
Integrated Community Equipment Services	NRS	5 years (2 year extension)		Y	Good	Yes (Service Credits)	Arrears		Y
Falls Prevention (Review and Development)	Not yet commissioned?	2 years							

Page 131

Existing Pooled Budget/Co-commissioning arrangements (if any)

- A section 75 agreement is in place with NHS England covering the commissioning of HIV treatment and care services which are provided through the Council's contract for the provision of integrated sexual health services in the county. The value of this is £1,267,617.
- A social impact bond is currently being delivered by the LCC commissioned Housing Related Support provider delivering the floating support contract in Lincolnshire. This is fully funded by DCLG and payment is linked to outcomes achieved for entrenched rough sleepers within the service (estimated total value is £1.3m). The Council's housing related support contract has been varied to accommodate this service.
- LCC currently commission mental health crisis housing as part of the housing related support contracts. These contracts are fully funded by West Lincolnshire CCG and the money is transferred across to LCC at a value of £491,368.
- A Section 75 agreement is in place for the delivery of the Integrated Community Equipment Service, the NHS in Lincolnshire contributes £3,132,000 (54%) towards the overall budget for the ICES contract of £5,800,000.

Property Implications (if any)

None identified

Commercial opportunities (if any)

All procurement and contract management for this commissioning strategy is now undertaken by Commercial Services – People Services, in common with all strategies led by Adult Care and Community Wellbeing. This approach makes sure that we continually explore all commercial options and opportunities within these services.

Commissioners Comments

Completed by: David Stacey

Status (RAG)

*Supporting comment if
Red or Amber*

Green



Wellbeing

The purpose of this strategy is to improve the health and wellbeing of people in Lincolnshire. We think this can be best achieved when people are supported to be independent, make healthier choices and live healthier lives.

[Show performance](#)

People are supported to live healthier lifestyles

Percentage of alcohol users that left drug treatment successfully

36.1

%

Improving but not achieved



Peoples' health and wellbeing is improved

Health and Social Care staff trained in Making Every Contact Count (MECC)

1,258

Staff trained

Achieved



Health and social care staff have the skills and knowledge to support people take responsibility for their own health and wellbeing

People aged 40 to 74 offered and received an NHS health check

127,298

Health checks received

Achieved



Chlamydia diagnoses

2,232

Per 100,000 15-24 year olds

Achieved



Older people are able to live life to the full and feel part of their communities

Older People supported by the Wellbeing Service to maintain their independence

90.0

% of people

Achieved



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APPENDIX D

Commercialisation Strategy

Contents

1 Background

- 1.1 Overview
- 1.2 Strategic Drivers
- 1.3 Vision
- 1.4 Scope of Commercialisation

2 Delivery of Commercialisation

- 2.1 Ongoing Commercial activity
- 2.2 Project-based Commercial activity
- 2.3 Links to other Council strategies and policies
- 2.4 Creating the right Environment
- 2.5 Governance
- 2.6 Benefits

Appendix A Examples of Commercialisation

1 Background

1.1 Overview

1.11 This document outlines the Council's approach to commercialisation.

1.12 "Commercialisation" is an increasingly important concept in local government driven by the hope that a more commercial approach will help manage the acute financial difficulties being experienced by many local authorities and help them manage to achieve key service objectives.

1.13 There is no single approach to commercialisation. It is for each Council to identify what commercialisation means to it and how to pursue it. That will be dependent on a number of local factors including political buy-in, the financial climate, capacity, opportunity, skills and capability and attitude to and appetite for risk.

1.14 There have been some excellent examples within the Council of cost saving initiatives being successfully carried out, such as re-commissioning services, re-letting contracts, re-negotiating arrangements, and reviewing specifications. Further, demonstration of efficient and effective operational activity has been recognised across the Council and this recognition has resulted in additional funding. Whilst good progress has been made, there is also recognition that these measures alone will not be enough to meet the significant future funding pressures.

1.15 The Council's Commercialisation Strategy aims to take a broad view of commercialisation, to include all aspects of service reviews and redesign including the potential for digitalisation (the use of digital technologies to change a business model to deliver savings and/or increased value), the commissioning cycle, shared services, new opportunities for revenue generation to include investment opportunities and the selling of services, and pricing.

1.2 Strategic Drivers

1.21 Our starting point is always to remember that we are a local authority. We have statutory obligations that we must fulfil including to support and safeguard our most vulnerable residents. In terms of powers we can do anything that an individual can do but we exercise those powers always to benefit our area and the people who live and work in it and those who visit it. This is why we (members and officers) came into public service to deliver outstanding customer service. It is our core function and our key strategic driver. All commercial opportunities should be considered in this light. It is for this reason that in the absence of any particular benefit to the people of Lincolnshire we are unlikely to invest in opportunities out of Greater Lincolnshire. This is the first principle of commercialisation, that there is a public service ethic at the heart of everything we do.

1.22 The more money we have the more we can do with it and risk is necessary to release the benefits of commercialisation. However, we are not the private sector. Our customers sometimes have no choice other than to use our services. We are managing public money that has been entrusted to us and we must do so wisely. We are often no more than custodians of the assets we own. These factors limit the level of risk we can take in the pursuit of income. This is the second principle of commercialisation, whilst willing to take risk, we will manage that risk so as not to jeopardise the services and opportunities we offer to Lincolnshire citizens. Risk management will be proportionate to the magnitude of the risk and the adverse impact should it materialise.

1.23 Important drivers for commercialisation are;

- To improve the service offer to new and existing customers within Greater Lincolnshire;
- To deliver a financial return to enable investment in sustainable services/outcomes;
- Actively to engage in market development, market shaping to improve services and increase capacity;
- Enhance the Council's reputation which will itself tend to attract additional funding;

- Improve the skill set of staff and managers so as to get the best out of dealings with our partners;
- Market intervention where the current market is unaffordable or putting Council service at risk;
- Attract alternative investment/funding models to support service delivery;
- Invest and use the Council's financial base/infrastructure to deliver a financial return.

1.3 Vision

1.31 *To become an innovative and resourceful council that continuously drives positive annual contributions by generating extra revenue and delivering cost reductions through commercial activity thereby supporting the continued delivery of front line services.*

1.32 There will increasingly be a culture of services actively looking for additional commercial opportunities as part of the development of their Commissioning Strategies which will continue to review alternative ways of delivering services to achieve the best outcomes. At the same time the service offer and outcomes will be maintained or where possible improved.

1.33 Our staff will have a reputation for being aware, willing, flexible and able.

1.34 We will have an understanding of our abilities, knowing what we can deliver and what we cannot, supported with a clear understanding of where it is desirable to be able to increase our capabilities and where we do not wish to. We will have an understanding of our portfolio of external service offerings, investments and joint ventures which will be set out in a register. Over time we will understand not only which ones offer a greater financial return than others, but also what the public service return is and how we continue to manage risk effectively.

1.4 Scope of commercialisation

1.41 Our approach is to see commercialisation as a range of possible approaches and activities arranged on a continuum depending on the degree of risk attached as follows;

- Adopting a commercial mindset and displaying commercial skills, business acumen and discipline
- Being productive in everything we do for ourselves including a digital by design approach where possible ;
- Increased focus on how we buy goods and services including procurement, contract management, shared service arrangements;
- Maximising the return on our assets;
- Covering our costs through charging;
- Trading our services;
- Investing.

1.42 Examples of these approaches are set out in the attached Appendix A. There are many other examples that could be given and many other commercial opportunities waiting to be fulfilled which have to be prioritised. The examples provided demonstrate a reasonably mature approach to commercialisation within the Council which at the lower end of the continuum, adopting a commercial mindset, being efficient and effective and increased focus on buying goods and services, is also sufficiently aligned to the work being done on the Commissioning Strategies and Plans so as to be seen as business as usual. These activities for ease of reference are referred to as "Ongoing Commercial Activity".

1.43 It is those other approaches later on the continuum exploiting our assets; covering our costs through charging; trading our services and investing which are less well understood and arguably offer the greatest risk and reward. These activities for ease of reference are referred to as "Project Based Commercial Activity".

1.44 It is for the Project Based Commercial Activity along with digitalisation that a Commercial Strategy has the most to offer by;

- ensuring a corporate approach to delivering public service and managing risk;
- enabling the Council to prioritise commercial activity and focus its resources on the areas with greatest benefit;
- enabling a consistent approach to be taken learning from the experiences elsewhere in the Council.

2 Delivery of commercialisation

2.1 Ongoing commercial activity

2.11 The expectation is that the services will continue to work on Ongoing Commercial Activity as part of the continuous improvement obligations that we are all familiar with. Recent activity to strengthen the Council's approach to commissioning and the introduction of the Commissioning Board will support this. We will investigate ways of disseminating good practice and lessons learnt across the Council and will seek to remove barriers to progress - see Creating the Right Environment below.

2.2 Ongoing commercial activity

2.21 In terms of the Project Based Commercial Activity the initial approach under this Strategy is to first identify and then focus on delivering a small number of key opportunities to ensure organisational learning is built up, processes are refined, projects can be properly resourced and to maximize the prospects of successful delivery. These projects will recognise that the Council is risk aware not risk averse and is prepared to invest now for a return in the future.

2.22 The Project Based Commercial Activity will be built on robust business cases which set out:

- The Project
- Aims and Objectives
- Measures of Success
- Project Sponsor
- Project Manager
- Relevant Commissioning Strategy
- The Target Market
- Delivery Costs and Cash Flow Considerations
- Pricing Strategy
- Competitors
- Regulatory Environment
- Project risks
- Tax considerations
- Delivery Vehicle
- Time Line
- Project Resourcing

2.23 We will develop a programme of Project Based Commercial Activity work by prioritising activity from the possible projects within the Council. The Corporate Management Board will determine the priority Project Based Commercial Activity which will proceed to a Business Case in discussion with the Commissioning and Commercial Board. The Council's existing project categorisation tool has been amended to assist with that exercise see Table 1. It will be developed over time as we use it.

Table 1 Project Scoring Tool

	Score: 1	Score: 2	Score: 3	Score: 4
Contribution to Council Business Plan (CBP) objectives and outcomes/Strategic Risk management	No link to our CBP/Strategic Risk	Contributing to other work linked to our CBP/Strategic Risks	Direct contribution to a single objective or outcome in our CBP/single Strategic Risk	Direct contribution to more than one objective or outcome in our CBP/Strategic Risk
Whole life total project cost including internal and/or external professional support	< £2.5million	£1 million-£2.5 million	£250k - £1 million	£1- £250k
Timescale for delivery	> 18 months	12 - 18 months	6 - 12 months	< 6 months
Expected life of the outcome/asset/income generation	0-2.5 years	2.5-5 years	5-10 years	>10 years
Return on Investment (pay-back period)	>10 years	5-10 years	2.5-5 years	0-2.5 years
Transformative impact on the Council and or its partners e.g. health	None or minimal change	A change affecting a single unit or team	A change affecting all teams within a single directorate	Significant change with a high impact on staff across LCC
Track record/experience	We have not done anything like this before	We have done similar before, but not the same	We have done this before once or twice	We have done this before many times
Risk	High Risk across more than one risk area – e.g. technical, legal, financial,	Medium risk across one or more risk areas	High risk in relation to one risk area	Low risk across all risk areas
Our capacity and capability	No existing capacity and capability	Limited capacity and capability which will need to be supplemented by significant expensive external resource	Limited capacity and capability that can relatively easily be supplemented by acceptable levels of external resource	Capacity and capability fully available in-house
Total Score:				

2.3 Links to other Council strategies and policies

2.31 The Strategy aligns with and complements other key documents that contribute towards the overall success of the Council. In particular, this strategy has been aligned to:

- Commissioning Strategies
- Medium term financial plan
- LCC strategic risk register
- Focus on areas of existing Council business and high cost, e.g. waste and Adult Care

2.4 Creating the right environment

2.41 It is essential that the right culture and environment is created within the Council to encourage innovation and resourcefulness. This will involve the following activities:

- Undertaking a skills audit;
- Develop a register of existing activity and identify centres of knowledge and learning;
- Design a commercial network to draw in and develop new ideas;
- Produce a framework for development of new propositions;
- Capturing and disseminating lessons learned;
- Adopting a project management approach for the implementation of the Project Based Commercial Activity.

2.5 Governance

2.51 Existing governance arrangements will be used so that early review and feedback will be received from CMB and the Commissioning and Commercial Board prior to the Council's formal decision making being invoked.

2.6 Benefits

2.61 Taking the approach outlined within this strategy is believed to be the most appropriate for Council as it offers a number of key benefits, including:

- Providing a real opportunity to make a contribution to the Medium Term Financial Strategy;
- Improving and sustaining the public service offer in Greater Lincolnshire;
- Staff development – new skills will be acquired;
- Helping to transform the organisation into a more innovative and resourceful workplace;
- Bringing benefits to the local economy.

APPENDIX A

Approach	Examples
Commercial mindset	<ul style="list-style-type: none"> • Movement from grant-based approaches to a service contract-based approaches • Greater appreciation of commercial terms and how they can be used to drive value for money and contract and performance management • Commercial awareness is a core competency within the Council's Competency Framework • Effective negotiating skills resulting in additional BCF funding being made available to the Council • The Council being chosen as a pilot authority for example to test the impact of the Care Act attracting additional funding
Efficient and effective in LCC activity	<ul style="list-style-type: none"> • Using all of the Energy from Waste capacity rather than landfill • Reductions in assets to match reduced workforce e.g. MFDs • Improved commissioning e.g. libraries where much of the operating model is delivered by the community • Introduction of Commissioning and Commercial Board
Improved buying	<ul style="list-style-type: none"> • Smarter contracts with more robust performance management frameworks tied to outcomes and price-performance mechanisms • More robust contract management to realise the benefits driven out by competition and contract conditions • Increased competition • Procurement network • Competence in more complex procurement methodologies
Exploiting assets	<ul style="list-style-type: none"> • Charge Serco for using the Council's network • Allow partners to use Council recruitment channels
Charging	<ul style="list-style-type: none"> • Take a consistent approach to charging for services including the treatment of overhead • Charging for the use of Council procurement frameworks • Charging for use of Council assets for advertising e.g. web, vehicles, buildings
Trading	<ul style="list-style-type: none"> • Transport through the Teckal • Legal Services • Procurement Lincolnshire • Secure Accommodation
Investing	<ul style="list-style-type: none"> • Invest in infrastructure and find a market for the heat produced by Energy from Waste • Invest in Adult Care property to maintain capacity and leverage in the market • Invest in Proving Limited for financial return / Development opportunities

Key: Achieved

Mixed approach/work in progress

Yet to be achieved

Open Report on behalf of Richard Wills, Executive Director of Environment and Economy

Report to:	Overview and Scrutiny Management Board
Date:	28 June 2018
Subject:	Access to the Public Sector Network

Summary:

This report invites the Overview and Scrutiny Management Board to consider a report on the Access to the Public Sector Network which is being presented to the Executive on 3 July 2018. The views of the Board will be reported to the Executive as part of its 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 as set out in the report.
- 2) agree any additional comments to be passed to the Executive in relation to this item.

1. Background

The Executive is due to consider a report on the Access to the Public Sector Network at its meeting on 3 July 2018. The full report to the Executive is attached at Appendix 1 to this report.

2. Conclusion

Following consideration of the attached report, 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?

See body of report.

b) Risks and Impact Analysis

See body of report.

4. Appendices

These are listed below and attached at the back of the report	
Annex 1	Report on Access to the Public Sector Network to be presented to the Executive at its meeting on 3 July 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, Chief Digital Officer, who can be contacted on 01522 553651 or john.wickens@lincolnshire.gov.uk.

Open Report on behalf of Richard Wills, Executive Director for Environment and Economy (responsible for IT)

Report to:	Executive
Date:	03 July 2018
Subject:	Access to the Public Sector Network
Decision Reference:	I015986
Key decision?	No

Summary:

This Report sets out the options for securing continued access to the Public Sector Network and seeks approval to secure such access through an extension to the existing contractual arrangements procured and delivered through the East Midland Public Sector Network companies as explained in the Report.

Recommendation(s):

That the Executive:

(1) approve the Council continuing to secure access to the Public Sector Network through a continuation of the existing arrangements delivered by KCom secured by an extension of the existing Infrastructure Agreement between KCom and EMPSN Infrastructure Limited to 31 October 2022.

(2) delegate to the Executive Director of Environment and Economy, in consultation with the Executive Councillor for Highways Transport and IT, the taking of all steps and the approval of all documentation necessary on the part of the Council to give effect to the above decision.

Alternatives Considered:

Not to extend the existing arrangements. This would require a complex procurement process to secure alternative means of access to the Public Sector Network making significant demand on the Council's resources.

Reasons for Recommendation:

The existing arrangements provide good performance and value for money and constitute a stable element of the Council's overall IT arrangements. Those arrangements, including the proposed extension to 31 October 2022, were procured through a compliant EU procurement process and therefore the

proposed extension can lawfully be pursued without a further procurement. Any alternative means of access to the Public Sector Network would require a procurement process that would be complex and require significant Council resources to achieve. The Council's available IMT, Commercial and procurement resources are required to pursue other workstreams within the area of IMT that are more pressing than the Public Sector Network given that it is performing well. The risk of failure of those other workstreams would increase if a major network procurement was undertaken at the same time. In addition, the landscape of future public sector network provision is changing especially in the area of health and social care.

The proposed extension to existing arrangements will allow the Council to take advantage of the stability of existing arrangements whilst alternative developments both in terms of the Council's own IT and those being pursued by other public sector entities to be implemented and mature prior to decisions being taken by the Council as to its long terms requirements for network services.

1. Background

The Public Sector Network

1. The Public Sector Network (PSN) is a network that connects public organisations to each other, enabling various services to be provided through the network, while maintaining end to end quality, security and integrity. The PSN is separated from the Internet and therefore offers additional security and resilience beyond that of the Internet, e.g. it is less vulnerable to cyberattacks which can be used shut down Internet services and websites.
2. LCC currently accesses the PSN through regional arrangements that operate under the name of East Midlands Public Sector Network (EMPSN). The Council principally uses the EMPSN network to connect its physical sites across the county. The network connects all of the Councils sites, including schools, and provides a trusted connection to Central Government. The Council operates many corporate services through this network such as email, document/file transmission etc, and so continued provision of the network is essential.
3. The numbers of connections are significant which means moving to an alternative provider could be a significant undertaking – figures below:
 - 18 x 1Gbps Exchanges in Lincolnshire
 - 27 x 100Mbps Satellite Exchanges in Lincolnshire
 - 20 + 2 Backhauls Glaisdale & Node 4 1Gbps Links to reach national services
 - 22 x 100Mbps Links
 - 594 x connections at various speeds of which;
 - 245 are Corporate

- 349 are Education

Current Arrangements – Company Structures

4. The Council receives its PSN services through arrangements entered into with two Teckal companies, EMPSN Services Ltd and EMPSN Infrastructure Ltd. Both companies were formed by Local Authority members and are Companies limited by guarantee. The Council is a member of both companies. EMPSN Services Ltd in paragraph is not central to the decision described in this Report so is not described in detail here.
5. EMPSN Infrastructure Ltd on the other hand was incorporated in February 2012 to hold the EMPSN regional infrastructure assets and enter into the contracts designed to secure the delivery of a Public Sector Network using those assets as described in this Report.
6. EMPSN Infrastructure Ltd is limited by guarantee with the liability of each member for payment of debts of the company limited to £1 in the event of the Company being wound up. The company was formed by Derbyshire County Council, Leicester City Council, Leicestershire County Council, Northamptonshire County Council and Lincolnshire County Council. In 2016 Northamptonshire County Council resigned as an owner of the Company; the Company is now owned by the remaining 4 Local Authorities. The minimum number of members of the company is one.
7. Each member is entitled to appoint a director. The Council's director is John Wickens, Chief Digital Officer. The decision-making of the company is split between matters that can be decided by the Board and decisions that are reserved to the members in general meeting. Any matter of the company which exclusively affects any single member's ability to attain or fulfil its public interest objectives in full at all times requires the consent in writing of that member.
8. The EMPSN Infrastructure Ltd latest accounts, to 31 March 2017, filed at Companies House, show a turnover in excess of £159k with a profit (after taxation) of £82k. The balance sheet shows retained earnings of £179k as at 31 March 2017. The company does not employ any staff.

Current Arrangements – Contractual Structure

9. EMPSN Infrastructure Limited contracts with KCom under what is called the Infrastructure Agreement (IA). Under the IA KCom have agreed to:-
 - supply and build the EMPSN network
 - operate, maintain, manage and develop the EMPSN network
 - enter into Member Services Contracts with any of the local authority members of EMPSN Infrastructure Limited who wish to do so for the delivery of services in connection with the EMPSN network;
 - act as a wholesaler to permit connection to the EMPSN Network to other retail service providers including Virgin Media
 - enter into a Framework Agreement with EMPSN Services Limited to enable end users such as schools to purchase certain services from KCom.

10. The Infrastructure Agreement commenced on 1 November 2012 and expires on 31 October 2019 (the Initial Term). The Initial Term can be extended by EMPSN Infrastructure Limited at any time prior to the expiry of the Initial Term by giving not less than 20 Business Days prior written notice to KCom to expire no later than the expiry of the Initial Term. The Initial Term can be extended by such period as is mentioned in the notice subject to a maximum extension period of 3 years.
11. LCC is a Contracting Member of EMPSN Infrastructure Limited which means that, in addition to the IA between EMPSN Infrastructure Limited and KCom, LCC has a direct contract with KCom (the Member Services Contract) for the provision of network connectivity, access services, application services and integration services all as described in a KCom Service Catalogue. LCC pays for those services in accordance with a Price Book maintained under the IA.
12. EMPSN Infrastructure Limited manages the Member Services Contract as agent for LCC and is a party to the Member Services Contract for that purpose.
13. LCC is the only member of EMPSN Infrastructure Limited that has a direct contract with KCom in this way. The term of the Member Services Contract is the same as the IA and is automatically extended if the IA is extended.
14. Generally a member can leave EMPSN Infrastructure Limited on giving 6 months' notice to expire on 31 March. However, as a Contracting Member LCC must remain a member of the company for as long as its Member Services Contract remains in force – i.e. until 31 October 2019 if the IA is not extended – 31 October 2022 if it is. The minimum membership of EMPSN Infrastructure Limited is one member so if other members left the company LCC would have to remain the sole owner of EMPSN Infrastructure Limited until the expiry of the term of its Member Services Contract.
15. The decision whether or not to extend the IA contract with KCom is a decision for the company and not the Council. It is not explicitly identified as a reserved matter. It is therefore a decision for the Board of Directors of the Infrastructure company. This Report seeks approval from the Council that it wishes to secure access to the Public Sector Network through the existing arrangements. If that is what the Executive decide steps will be taken to secure the extension of the contract through the company.

Analysis

- 16 As set out above, unless steps are taken to extend existing arrangements the Council would need to take alternative steps to ensure its access to the Public Sector Network. This would, due to the values involved, require a procurement process to be undertaken. This would be a particularly complex process as it was when the existing Agreement was entered into in 2012. In particular specialist legal input was required to ensure that the resulting contract took due account of all communications regulatory requirements and dealt with the risks associated with the transfer of equipment.

- 17 This is at a time when there are significant demands on the Council's IMT, commercial and procurement resource in terms of:-
- maintaining and improving performance and resilience of the Council's IT platform and services;
 - delivering project work including transformational projects related to areas such as the web and channel shift;
 - exploring options for the future delivery of corporate support services beyond the initial term of the Serco contract including the future of ABWON as the Council's ERP system and the future delivery of IMT to the Council;
 - supporting delivery of the chosen options.
- 18 Each of these demands in itself is inherently risky due to their technical and commercial complexity and carries significant risk to the Council if not carried out successfully. It is the judgment of officers that a Public Sector Network procurement is not within the capacity of the available resource and that to place further demand on the available resource would lead to an unacceptable risk of unsuccessful delivery across these initiatives including in relation to the Public Sector Network.
- 19 In addition to this there is a high degree of uncertainty in terms of the future direction of IMT for the Council. Part of this concerns the Council's own position. In particular the future of the IMT services currently delivered by Serco has not yet been decided.
- 20 In addition there are developments in relation to the wider public sector IMT environment that have not yet been finalised. In particular, the Council will have to transition from the old N3 NHS network to the new Health & Social Care Network (HSCN) as part of a drive to co-ordinate the delivery of health & social care services. Potential options for achieving this would include the Health Service Community of Interest Network recently procured in Lincolnshire. However that needs time to be implemented and mature which may by the expiration of the EMPSN extension offer a strategically advantageous network service to the Council.
- 21 In addition, in the medium term many central Government applications and systems will remain on the PSN network. The Council's preferred model is to secure access to these services, and the Internet, via the same service provider to ensure best value for the broad range of services that the Council requires, e.g. Web hosting, email services, office collaboration, HR systems, and other generic "cloud" services, whilst not becoming reliant on Internet connectivity with its inherent risks and poor fix times. EMPSN would be one option to deliver this strategy cost effectively and without transition activities required of a new provider.
- 22 There are also potential future developments in relation to the EMPSN model where the companies are in discussion with potential partners to increase the scope of educational services it can provide. If the Council were to extend the

agreement it would help ensure the stability of schools connectivity and service is maintained, whilst EMPSN seek to develop those relationships.

- 23 In these circumstances it is considered that the best option for the Council would be to extend the existing arrangements as long as they deliver value for money, perform well and do not in themselves present greater risk than a procurement. The rest of this section seeks to give assurance on these points.

Performance

- 24 It is the view of the Chief Digital Officer that the current arrangement demonstrates efficiency, good value, good performance, and there are no current performance reasons to consider moving away from the current arrangement. Indeed the current arrangements for the EMPSN represent a stable element of the Council's overall IMT arrangements the maintenance of which will allow the Council to focus its attentions on other areas requiring improvement or which are going through significant change.

Value for Money

- 25 The procurement of access to the Public Sector Network through the EMPSN arrangement in 2012 delivered significant savings to both Lincolnshire County Council and schools through a consolidated broadband offer enabling greater purchasing power to be achieved. The indicative costings (corporate and schools) included in the Executive decision report of 1 November 2011 were as follows:-

Indicative Annual Connectivity Costs	Current costs £m	EMPSN £m
Corporate	1.30	0.80
Schools	3.26	1.17
Total	4.56	1.97

- 26 The present annual expenditure is circa £1.9m

Sites	2015/16 (cost for year)	2017/18 (cost for year)
Corporate Sites	£322,809	£322,393
Education Sites	£733,699	£520,414
Exchange	£1,127,471	£1,082,881
TOTAL	£2,183,979	£1,925,688

It should be noted that refresh costs are payable over and above these annual costs and are projected to be c £374k in 2018/19 as the passage of time starts to take equipment end of life. These charges are due to the Council's decision not to cover its infrastructure need via a service charge

but rather to capitalise them. This is being reconsidered separately to the basic issue of renewal.

- 27 With support from Schools Forum, a central budget was earmarked within the Dedicated Schools Grant to fund the aggregation of schools broadband services. This central budget supported the broadband costs of all Lincolnshire schools, which achieved significant economies of scale, and provided a resilient, secure and quality broadband service for all schools in delivering the schools educational goals. The centralised contract was considered to be the fairest approach for all schools since it allows schools not to be financially disadvantaged purely by their location, which is particularly important in rural Lincolnshire where broadband costs vary between schools.
- 28 EMPSN currently provide an effective brokerage function (for example, managing the various suppliers across the infrastructure and service companies) using 5 staff to service all member and customer organisations. If the Council does not extend the agreement it would have additional in-house staffing requirements in order to deliver the brokerage function itself at requiring approx. 3 FTE. The Council would also have additional client-side contract management responsibilities required to manage a direct contract relationship with a new provider (these services are not in the Serco contract). It seems unlikely that this additional cost could be offset by better pricing achieved through market testing, in addition the council would expect to incur a significant cost of transition.
- 29 There are limited providers (BT and KCOM) in the market within the Lincolnshire geography and therefore comparison with other areas where the market has more providers is challenging. Comparisons with Lincolnshire County Council's CIPFA Nearest Neighbours is problematic as other Councils do not have their PSN provided in the same way which makes direct comparison difficult if not impossible in some cases. Overall, however, it is considered that the above evidence supports a conclusion that the current arrangements do represent value for money and are competitive with any other similar arrangement that might replace them especially when the costs of change are factored in.

Risks and Issues

Reducing company membership

- 30 As indicated above, the membership of EMPSN Infrastructure Limited currently consists of Derbyshire County Council, Leicester City Council, Leicestershire County Council and Lincolnshire County Council. Also as indicated above, these other Councils do not acquire network services directly from KCom under the EMPSN Infrastructure Agreement. They do not therefore have the same drivers to remain members of the company as the Council does.

- 31 Depending on how many other member authorities remain in the company, the Council could become the sole owner. This requires the Council to consider the commercial risks of sole ownership.
- 32 As a member of both EMPSN Services Limited and EMPSN Infrastructure Limited the Council's liability on a dissolution of either company is limited to the amount of its guarantee (£1.00).
- 33 EMPSN Services Limited employs the EMPSN staff. Although the Services company is not central to the ongoing provision of the Public Sector Network, the Services company is to some extent dependent on the existing KCom arrangements for some of the services it offers to bodies such as schools. If the existing KCom arrangements do not continue this will have some impact on the Services company.
- 34 The Services company is an Admitted Body with the Northamptonshire Fund of the Local Government Pension Scheme (LGPS). Where an Admitted Body ceases to have that status the Admitted Body may become liable to make an exit payment actuarially assessed to cover any shortfall in the funding of the benefits attributable to the Admitted Body's membership of the scheme. Those returns fluctuate as does the potential amount of any exit payment. Payment of the exit payment does not impact on the staff who would still be entitled to receive their pension. If the services company did not have the resources to fund any shortfall it would fall on the Northamptonshire LGPS Fund.
- 35 EMPSN Infrastructure Limited itself employs no staff and carries no risk of pension liability. However, on termination of the Infrastructure Agreement it will remain owner of the infrastructure equipment and will bear the risk of decommissioning it or transitioning it to another arrangement. This is recognised and the company accounts include a reserve of (currently) £220,000 to meet the costs of this liability although it cannot be said at this stage whether it will be sufficient to cover the full cost. This reserve is kept under review and the company takes steps to vary the infrastructure to reflect the scale of demand. Some £246,000 was spent in 2016/17 on this kind of decommissioning which serves to manage the risk at the end of the contract.
- 36 It is not considered that the risks such as they are attaching to sole ownership of the companies or either of them are sufficient to outweigh the advantages of extending the current arrangements.

Schools

- 37 As indicated, Lincolnshire schools have been included within the main EMPSN Services contract with KCom, and are currently funded centrally via the Dedicated Schools Budget. This has significant advantages in aggregating demand and smoothing the impacts of rurality on prices if schools were left to procure alone.
- 38 The greatest risk to schools would therefore arise out of the Council not remaining with the current arrangements since the cost impacts on schools of purchasing access to the PSN individually would be considerable. As a

minimum, schools would require a period to prepare for and adjust to that change.

- 39 However, due to changes towards a National Funding Formula for schools the government is seeking to remove the freedom the Council currently enjoys (subject to Schools Forum support) to centrally retain funding for such aggregated purchasing. It is known that the DfE have agreed to the Council maintaining the current arrangement until 31 October 2019 to reflect the initial period of the EMPSN arrangement. The DfE have been approached for their agreement to those arrangements remaining in place until the end of the maximum extension of the EMPSN arrangements – i.e until 31 October 2022. If that agreement is not given the Council would be committed to making payment for the aggregated demand unless and until schools were transitioned to their own arrangements. The funding of that commitment would need to be considered but options include use of the Dedicated Schools Grant reserve subject to support from the Schools Forum or schools moving to a direct relationship with EMPSN Services Limited in a way which can manage the cost to schools as they transition to new arrangements.
- 40 In fact the inclusion of schools within the Council's aggregated demand is in the interests of the Council as if schools left emPSN in large quantities the Lincolnshire contract value would fall which would limit wider market interest if the Council were to need to procure an alternative supplier in future - extending with emPSN therefore covers the risk if the schools did move away in large numbers.

Operational Factors

- 41 For operational certainty EMPSN are pressing for a decision imminently. EMPSN are keen for an agreement to extend the contract to 2022, allowing new 3 year site connectivity contracts to be provided. Giving certainty now allows emPSN to make good investment decisions in order to remove obsolete equipment from the network.

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

There are not considered to be any equalities implications of the decision which relates solely to the mechanism by which the Council secures access to the Public Sector Network.

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 but there are not considered to be any direct implications arising out of this decision.

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 matters referred to in section 17 have been considered but there are not considered to be any implications arising out of this decision.

3. Conclusion

The existing arrangements for accessing the Public Sector Network through the EMPSN regional arrangements are considered to work well and to represent value for money for both the Council and schools. In these circumstances the continuation of those arrangements through the existing contract right to extend will secure an element of the Council's IT infrastructure which is stable and reliable while other issues concerning existing performance and future development of those services are addressed. An extension of 3 years also allows the Council to assess future options for securing network services especially in the areas of health and social care.

4. Legal Comments:

The Council has the power to extend the existing arrangements as proposed. The legal issues arising out of the decision are addressed in the Report.

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

5. Resource Comments:

The recommendation in the report to approve the Council continuing to secure access to the EMPSN to 31 October 2022 will ensure the continuation of existing services with no disruption to service users. The existing contract secured significant savings for the Council and schools through a consolidated broadband offer, and is seen to be offering good value for money through its resilient, secure and quality service performance. The centralised contract was also considered to be the fairest approach for all schools since it allows schools not to be financially disadvantaged purely by their location, which is particularly important in rural Lincolnshire where broadband costs vary between schools.

A financial risk is present in terms of the central broadband budget held within the Dedicated Schools Grant. The government's school funding reforms to move to the National Funding Formula is removing the flexibility on Local Authorities in retaining central funds for schools. The government is allowing Local Authorities to retain historical funding commitments (through contracts) for pre 2013/14 decisions up to their end point, which the DfE have agreed to the Council maintaining the current arrangement until 31 October 2019 to reflect the initial period of the EMPSN arrangement. The DfE have been approached by the Council for their agreement to those arrangements remaining in place until the end of the maximum extension of the EMPSN arrangements i.e. until 31 October 2022.

If that agreement is not given the Council would be committed to putting alternative arrangements in place to meet this financial commitment, such as the use of the Dedicated Schools Grant reserves subject to support from the Schools Forum or schools moving to a direct relationship with EMPSN Services Limited in a way which can manage the cost to schools as they transition to new arrangements. The latter will need to be carefully managed as this will be a new cost for schools to manage (if the DfE's decision is to remove the central budget) and charges will need to be at an individual school level.

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 on 28 June 2018 and the comments of the Committee will be reported to the Executive.

d) Have Risks and Impact Analysis been carried out?

Yes

e) Risks and Impact Analysis

See the body of the Report

7. Background Papers

Document title	Where the document can be viewed
Executive Report "Lincolnshire Public Sector Network" dated 1 November 2011	http://lincolnshire.moderngov.co.uk/CeListDocuments.aspx?Committeeld=121&MeetingId=1844&DF=01%2f11%2f2011&Ver=2

This report was written by John Wickens, Chief Digital Officer, who can be contacted on 01522 553651 or john.wickens@lincolnshire.gov.uk.

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

Report to:	Overview and Scrutiny Management Board
Date:	28 June 2018
Subject:	Review of Financial Performance 2017/18

Summary:

This report invites the Overview and Scrutiny Management Board to consider a report on the Review of Financial Performance 2017/18 which is being presented to the Executive on 3 July 2018. The views of the Board will be reported to the Executive as part of its consideration of this item.

It describes the Council's financial performance for 2017/18 and makes proposals for the carry forward of over and under spendings into the current financial year.

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.

1. Background

The Executive is due to consider a report on the Review of Financial Performance 2017/18 at its meeting on 3 July 2018.

The Executive report attached at Appendix 1 sets out the Council's financial performance in 2017/18. It identifies and explains variances from the revenue and capital budget, and makes proposals for use of the carry forward of under and over spendings into the current financial year.

TABLE 1 below summarises how the Executive plan to use the Council's underspend from 2017/18 – full details explaining this are set out in the Executive report (para 1.099 to 1.109).

TABLE 1 – Proposed Use of 2017/18 Carry Forwards and Reserves

	<u>£'000</u>
<u>Total Council Underspend for 2017/18 (Excluding Schools)</u>	27,669
<small>(This figure excludes the £17.058m Schools underspend for 2017/18)</small>	
The following amounts are allocated from the underspend in line with the Council's Financial Strategy	
Up to 1% carry forward of Commissioning Strategy underspends (details set out at Appendix D):	-3,576
Legal Shared Services and Procurement Lincolnshire to carry forward all of their surplus.	-787
	<u>23,306</u>
The following reserves are used to fund year end under/overspend in revenue budgets (in line with the Council's Financial Strategy):	
Insurance Reserve (surplus in revenue - add to reserve)	-230
Schools Sickness Insurance Reserve (deficit in revenue - drawdown from reserve)	584
Business As Usual Reserves (Fixed Penalty Notices, Flood and Water Risk Management)	-157
	<u>23,503</u>
Amount available after Financial Strategy allocations:	
	<u>23,503</u>
The following allocations are for consideration for the remaining underspend:	
Proposal to create new reserve:	
Highways Permitting Reserve	-477
Purchase of Employee Leave Scheme	-127
Specific Schools capital projects (S77 of the Schools Standards and Framework Act 1998)	-584
The Following are bids for funding in excess of 1% c/f	
Other Service Bids (Adverse Weather Reserve, Insurance Fund, Corporate Support Services Contract, New Heritage Services Fututure Operating model)	-3,650
Balance remaining after all proposals:	<u><u>18,665</u></u>

2. Conclusion

Following consideration of the attached report, 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 at its meeting on 3 July 2018.

3. Consultation

a) Have Risks and Impact Analysis been carried out?

No

b) Risks and Impact Analysis

N/A

4. Appendices

These are listed below and attached at the back of the report	
Appendix 1	Report on Review of Financial Performance 2017/18 to be presented to the Executive at its meeting on 3 July 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 David Forbes, who can be contacted on 01522 553642 or david.forbes@lincolnshire.gov.uk.

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

Report to:	Executive
Date:	03 July 2018
Subject:	Review of Financial Performance 2017/18
Decision Reference:	I015182
Key decision?	Yes

Summary:

This report:

- describes the Council's financial performance in 2017/18;
- identifies and explains variances from the Council's revenue and capital budgets;
- reports the use made of flexible capital receipts to fund revenue expenditure on transformation during 2017/18;
- makes proposals on the carry forward of over and under spendings into the current financial year; and
- reports Prudential and Financial Performance Indicators for 2017/18.

Recommendation(s):

That the Executive:

- (1) Notes the carry forwards set out in paragraphs 1.100 to 1.102 and paragraph 1.105 of the report, which are made in line with the Council's Financial Regulations;
- (2) Recommends to full Council that the proposals in paragraphs 1.103, 1.104 and 1.107 of the report relating to the treatment of underspends in excess of 1.0% be approved;
- (3) Notes the transfers to and from reserves carried out in 2017/18 as set out in Table E; and
- (4) Notes financial performance in 2017/18 including Flexible Use of Capital Receipts and the Prudential Indicators.

Alternatives Considered:

1. This report describes the actual position for the 2017/18 financial year and is factual in content and follows current Council policy. No alternatives are being considered in relation to this aspect.

In relation to the treatment of overspends and underspends above 1.0% as set out in paragraphs 1.103, 1.104 and 1.107, there are a number of different ways these could be used. The proposed is a mix of funding service expenditure and transfers to reserves. This is considered to be the most prudent and appropriate approach for the Council in the current financial climate.

Reasons for Recommendation:

Financial governance requires that the Executive reviews the financial performance of each year. This report facilitates this.

The treatment of underspends and overspends are considered appropriate and prudent for managing the financial challenges facing the Council.

1. Background

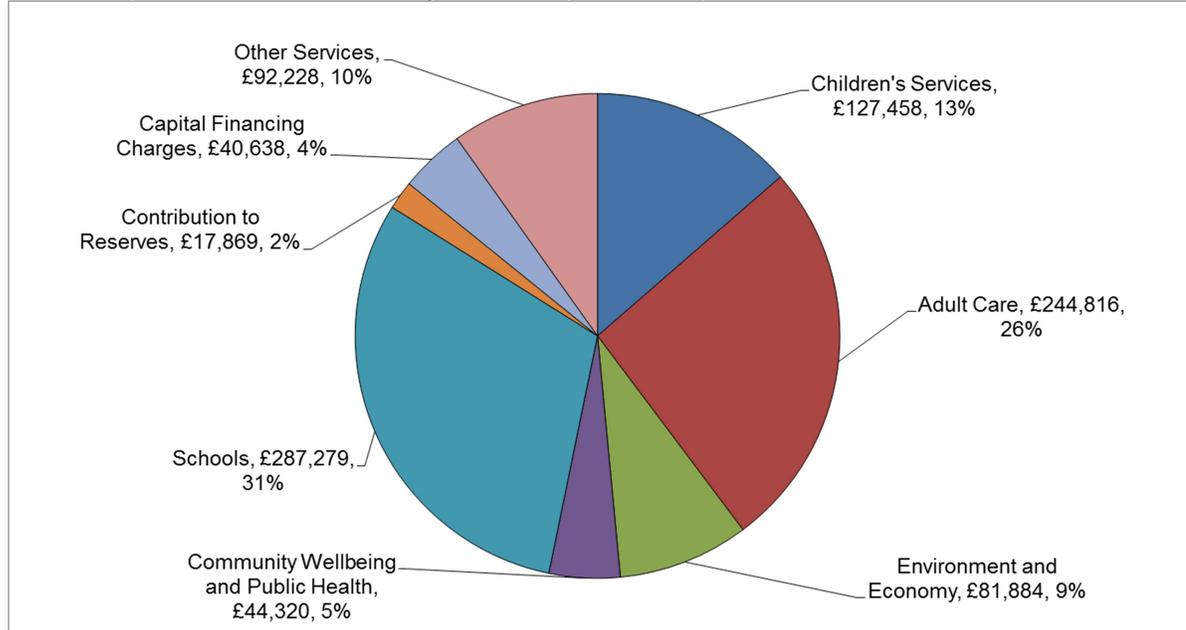
1.1 The County Council sets its spending plans for 2017-18 against a backdrop of continued significant reductions in government funding, growing cost pressures from demand led services such as adult and children's social care and waste disposal. In developing its financial plan the Council considered all areas of current spending to identify cost pressures which must be funded and savings which could be made, through efficiencies and by reducing the level of service provided. The budget proposals also included an increase in Council Tax levels of 3.95% (1.95% general increase, plus 2.00% for Adult Social Care Services) and one off use of reserves.

Annual Revenue Spending

1.2 The Council spent £936.491m in 2017-18 on providing public services – £1,260 for every person in Lincolnshire.

1.3 The Council's annual spending on providing public services are set out in the charts below and show how this was used both by type of service provided and by type of expenditure.

Gross Expenditure Service Analysis £'000 (£936,491k)



Children's Services Includes: Readiness for School, Learn and Achieve, Children are Safe & Healthy and Readiness for Adult Life.

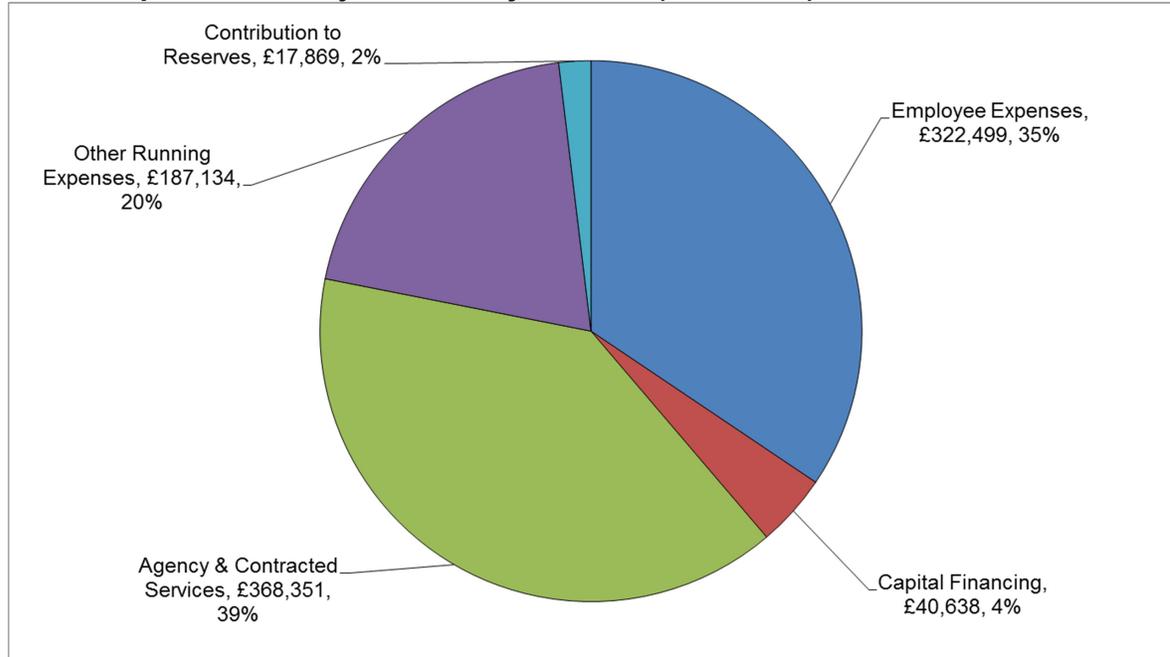
Adult Care Includes: Adult Safeguarding, Adult Frailty, Long Term Conditions and Physical Disability, Carers and Adult Specialities.

Community Wellbeing and Public Health Includes: Community Resilience & Assets and Wellbeing.

Environment and Economy Includes: Sustaining & Developing Prosperity Through Infrastructure, Protecting & Sustaining the Environment and Sustaining & Growing Business & the Economy.

Other Services Includes: Protecting the Public, How We Do Our Business and Enablers & Support to Council Outcomes, Contingency Budgets.

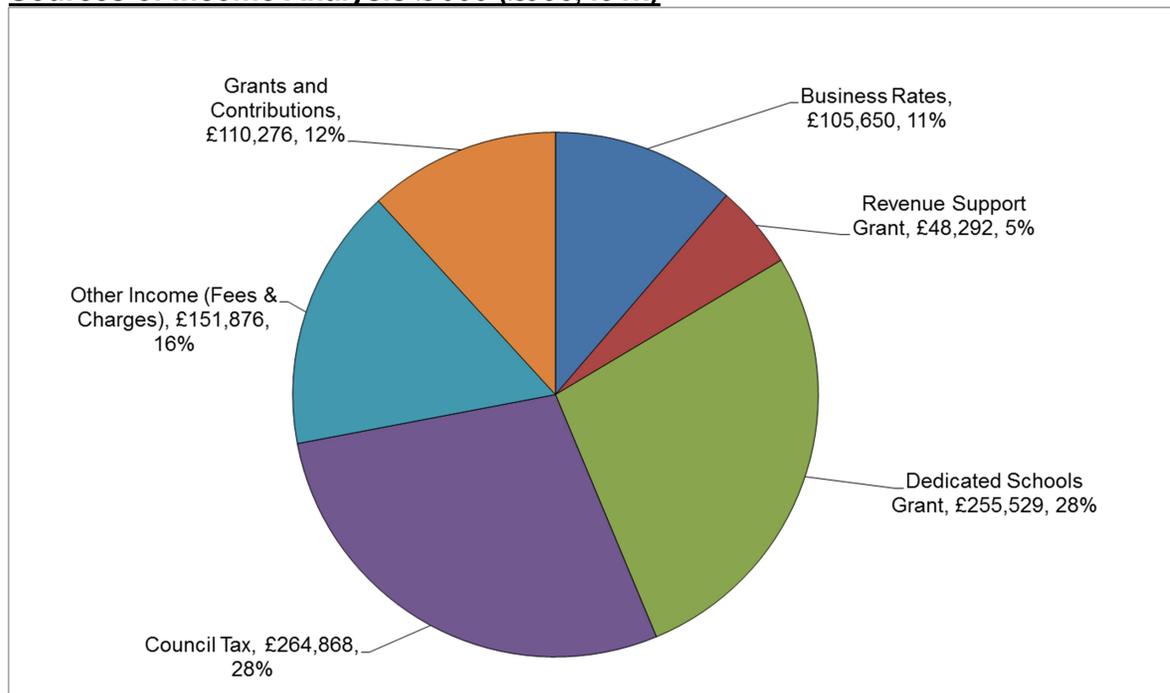
Gross Expenditure Subjective Analysis £'000 (£936,491k)



The distribution of expenditure type differs significantly between different services. For example employee expenses comprises 57.4% of budgeted expenditure in schools, for other (non-schools) budgets it is only 25.0% of expenditure and contract payments comprises 51.1% of total expenditure. These differences reflect how Council services are provided.

The Council's revenue spending was funded by:

Sources of Income Analysis £'000 (£936,491k)



1.4 In 2017-18 the Council increased Council Tax by 3.95% and also saw growth of 1.44% on the number of band D equivalent properties in Lincolnshire. This in total generated an additional income for the Council of £13.520m. The Council Tax collection funds in Lincolnshire also generated a surplus in 2017-18 of a further £3.156m to the County Council.

1.5 Business Rates generated £105.650m. This is made up of a number of elements, £18.940m collected from businesses in Lincolnshire, £85.264m received as a top up from central government and an estimated £1.446m from the County Council pooling with six of the Lincolnshire District Councils.

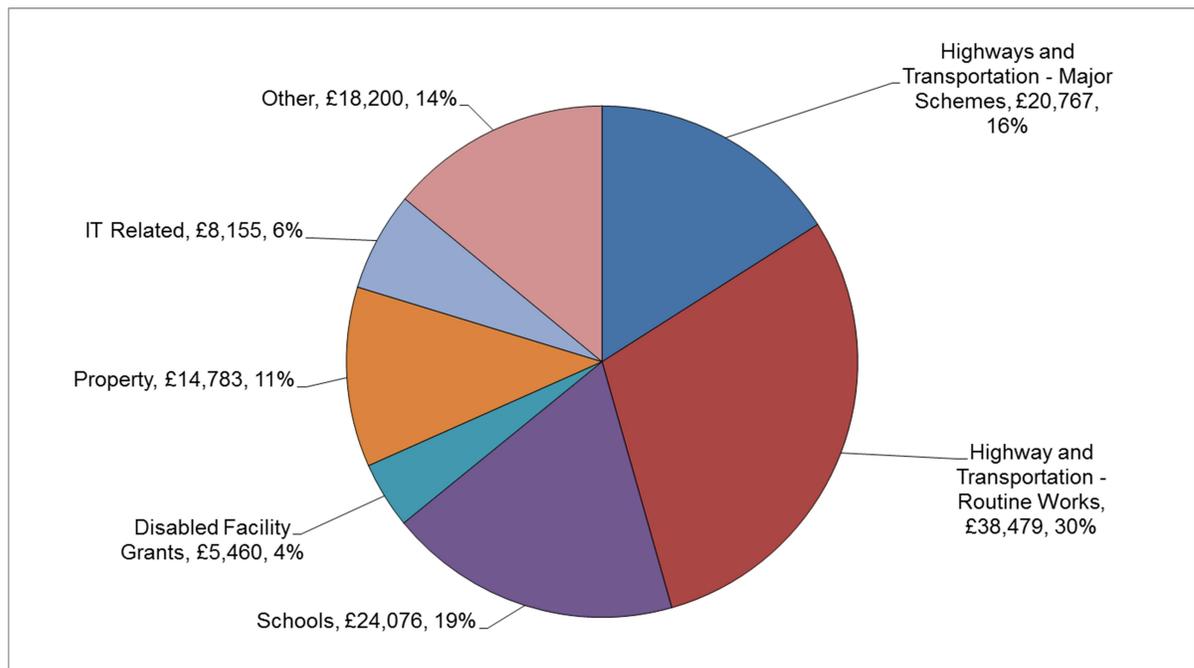
1.6 Funding from Revenue Support Grant (RSG) in 2017-18 has provided the County Council with £48.292m. The value of this grant continues to fall. On a like for like basis this has decreased by £22.059m or 31.4% from the grant received in 2016-17

1.7 In addition to RSG the Council also receives specific government grants. The most significant of these was £255.529m of Dedicated Schools Grant which is used for funding education in Lincolnshire and £33.524m for Public Health Grant.

Capital spending and funding

1.8 The Council spent £129.920m on the County’s assets, in particular on roads and schools. The net capital spend was £53.087m which was £26.751m or 33.5% less than planned. The following chart sets out the spending on major investment projects by service area:

Gross Expenditure on Major Investment Projects £'000k (£129,920k)



Other includes: Adults Care, Fire and Rescue and Protecting & Sustaining the Environment, Street Lighting Transformation.

1.9 In 2017-18 expenditure was incurred on the following schemes:

- Maintenance of roads, bridges, safety fencing, street lighting, signs and lines, and traffic signals.
- Integrated Transport Schemes across the Council including: minor capital improvements, rights of way, road safety, public transport and town/village enhancements.
- Construction of two new road schemes, one in Lincoln and the other in Grantham.
- The continuation of the programme to integrate new technology into Street Lighting.
- Construction of a joint property for all blue light services in Lincoln.
- Programme of modernisation to meet the statutory responsibility for provision of educational places and a programme to improve the condition of school buildings.

1.10 The Council has received grants from central government and other bodies (£111.984m) to fund: maintenance work on roads, the Council's programme of modernisation and improvement of condition of school buildings and provision of education places. £14.602m of funding for the capital programme came from temporary internal and external borrowing and £3.334m from revenue funding and use of earmarked reserves.

1.11 The Council sets itself a limit on its total borrowing to ensure that it remains prudent and affordable. The Council's target is to ensure that annual minimum revenue provision (MRP) plus interest are no more than 10.0% of the Council's annual income. The figure for 2017/18 was 5.26%. MRP is the amount required to be set aside as a provision for debt repayment, and in accordance with Regulation, this amount should be prudent to ensure debt is repaid over a period reasonably commensurate with the period over which the capital expenditure funded by borrowing provides benefits. The Council's current policy is to apply the average life method to calculate the MRP and use the MRP in full to repay debt annually.

The Council's financial standing

Key Financial Performance Measures: Financial Health and Performance

1.12 The County Council has identified a number of key indicators to monitor its Financial Health and Performance. The Council's actual performance against these key indicators for 2017/18 is shown in **TABLE A**.

TABLE A – Key Financial Performance Measures: Financial Health and Performance

Key Financial Performance Measures: Financial Health & Performance				
REF	PERFORMANCE INDICATOR	MEDIUM TERM TARGET	2017/18 Estimate	2017/18 Actual
1	Council tax compared with other counties	In lowest quartile of all English county councils (out of 27 county councils)	Yes	Yes 23rd out of 27
2	Government grants	Lobby for annual increases in general government grants to be above the county average	Yes	Yes
3	Capital receipts	At least £8.0m per annum from 2017/18	£8.000m	£4.030m
4	Minimum Revenue Provision and Interest	MRP and Interest repayments not to exceed 10% of net income	5.75%	5.26%
5	Accounting	Unqualified external audit opinion	Yes	Not yet Available
6	General Reserves	Maintained within the range of 2.5% to 3.5% of the annual budget requirement net of Dedicated Schools Grant	Within range 3.5%	Within range 3.5%
7	Internal control	None of the processes audited receive a low assurance" opinion from internal audit	Yes	No *
8	Expenditure - prompt payment	At least 90% of undisputed invoices paid within 30 days	90.00%	89.60%
9	Treasury management	Risk adjusted return comparison	Weighted Benchmark	0.54%

* Payroll did not meet this criteria for 2017/18

Revenue Budget Outturn

1.13 The revenue budget outturn for 2017/18 is summarised below:

- Total service revenue spending, excluding schools, was under spent by £6.599m or 1.7%.
- There was an underspend of £20.721m on other budgets or 30.3%.
- The Council received £0.349m or 0.1% more general funding income than originally budgeted for.

1.14 This gives the Council (excluding schools) an overall underspend of £27.669m.

1.15 In addition, there was a £17.058m underspend relating to Schools. This amount will be carried forward for schools to use in 2018/19.

1.16 The revenue outturn position for 2017/18 is shown in **TABLE B** (over page).

TABLE B – Revenue Budget Final Outturn 2017/18

	Revised Net Revenue Budget	Expenditure	Under or Over Spending	Percentage Under or Over Spending
	£'000	£'000	£'000	%
COMMISSIONING STRATEGIES				
Readiness for School	4,888	4,734	(154)	-3.2%
Learn & Achieve	33,359	32,902	(457)	-1.4%
Readiness for Adult Life	5,980	5,591	(390)	-6.5%
Children are Safe and Healthy	61,836	61,889	53	0.1%
Adult Safeguarding	3,656	4,092	436	11.9%
Adult Frailty, Long Term Conditions and Physical Disabilities	113,160	111,561	(1,599)	-1.4%
Carers	2,327	2,003	(324)	-13.9%
Adult Specialities	62,463	62,443	(20)	0.0%
Wellbeing	26,838	26,862	24	0.1%
Community Resilience & Assets	10,456	10,189	(267)	-2.6%
Sustaining & Developing Prosperity Through Infrastructure	38,992	38,994	2	0.0%
Protecting & Sustaining the Environment	23,266	22,357	(908)	-3.9%
Sustaining & Growing Business & the Economy	862	697	(165)	-19.1%
Protecting The Public	23,399	23,768	369	1.6%
How We Do Our Business	8,990	8,162	(828)	-9.2%
Enablers & Support To Council's Outcomes	36,189	33,822	(2,367)	-6.5%
Public Health Grant Income	(33,524)	(33,524)	0	0.0%
Better Care Funding	(34,497)	(34,501)	(4)	0.0%
TOTAL COMMISSIONING STRATEGIES	388,638	382,039	(6,599)	-1.7%
OTHER BUDGETS				
Capital Financing Charges	47,100	39,001	(8,100)	-17.2%
Contingency	2,645	0	(2,645)	-100.0%
Other Budgets	18,746	8,770	(9,976)	-53.2%
TOTAL OTHER BUDGETS	68,491	47,770	(20,721)	-30.3%
SCHOOL BUDGETS				
Schools (DSB)	241,521	226,723	(14,798)	-6.1%
Schools Related Expenditure (DSB)	26,985	24,300	(2,686)	-10.0%
Dedicated Schools Grant	(255,371)	(255,529)	(158)	0.1%
Schools Budgets (Other Funding)	(3,472)	(2,889)	583	-16.8%
TOTAL SCHOOL BUDGETS	9,663	(7,395)	(17,058)	-176.5%
TOTAL EXPENDITURE	466,792	422,414	(44,378)	-9.5%
INCOME				
Revenue Support Grant	(48,292)	(48,292)	0	0.0%
Business Rates	(106,961)	(108,424)	(1,463)	1.4%
Council Tax	(264,868)	(264,868)	0	0.0%
Other Non Specific Grants	(19,814)	(18,700)	1,114	-5.6%
TOTAL INCOME	(439,935)	(440,284)	(349)	0.1%
USE OF BALANCES				
Use of Balances - Earmarked Reserves	(26,757)	(26,757)	0	0.0%
Use of Balances - General Reserves	(100)	(100)	0	0.0%
TOTAL USE OF RESERVES	(26,857)	(26,857)	0	0.0%
TOTAL	0	(44,727)	(44,727)	

Children's Services – (£0.948m under budget).

1.17 Over the four commissioning strategies, Children's Services underspent by £0.948m (0.89%).

Readiness for School commissioning strategy under spent by £0.154m (or 3.2%).

1.18 This underspend relates to general underspends taking place in the running of children centres across the county and their commissioned activities (£0.075m). Further underspends have arisen from supporting out of school childcare placements as part of a holistic family support plan and other early years support activities (£0.079m).

Learn and Achieve commissioning strategy under spent £0.457m (or 1.4%).

1.19 The main area of underspend relates to Home to School / College Transport delivery. The majority of this underspend relates to the lower number of planned transport days in 2017/18 (187), and the impact of three snow days within the County which led to partial and full school closures. The cost base will increase in 2018/19 with the number of transport days rising to 191 days.

Readiness for Adult Life commissioning strategy under spent by £0.390m (or 6.5%).

1.20 The main area of variance relates to the Lincolnshire Secure Unit (£0.307m) where additional income has been received in 2017-2018 some of which related to March 2017.

Children are Safe and Healthy commissioning strategy over spent by £0.053m (0.1%).

1.21 The main area of variance relates to the overspend on Out County Placements (£1.829m) which is due to the complex needs of the young people whose needs cannot be met in-house. For those young people requiring out of county residential placements, the market place is becoming more limited and providers are charging higher rates due to the complex behaviour of the young people. The Directorate Management Team agreed to use one off underspendings to help offset this pressure such as the 2016/17 1% carry forward £0.642m, the release of one-off funding from the Legal Shared Service (£0.345m) and the budget for the Beacon development (£0.719m) that is transitioning from 7 to 11 beds following a capital development. The budget pressures identified through the 2018/19 budget setting process have realigned the budget requirements in children's social care to ensure they represent current demand levels. Other areas of variance relate to the reallocation of various central staffing resources to other funding streams, such as Partners in Practice.

Adult Care and Community Wellbeing – (£1.483m under budget).

1.22 The Adult Care & Community Wellbeing (AC&CW) final outturn for 2017/18 is £206.960m, an under-spend of £1.483m (0.71%) against a budget of £208.443m.

1.23 The increasing strategic importance of the Better Care Fund (BCF) has meant that the impact to AC&CW now has to be reflected in service budgets, with a detailed exercise undertaken over the summer and autumn months to incorporate all schemes funded via the BCF into the AC&CW budget from 2017/18 onwards.

1.24 The BCF has a growing influence on how AC&CW pressures are funded in the Council with it being the only means in which the vast majority of pressures identified below will be funded over the next two years.

Adult Safeguarding commissioning strategy over spent by £0.436m (11.9%).

1.25 The final outturn for Safeguarding Adults was £4.092m, an overspend of £0.436m on a budget of £3.656m.

1.26 The service continues to see significant pressures due to the 2013 Cheshire West ruling regarding Deprivation of Liberty Safeguards (DOLs).

1.27 Whilst considerable work has been done to reduce the backlog this financial year, assessment activity in this area continues to increase, with an additional 800 assessments being received in the year than was originally budgeted for. However despite this, the backlog of assessments and reviews carried forward from last year have been reduced by over 50% in the year. Whilst the overspend was due to this additional workload in the year, the reduction in the backlog has ensured that the Council's statutory obligations around DOLs have been met.

Adult Frailty, Long Term Conditions and Physical Disability commissioning strategy under spent by £1.599m (1.4%).

1.28 The final outturn for Adult Frailty and Long Term Conditions underspend was £1.599m for 2017/18.

1.29 The Older Persons and Physical Disabilities element of the Adult Frailty and Long Term Conditions strategy was £102.686m, an under-spend of £0.285m on a budget of £102.971m which included £15m of Better Care funding that this year was included within the budget.

1.30 The homecare service provision has increased in 2017/18 particularly in Physical Disabilities. The growth in Direct Payment service user numbers has continued in 2017/18, this has increased from 1406 services users at beginning of 2017/18 for OP/PD to 1815 at the end of 2017/18.

1.31 The number of new service users placed in long term residential and nursing care was 1101 in 2017/18 a similar number to 2016/17 of 1109.

1.32 The service has seen £1.5m increase in income with £37.292m in 2017/18 compared to last year £35.739m. £0.700m additional income was from Direct Payment Audit, the other £0.800m was for debtor income for service users where property is included in the assessment.

1.33 Budgets related to Infrastructure costs for senior management and back office staff were also underspent as a result of vacancies in Performance, Operations and Quality Assurance teams.

1.34 There was also a transfer of £0.180m to Infrastructure from Business Support in the last year that related to CSC staff costs that have now been transferred to Serco. This was not spent and so included within the total underspent. This amount has been included within some of the savings for 18/19 budget so will not be a carried forward budget.

Carers commissioning strategy under spent by £0.324m (13.9%).

1.35 The service ended 2017/18 with an under-spend of £0.324m against a budget of £2.327m.

1.36 Carer's activity continues to be below historic levels due to changes in the eligibility criteria set out in the Care Act 2014, however following the implementation of the new carers contract the strategy saw an increased uptake of personal budgets over the financial year.

Adult Specialities commissioning strategy under spent by £0.020m (0%).

1.37 Services for Learning Disabilities are administered via a Section 75 agreement between the Council and NHS Clinical Commissioning Groups (CCGs) in Lincolnshire in addition to a small in-house element that sits outside the Section 75 agreement.

1.38 The Mental Health services are run on behalf of the Council by the Lincolnshire Partnership Foundation Trust, also by way of a Section 75 agreement.

1.39 Specialist Adult Services finished 2017/18 with a small underspend of £0.020m against a budget of £62.463m.

1.40 Within the Learning Disability service there has been an increase in the number of complex cases entering the service for both Supported Living and Residential placements. Supported Living costs have also been affected by increases in the cost of waking night services following guidance from Her Majesty's Revenue and Customs (HMRC) that employees should be paid the national living wage (NLW) for sleep in shifts, however this has been covered by additional funding from the Better Care Fund (BCF). The number of new Direct Payment Agreements has also increased this year primarily as a result of an increase in the number of school leavers that have come through in the year following changes to level of educational support that service user are entitled to.

1.41 Whilst growth within these areas was built into this year's budget, these additional costly packages have meant that there has been some additional pressure within 2017/18.

1.42 Income continues to increase especially with respect to direct payment refunds and increases in residential service contributions. There were also a

number of one off receipts from other local authorities that related to old disputed debts that were settled this financial year. The element of Health Care costs have also increased this year which has meant that the LCC have invoiced the CCGs for a further £0.500m on top of the £11.4m already invoiced through the S75 agreement.

1.43 Whilst the Mental Health services are reporting a balanced budget this year the Service have had to increase the budget in year by £0.405m. This was to ensure that the provider of the service, LPFT, were able to meet all obligations around demographic growth and inflationary increases. A considerable amount of partnership work has been done this year between LCC and LPFT to ensure that any higher than average cost placements were challenged and endorsed before they were agreed.

Wellbeing was over spent by £0.024m (or 0.1%).

1.44 The Community Wellbeing strategy consists of a number of services including Health Improvement and Wellbeing, Prevention and self-management, Housing Related Support Services for vulnerable adults, prevention and treatment for substance misuse and Sexual Health.

1.45 A number of these services are delivered as part of the Council's statutory obligation to improve the public health of local populations as per the conditions of the Public Health Grant.

1.46 The service ended 2017/18 with a small overspend of £0.024m against a budget of £26.838m.

1.47 The outturn was produced via a combination of overspends within the wellbeing services including Integrated Community Equipment Service (£0.392m) and issues related to the implementation of the new Telecare service (£0.210m). These were then mostly offset by a number underspends within Smoking Cessation contracts (£0.608m) and Sexual Health Prescribing contracts (£0.243m) both underspends were due to reductions in activity within both areas.

1.48 There were also a number of staff vacancies across the service; however posts have started to be filled and will continue to do so in the new financial year.

Better Care Fund

1.49 The Lincolnshire Better Care Fund (BCF) is a framework agreement between the Council and the Lincolnshire Clinical Commissioning Groups (CCGs) and looks to pool funds from these organisations to help support the national and local objective of closer integration between the Council and the CCGs.

1.50 The total pooled amount in 2017/18 was £221.857m which included £54.817m that was allocated to the Lincolnshire BCF from the Department of Health and Social Care. The pool total has increased to £230.391m in 2018/19

1.51 Lincolnshire's fund is one of the largest in the country and includes pooled budgets for Learning Disabilities, Children and Adolescence Mental Health Services (CAMHS) and Community Equipment plus 'aligned' Mental Health funds from the County Council and the four CCGs.

1.52 In addition to the continuation of existing pooled funds, there are a number of other funding streams. These increases result from:

- Inflationary increases in CCG funding, and as a result in the CCG funding for the Protection of Adult Care Services
- The addition of the iBCF funding that was announced in the Chancellor's November 2015 budget totalling £2.105m in 2017/18, increasing to £14.249m in 2018/19
- The announcement of iBCF Supplementary funding in the Chancellor's March 2017 budget. This provides an additional £15.265m in 2017/18, this fund will reduce to £9.609m in 2018/19

1.53 Overall BCF funding from central government is expected to increase by £6.772m in 2018/19.

1.54 There is a requirement to ensure that the funding has a positive impact on performance in the areas of Delayed Transfers of Care, Non-Elective Admissions, Residential Admissions and positive outcomes following Reablement, and these have been reflected in our plans.

Community Resilience and Assets was under spent by £0.267m (or 2.6%).

1.55 The Customer Service Centre underspend (£0.158m) reflects call volume levels. Whilst this budget has underspent the current expectations of volume levels coupled with contractual inflationary increases, are likely to result in a cost pressure during 2018/19.

1.56 There was an underspend within the Library service primarily relating to an additional £0.055m of income from the previous financial year for historic monies owed for the prison library service.

Environment and Economy (£1.071m under budget).

Sustaining and Developing Prosperity Through Infrastructure – commissioning strategy over spent by £0.002m (or 0.0%).

1.57 Whilst this commissioning strategy spent on target there were some key variances which include:

- Winter Maintenance – Due to the severe weather conditions during the year the Service completed 125 gritting runs which is more than is provided for in this budget, causing an overspend of £1.511m . To offset this £0.500m of

the Adverse Weather reserve has been utilised leaving an overspend of £1.011m on this budget.

- The remaining Highways revenue budgets were fully utilised. A surplus was generated on the new Permitting Scheme (£0.477m). Fees for permitting will be reviewed to ensure they meet the cost neutral stance required, to enable this, the Service are requesting this surplus be added to an earmarked reserve, so fees can be balanced over a three year period.
- Transportation has an underspend of £0.810m. This is relating to additional income from traffic regulation orders (£0.348m), savings on concessionary fares (£0.191m), staffing vacancies and other small variances within the Transportation team (£0.270m).
- The Heritage service has an overspend of £0.301m as net expenditure has fallen from £2.3m in 2016/17 to £1.586m in the current year and income rose by over £0.4m. There have continued to be a small (and reducing) number of one off legacy costs to bring Lincoln Castle's servicing and maintenance in line with policy and provide longer term efficiencies as the Heritage Service continues to implement disciplined and detailed financial and accounting processes.

Protecting and Sustaining the Environment – commissioning strategy under spent by £0.908m (or 3.9%).

1.58 Within this strategy, the key variance relates to waste management. Although pressures associated with the higher tonnages processed through the Energy from Waste plant remain, there are savings on reduced costs from mixed dry recycling and a reduced tonnage for composting and other areas of recycling, which reflects the volatility of the waste industry.

1.59 There is an underspend on Flood Risk Management (£0.137m) which is committed to flood schemes and will be added to reserves for this purpose.

Sustaining and Growing Business and the Economy – commissioning strategy under spent by £0.165m (or 19.1%).

1.60 The underspend within this strategy relates to additional income from business units and the receipt of additional income received for the GLLEP accountable body function from work in prior financial years.

Finance and Public Protection (£2.826m under budget)

Protecting the Public – commissioning strategy over spent by £0.369m (or 1.6%).

1.61 The Fire & Rescue Service have an overspend of £0.319m. This is mainly in relation to increasing costs of employers pension contributions following changing pension legislation and auto enrolment of Retained Duty System Firefighters. This issue was identified earlier in the year, and has been included as a funded cost

pressure within the approved budget for 2018/19. There has also been additional costs due to an increase in call outs the Service has responded to .

How We Do Our Business – commissioning strategy under spent by £0.828m (or 9.2%).

1.62 The Financial Strategy budgets underspent by £0.266m (or 6.5%). The majority of this related to an underspending on the SERCO contract budgets of £0.238k. This is due to lower volumes of transactions for on the social care finance elements of the contract, where the original budget was based on implementation of the Care Act. Base budgets for 2018/19 have been adjusted to reflect these reduced volumes.

1.63 There were a number of smaller underspends, including over achievement of income, when compared to budgets, for the schools finance service (£0.052m).

1.64 This budget also includes a receipt of a surplus from the ESPO joint procurement arrangements (£0.283m)

1.65 There are a number of small underspends in Corporate Standards (£0.098m) and Democratic Services (£0.079m) . The cost of the May 2017 local elections also has an underspend (£0.071m).

Enablers and Support to Council Outcomes – commissioning strategy under spent by £2.367m (or 6.5%).

1.66 Property Strategy has an overspend £0.229m which is mainly in relation to the property maintenance scheme in place for schools, this has been offset by additional County Farms rental income (£0.096m).

1.67 Strategic Communications has a small underspend (£0.034m) due to staffing vacancies throughout the year.

1.68 Legal Services have achieved an additional traded surplus of £0.682m. The Legal Management Board will take a decision in June as to the treatment of the surplus but in recent years it has been redistributed in full to partner authorities in proportion to their use of the service.

1.69 IMT Strategy has an underspend of £0.515m. Key variations include, an underspend relating to the Serco contract (£0.530m), an underspend due to the Microsoft Enterprise Agreement rollout (£0.600m) partly offset by additional costs incurred on essential project work and feasibility studies (£0.417m).

1.70 People Strategy & Support underspent by £0.654m (16.88%). This includes £0.127m of income received as a result of the purchase of employee leave. It is requested that these funds be transferred to a reserve to enable the future funding of an online benefits portal and to replenish the stock of Long Service Awards folders. Other areas of variance include a reduction in activity led budgets (£0.308m), savings on the graduate programme (£0.043m) and the reallocation of staff spending to alternative funding streams e.g. Partners in Practice.

1.71 Commissioning has underspent by £0.714m, this is made up of £0.395m Serco abatement contract performance penalties, plus an underspend on staffing costs due to vacancies of £0.215m.

1.72 The further £0.104m relates to Procurement which is required to be added to reserves as this fund is a shared resource alongside our partner bodies.

Schools – (£17.058m under budget)

1.73 Under government regulations, schools carry forward automatically their under and overspendings to the next financial year. Budgets held centrally within the ring-fenced 2017-18 Dedicated Schools Grant (DSG) were once again set prudently due to the demand led and volatile nature of the services demands. In line with the DfE regulations any under or overspends will automatically be carried forward to the next financial year and the Local Authority will consult the Schools Forum on their use.

Other Budgets – (£20.721m under budget)

Capital Financing Charges – under spent by £8.100m (or 17.2%)

1.74 The Council's capital financing charges were £8.100m under budget. Slippage of the capital programme during 2017/18 reduced the need to borrow to £14.600m, from £36.500m, all of which was financed using the Council's internal balances instead of borrowing externally. As a result, minimum revenue provision (the amount set aside to repay debt), interest payable on external borrowing and Revenue set aside to finance capital was all lower than budgeted for by £8.100m.

Contingency – under spent by £2.645m (or 100.0%).

1.75 The Council has a contingency budget set aside for emerging pressures which may arise during the financial year. At the year-end £2.645m remained, and was not required in 2017/18.

Other Budgets – under spent by £9.976m (or 53.2%)

1.76 Other Budgets were under budget by £9.976m. This comprises a number of under and over spends, the most significant being:

- The budget for the expected increase for National Living Wage at £8.740m is held centrally within Other Budgets. This under spend is primarily due to the national living wage growth in Adult Care being funded by the new BCF monies in 2017/18. Beyond 2017/18 it is anticipated that the national living wage costs in Adult Care will continue to be funded from BCF income;

- Pension Secondary Payment to the Pension Fund was reduced by £3.016m following advice from the actuary, Hymans Robertson, upon receipt of additional schools pensionable payroll information;
- Corporate and Service Redundancy is underspend by £1.778m. The Corporate Redundancy budget funds the costs associated with the staffing restructuring changes that had been approved through the 2017/18 Council's Budget. These planned changes support the Council to bring down expenditure in line with its current levels of planned income;
- The Council's insurance budget shows a surplus of £0.230m. The insurance fund provides a level of protection for risks that are retained in house and for those risks which are not insured elsewhere or are yet unknown. The surplus has arisen as a result of a number of factors. With better risk management, claim numbers have reduced in some areas and where settlements have taken place these have been managed to achieve savings. Where claim numbers and costs reduce it has been possible to achieve low claim rebates on external premiums. The improved recovery process for internal excesses has also contributed to the surplus. A further factor is the introduction of a more streamlined methodology of calculation the charges internally. The balance in the reserve is currently £4.487m.
- A dividend of £0.483m was received from Eastern Shires Purchasing Organisation (ESPO) in total, of which £0.143m was allocated in Other Budgets. The council is a member of the ESPO joint committee and as such is entitled to receive a share of the dividend generated by the organisation;
- The Council had planned to use £8.000m of flexible capital receipts in 2017/18 to fund transformation projects which will generate ongoing revenue savings to the authority. However, the Council generated £3.970m less receipts than expected. This is mainly due to the challenges faced when marketing the properties. Included in the capital receipt total is £0.584m relating to specific Schools capital projects in accordance with the Section 77 of the Schools Standards and Framework Act 1998. It is therefore requested that £0.584m go to an earmarked reserve for this purpose. This will fulfil the requirement to re-invest capital receipts relating to sale of playing fields as part of the consent given by the Department of Education. A shortfall in the capital receipts target needs to be funded from the revenue budget under current legislation regarding the flexible use of capital receipts.

Council's General Funding – £0.349m more than the income budget (or 0.1%)

1.77 The Council's general funding is currently forecast to be £0.349m more than the revenue budget approved at full Council in February 2017. The most significant reasons for this forecast reduction in funding are as follows:-

- Business Rates-Pooling with Districts - £1.323m (more than was budgeted for). This relates to income from the Council's participation in a Business Rates Pool with six of the Lincolnshire District Council's for 2017/18. The Council's original budget did not include this income due to previous years volatility from business rate appeals.
- Business Rates Top Up – £0.140m (more than was budgeted for). We have received additional funds from the 2016/17 Business Rates Tax Loss reconciliation as well as receiving notification of some additional income from an adjustment in Business Rates Tariff and Top-up calculation. This income has been accrued in 2017/18 as it will be received during 2018/19.
- Partners in Practice - £1.319m (less than budgeted for). This S31 grant is intended to support projects relating to innovation and reform in Children's Social Care. The full allocation for 2017/18 was planned to be £2.678m. Due to various extenuating circumstances outside of the Council's control contributing to lower spending levels, and the nature of the innovative project where spending will accelerate in the later years, the awarding body decided to hold back the payment for March 2018. The Council has objected to this decision and is currently liaising with the DfE to come to an acceptable conclusion.
- Special Educational Needs and Disabilities (SEND) - £0.084m (more than budgeted for). During 2017/18 the Council has been awarded additional Grant funding for SEND Reforms and Preparation for Employment that was not budgeted for.
- Education Services Grant - £0.075m (more than budgeted for). This Grant is to support local authorities to fund their schools' services. The amount allocated is adjusted throughout the financial year as schools convert to Academies. The Council has received more income during the year than what was included in the original budget.

Capital Programme Outturn

1.78 The capital outturn for 2017/18 is summarised below:

- Net capital expenditure was £53.087m; and
- This was £26.751m or 33.5% less than planned.

1.79 The capital budget outturn is shown in **TABLE C**. This shows the year end position of each project, scheme or programme against the budget funded by the Council.

1.80 The reasons for significant capital budget over or underspendings are explained in the following paragraphs.

TABLE C – Net Capital Programme Outturn 2017/18

Capital Programme	Net Expenditure			
	Revised budget	Actuals	Variance	Variance
	£'000	£'000	£'000	%
Early Years Sufficiency / Extended Provision	1,730	1,594	(136)	-7.9%
Other Readiness for School	15	15	0	0.0%
Readiness for School	1,745	1,609	(136)	-7.8%
Devolved Capital	1,205	1,205	0	0.0%
Provision of School Places (Basic Need)	13,846	13,846	0	0.0%
School Modernisation / Condition Capital	8,246	8,246	0	0.0%
Other Learn & Achieve	1,383	415	(968)	-70.0%
Learn & Achieve	24,680	23,712	(968)	-3.9%
Other Readiness for Adult Life	3	1	(2)	-100.0%
Readiness for Adult Life	3	1	(2)	-100.0%
Other Children are Safe & Healthy	735	605	(130)	-17.7%
Children are Safe & Healthy	735	605	(130)	-17.7%
Childrens Services - Commissioning	27,163	25,927	(1,236)	-4.6%
Adult Care	615	615	0	0.0%
Better Care Fund - Disabled Facility Grants	169	169	0	0.0%
Adult Frailty & Long Term Conditions	784	784	0	0.0%
Public Health	183	183	0	0.0%
Wellbeing	183	183	0	0.0%
Adult Care & Community Wellbeing	967	967	0	0
Libraries	403	104	(299)	-74.2%
Community Resilience and Assets	403	104	(299)	-74.2%
Highways Asset Protection	5,519	52	(5,467)	-99.1%
Integrated Transport	3,325	664	(2,661)	-80.0%
Lincoln Eastern Bypass	(416)	0	416	-100.0%
Lincoln East-West Link	(1,766)	(1,083)	683	-38.7%
Grantham Southern Relief Road	1,262	2,058	796	63.1%
Transforming Street Lighting	543	171	(372)	-68.5%
Historic Lincoln	(1,442)	(104)	1,338	-92.8%
Other Sustaining & Developing Prosperity	1,442	1,298	(144)	-10.0%
NPIF - National Productivity Investment Fund	0	(1,166)	(1,166)	100.0%
Sustaining & Developing Prosperity Through Infrastructure	8,467	1,890	(6,577)	-77.7%
Flood Defence	1,100	1,100	0	0.0%
Flood & Water Risk Management	1,150	212	(938)	-81.6%
Energy from Waste	667	555	(112)	-16.8%
Boston Household Recycling Centre	1,790	1,144	(646)	-36.1%
Other Protecting & Sustaining the Environment	(23)	(168)	(145)	630.4%
Protecting & Sustaining the Environment	4,684	2,843	(1,841)	-39.3%
Teal Park, Lincoln	265	334	69	26.0%
Other Sustaining and Growing Business & the Economy	6,687	4,551	(2,136)	-31.9%
Sustaining & Growing Business & the Economy	6,952	4,885	(2,067)	-29.7%
Environment & Economy - Commissioning	20,506	9,722	(10,784)	-52.6%
Fire & Rescue	561	541	(20)	-3.6%
Fire Fleet Vehicles and Associated Equipment	390	69	(321)	-82.3%
Protecting The Public	951	610	(341)	-35.9%
Broadband	5,500	4,324	(1,176)	-21.4%
Infrastructure and Refresh Programme	1,297	1,325	28	2.2%
Replacement ERP Finance System	2,936	1,335	(1,601)	-54.5%
Care Management System (CMPP)	72	245	173	240.3%
ICT Development Fund	690	0	(690)	-100.0%
Property	3,645	3,082	(563)	-15.4%
Property Rationalisation Programme	6,812	5,550	(1,262)	-18.5%
Enablers & Support To Council's Outcomes	20,952	15,861	(5,091)	-24.3%
Finance & Public Protection - Commissioning	21,903	16,471	(5,432)	-24.8%
New Developments Capital Contingency Fund	9,299	0	(9,299)	-100.0%
Other Capital Programmes	9,299	0	(9,299)	-100.0%
Other Programmes	9,299	0	(9,299)	-100.0%
Total Capital Programme 2017/18	79,838	53,087	(26,751)	-33.5%

1.81 The capital programme comprises a series of schemes/projects which often span a number of years. Hence over/underspends cannot be related to time periods such as this financial year. Where a scheme/project is known to be exhibiting a material variance to its spending profile this will be described in the narrative associated with that commissioning area.

1.82 Schemes can receive funding from both the County Council and from external bodies (through grants and contributions). The timing of this external funding may also have an impact on the spending profile of schemes annually within the capital programme.

Children's Services (£1.236m under budget).

1.83 The net underspend of Children's capital is due to the slippage of costs on a number of projects for foster carers, and future years funding commitments exist for supported accommodation, 0-19 health services and the special school project. These projects are part of the on-going transformational work streams to facilitate change to enable improved service delivery outcomes and achieve greater value for money.

Adult Care and Community Wellbeing (AC&CW) (balanced budget).

1.84 Capital investment within AC&CW is mostly delivered via capital reserve. AC&CW spent £0.732m on capital expenditure in 2017/18. The majority of spend (£0.426m) was against the ongoing modernisation programme taking place across the remaining in house day care centres that the Council operate, with £0.180 used to purchase Telecare equipment.

1.85 A further £0.178m was utilised as part of a Government initiative to install efficient heating systems in the homes of vulnerable people. Funding for this initiative was provided via a grant.

Environment and Economy (£10.485m under budget).

1.86 The capital programme for the Sustaining & Developing Prosperity through Infrastructure strategy shows a net underspend of £6.577m. Whilst there were some delays in programmed Highways works due to the bad weather, the Highways Asset Protection grants (£32.705m) were fully committed, and delayed works have been delivered over the spring period. Other variations relate to the timing of external grants, and ensuring external grants are fully utilised before calling upon council budgets.

1.87 The Historic Lincoln project is currently showing an overspend of £1.338m, the final claim for Heritage Lottery Fund for Lincoln Castle Revealed will be submitted in February 2019, and all final accounts will need to be settled by then. Officers are working to ensure that all grant income is received by that date, and a final budget position will then be known.

1.88 The Sustaining & Growing Business & the Economy strategy has an underspend of £2.067m. Skegness Countryside Business Park has been delayed due to significant problems with state aid but these appear to have been overcome and the project plan is now being implemented. Slight delays on the Coastal Observatory were due to inclement winter weather, and remaining underspends are now being re-profiled to meet new priorities. Holbeach Peppermint Junction has been delivered under budget.

1.89 The Protecting & Sustaining the Environment strategy has an underspend of £1.841m. The Boston Household Waste Recycling Centre became operational in April, and final costs are being processed. There are also some delays under Flood and Water Risk Management schemes undertaken in conjunction with the Environment Agency.

Finance and Public Protection (£5.433m under budget).

1.90 There is a small underspend on the Protecting the Public capital programme (£0.308m) due to the timing of the staged payments on the fire fleet programme.

1.91 Enablers and Support to Council's Outcomes was underspent by £5.091m. The underspend within the Property Rationalisation programme is mainly relating to the timing of grant receipt for the Blue Light programme at South Park. There are also some timing delays with the Broadband and Replacement ERP programmes.

New Developments Capital Contingency Fund (£9.299m under budget).

1.92 For 2017/18 the Council set aside £7.500m in a New Development Capital Contingency Fund, plus the carried forward underspend from 2016/17 of £7.718m. During the financial year £5.918m was allocated from this budget. This has been utilised to fund the following schemes:

- Net Council contribution to Holbeach Peppermint Junction (£3.020m);
- Property – Lancaster House Improvement works (£1.600m);
- Grantham Fire Houses – Provision of Fire Pods (£0.710m) and Refurbishment for Care Leavers Provision (£0.130m)
- Going to Schools Project - (£0.226m);
- Coroners Service - Replacement IT system for case management (£0.100m); and
- County Farms – Minimum Energy Efficiency Standards (MEES) (£0.056m) and Road Improvement Schemes (£0.076m).

1.93 The £9.299m remaining at the end of 2017/18 will be transferred forward into 2018/19 to fund schemes in the new financial year. There are a number of commitments which already exist for use of this funding in 2018/19 and future years. These schemes include:

- A contribution to the Blue Light Collaboration with Lincolnshire Police and East Midlands Ambulance Service; and

- Contribution towards Peppermint Park for the creation of a Food Enterprise Zone that will meet the demand from food technology businesses to take up space close to existing food producers in South Holland.

Prudential indicators

1.94 The Local Government Act 2003 gave authorities freedoms to borrow what they need to fund their capital programmes. The Act requires Local Authorities to comply with CIPFA's Prudential Code for Capital Finance in Local Authorities. The Code provides a framework to ensure that Local Authorities' capital programmes are affordable, prudent and sustainable and that treasury management decisions are taken to support this.

1.95 In complying with the Code the indicators for 2017/18 were approved by County Council on 24 February 2017 along with the budget and council tax for that year. In accordance with the Code, the Executive Director has been monitoring the actual performance against the targets set and would have reported any issues of concern to members had there been a need to. The County Council should also be informed of the actual position compared with that estimated for any given year after the year end. **APPENDIX A** provides details of this comparison for 2017/18. It shows that Prudential Indicators have not been exceeded during the year and there have been no breach of limits set by the Authority.

Flexible Use of Capital Receipts

1.96 The Council had planned to use £8.000m of flexible capital receipts in 2017/18 to fund transformation projects which will generate ongoing revenue savings to the authority. However, the Council generated £3.970m less receipts than expected. This is mainly due to the challenges faced when marketing the properties. Included in the capital receipt total is £0.584m relating to specific Schools capital projects in accordance with the Section 77 of the Schools Standards and Framework Act 1998. It is therefore requested that £0.584m go to an earmarked reserve for this purpose. This will fulfil the requirement to re-invest capital receipts relating to sale of playing fields as part of the consent given by the Department of Education. A shortfall in the capital receipts target needs to be funded from the revenue budget under current legislation regarding the flexible use of capital receipts.

1.97 The Strategy identified the following schemes which would be funded this way in 2017/18:

- Service changes and reductions (including redundancies);
- Property rationalisation;
- Efficiencies through contracting and procurement;
- Transforming technology; and
- Preventing and detecting fraud.

1.98 During the year the Council spent £5.440m on these transformation projects. Details of the Council's original plans and actual activity is set out at **APPENDIX B**.

Carry forward of over and under spendings

1.99 The Council's policy as set out in its Financial Strategy is:

1.100 All under and overspendings on service revenue budgets of up to 1% will be carried forward without exception (£3.576m). In line with previous years Executive Directors have provided details of how they plan to use the up to 1% carry forward. Executive Directors have delegated authority to approve the use of any 1% underspend in conjunction with relevant Portfolio Holders. A summary of the 1% amounts is shown in the table below with a more detailed breakdown set out at **APPENDIX C**.

Directorate	Final Proposal £'000
Executive Director - Children's Services	994
Executive Director - Adult Care	1,205
Executive Director - Environment and Economy	896
Executive Director - Finance and Public Protection	481
TOTAL	3,576

1.101 All under and overspendings on the dedicated schools budget (£17.058m) and shared services (£0.787m) will be carried forward.

1.102 Transfers to and from earmarked reserves linked to revenue budgets where the spend is of an uneven nature is a net drawdown from reserves of £0.354m made up of:

- Insurance Fund (£0.230m underspend). The insurance budgets had a surplus of £0.230m at the end of the financial year. It is proposed to transfer this surplus to the insurance reserve to use in future years. This will give a balance of £4.717m in the reserve to carry forward into 2018/19.
- Schools Sickness Insurance Reserve (£0.584m over spend). The schools sickness insurance budget over spent by £0.584m. This overspend has occurred due to the processing of backlog claims from 2016/17 and the additional sickness claims made by schools in 2017/18 (£0.332m). Maternity reimbursements for those having returned to work are now up to date, including accruing for planned payments, therefore a higher charge has taken place in 2017/18 due to this treatment, but costs are planned to be more comparable to prior years in 2018/19. It is proposed that this overspend is met from the earmarked sickness insurance reserve. The current balance of the reserve is £1.103m therefore utilising this funding would give a balance of £0.519m to carry forward into 2018/19.

1.103 As discussed earlier in this report it is proposed to create three new reserves for the following:

- Highways Permitting scheme - Income is of an uneven nature, however, the fee charges are required to be reviewed over a three year period to adopt a cost neutral stance (£0.477m).
- The Purchase of Employee Leave which is proposed to be used to support the online employee benefit portal and long service awards (£0.127m).
- Future funding of specific schools capital projects in accordance with Section 77 of the Schools Standards and Framework Act 1998 (£0.584m).

1.104 There are a number of other bids totalling £3.880m that funding falls outside of the 1% carry forward, these are:

- Following a report from the Insurance Actuary there is a predicted shortfall on the Council's balance sheet of £0.750m to meet expected liabilities. £0.230m is proposed to transfer into the reserve from the 2017/18 Insurance surplus (see above), therefore, it is proposed to use a further £0.520m of carry forward to bring the Insurance fund reserve up to the level advised by the Actuary.
- To support the property investigations and programme management of the options assessment and implementation of the future operating model of the Council's Heritage Services (£0.130m).
- Provide additional funding to the contract development reserve to support work on the Corporate Support Services Contract as this progresses to a conclusion over the next two years (£2.500m).
- Adverse Weather (£1.511m overspend). Winter Maintenance – Due to the severe weather conditions during the year the Service completed 125 gritting runs which is more than is provided for in this budget, causing an overspend of £1.511m . To offset this the full £0.500m in the adverse weather reserve has been utilised leaving an overspend of £1.011m on this budget. This over spend has been offset by a number of under spends in the Sustaining and Developing Prosperity through Infrastructure commissioning strategy. It is proposed that £0.500m is transferred from the overall carry forward to reinstate the Adverse Weather reserve.

1.105 There are a number of Business as Usual transfers to reserves which are proposed totalling £0.157m, these are;

- Fixed Penalty Notices income should be ring fenced for use on specific works defined by legislation (£0.020m).
- Floods and water risk management (£0.137m).

1.106 A summary of the proposals outlined above can be found at **APPENDIX D**

1.107 After the above allocations, which are in line with the Council's Financial Strategy, there is £18.665m still to be allocated.

- It is proposed to add the remaining underspend of £18.665m to the Financial Volatility Reserve. The Council's budget strategy envisaged adding an approximate £20m as part of the 2017/18 outturn finalisation.

1.108 The current balance in the Financial Volatility Reserve is £32.340m, allocated as follows:

- £5.076m to fund the 2018/19 Budget Shortfall; and
- £27.264m currently available for 2019/20 and beyond, before any further year end contributions.

1.109 Acceptance of the recommendations increases the value of the Volatility Reserves to £51.005m.

1.110 A variety of other transfers to or from other earmarked reserves reflecting actual expenditure and income in 2017/18 are shown in **TABLE E** over the page.

General Reserve

1.111 The Council's policy on general reserves is that they will be maintained within a range of 2.5% to 3.5% of its annual budget requirement. When setting its budget for 2017/18 the Council had planned to reduce the balance in the General Fund by £0.100m. After considering the impact of actual expenditure and income in 2017/18 and the proposals on the carry forward of over and underspendings it is not proposed to make a further reduction nor contribution to the general fund at the year end to fund other Council services. The general reserves at 31 March 2018 are £15.200m or 3.5% of annual budget requirement (**TABLE D**).

TABLE D – General Reserves

GENERAL RESERVES	Balance at 31 March 2017 £'000
Balance at 1 April 2017	-15,300
Planned contribution to / use in year	100
Balance as at 31 March 2018	-15,200
Balance as a percentage of total budget	3.50%

TABLE E – Transfers to and from reserves

EARMARKED RESERVES	Balance at 31 March 2017 £'000	Used in Year £'000	Additional in Year £'000	Balance at 31 March 2018 £'000
Schools Carryforward	-24,888	15,703	-3,642	-12,827
Prime Account Loan Reserve Adjustment	493	0	-206	287
Balances held by Schools under a scheme of delegation	-24,395	15,703	-3,848	-12,540
Other Services	-3,144	3,144	0	0
Adverse Weather	-500	500	0	0
Insurances	-4,487	0	0	-4,487
Schools Sickness Insurance Scheme	-1,103	0	0	-1,103
Museum Exhibits	-133	0	0	-133
Development - Economic Development Reserve	-268	12	0	-256
Health and Wellbeing	-914	232	0	-682
Health and Wellbeing Operating Cost Reserve	0	0	-96	-96
Development - Lincs Coastal Country Park	-357	7	0	-350
Legal	-1,651	730	0	-921
Procurement	-959	0	0	-959
Salix Carbon Management	-233	261	-211	-183
Safer Communities Development Fund	-833	0	0	-833
Co-Responders Services	-150	0	0	-150
Financial Volatility Reserve - Budget Shortfall	-17,870	17,870	-5,076	-5,076
Financial Volatility Reserve	-32,339	5,076	-1	-27,264
Teal Park	-50	0	0	-50
Youth Service Positive Activities Development Fund	-20	0	0	-20
Corby Glen/South Lincolnshire Sports Fund	-171	171	0	0
Youth Offending Service	-512	0	0	-512
Domestic Homicide Reviews	-100	0	0	-100
Civil Parking Enforcement	-910	74	0	-836
Support Service Contract Reserve (FDSS)	-800	435	0	-365
Roads Maintenance Reserve	-2	0	0	-2
Adoption Reform Reserve	-35	0	0	-35
Community Advisors Reserve	-156	0	0	-156
Local Welfare Provision Reserve	-15	0	0	-15
Property Management	-130	0	0	-130
Energy from Waste Lifecycles	-3,669	555	-1,285	-4,399
Broadband Project	-135	0	0	-135
Broadband Clawback	-157	0	0	-157
Flood and Water Risk Management	-527	105	0	-422
Young People in Lincolnshire	-226	0	-26	-252
Lincoln Eastern Bypass (LEB)	-500	0	0	-500
Families Working Together	-599	0	0	-599
Enterprise Schemes	-108	0	0	-108
Asbestos Pressure	-50	0	0	-50
DAAT Pooled Budget	-248	0	0	-248
Street Lighting Earmarked Reserve	-100	0	0	-100
Heritage Services Earmarked Reserve	-880	0	0	-880
Horncastle Salt Barn	-495	495	0	0
Corporate Property Business Case	-100	0	0	-100
Agresso Milestone 6 Finance Staffing	-100	0	0	-100
Contract Development	-1,000	0	0	-1,000
Highways Advanced Design	-2,000	237	0	-1,763
Environmental Improvement and Sustainability	-5,000	5,000	0	0
Music Service Reserve (carry forward)	0	26	-234	-208
Environmental Improvements Sustainability (Environment)	0	0	-1,000	-1,000
Environmental Improvements Sustainability (Infrastructure)	0	0	-4,000	-4,000
Earmarked Reserves	-83,736	34,930	-11,929	-60,735
Revenue Grants and Contributions	-50,698	15,336	-23,642	-59,004
TOTAL RESERVES	-158,829	65,969	-39,419	-132,279

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

These matters have been considered and there is not considered to be any direct impact of the decisions called for by this Report on the Equality Act duty or any of these strategies and obligations. The Council set its budget for 2017/18 in February 2017 having had regard to these matters. The treatment of underspends and overspends in this Report do not impact on that budget or any individual decisions in relation to services. Those decisions will continue to have regard to equality act obligations and the various strategies and obligations referred to as

they are taken. This includes decisions on the use of carried forward underspends.

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 Joint Strategic Needs Analysis and the Joint Health & Well Being Strategy have been considered and there is not considered to be any direct impact of the decisions called for by this Report on either of them. The Council set its budget for 2017/18 in February 2017 having had regard to these matters. The treatment of underspends and overspends in this Report do not impact on that budget or any individual decisions in relation to services. Those decisions will continue to have regard to the Joint Strategic Needs Analysis and the Joint Health & Well Being Strategy as they are taken. This includes decisions on the use of carried forward underspends.

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

Section 17 of the Crime and Disorder Act 1998 have been considered and there is not considered to be any direct impact of the decisions called for by this Report on the Crime and Disorder Act 1998. The Council set its budget for 2017/18 in February 2017 having had regard to these matters. The treatment of underspends and overspends in this Report do not impact on that budget or any individual decisions in relation to services. Those decisions will continue to have regard to the Crime and Disorder Act 1998 as they are taken. This includes decisions on the use of carried forward underspends.

3. Conclusion

3.1 The report provides details of the council's financial performance for 2017/18. Net revenue spending amounted to £429.809m, excluding Schools Budgets. Net capital spending totalled £53.087m.

3.2 Existing policies allow all over and underspendings on capital, schools budgets and shared services to be automatically carried forward. The carry forwards and transfers to and from earmarked reserves have been proposed in accordance with existing policy. General reserves stand at £15.200m with a further £60.735m in earmarked reserves.

4. Legal Comments:

Recommendation 1 is compliant with the Council's Financial Regulations
With regard to recommendation 2, Council's Financial Regulations provide that the use of all underspending on service budgets in excess of 1% will be considered by the Executive and decided by the full Council. The means of funding all overspendings on service budgets in excess of 1% will be considered by the Executive and decided by the full Council.

Under Section 3 of the Local Government Act 2003 the Authority must determine and keep under review how much money it can afford to borrow. Reporting on the Prudential Indicators assists the Council in discharging this function.

The recommendations are lawful in accordance with the Constitution and the Policy Framework and within the remit of the Executive.

5. Resource Comments:

Accepting the recommendations in this report provides the Council with a sound financial base from which to manage the challenges of a difficult medium to longer term outlook for public sector finances.

6. Consultation

a) Has Local Member Been Consulted?

n/a

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

The Overview and Scrutiny Management Board is due to consider this report at its meeting on 28 June 2018. Comments raised by the Board will be tabled at the meeting of the Executive.

d) Have Risks and Impact Analysis been carried out?

No

e) Risks and Impact Analysis

N/A

7. Appendices

These are listed below and attached at the back of the report	
Appendix A	Flexible Use of Capital Receipts Outcomes 2017/18
Appendix B	Use of Service 1% Carry Forwards
Appendix C	Prudential Indicators 2017/18
Appendix D	Use of 2017/18 Carry Forward

8. Background Papers

Document title	Where the document can be viewed
Financial Strategy	https://www.lincolnshire.gov.uk/local-democracy/finances-and-budget/budgets-and-financial-strategy/lincolnshire-county-council-budget-2018/19/132217.article

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Appendix A – Prudential Indicators 2017/18

PRUDENTIAL INDICATORS ACTUAL COMPARED TO ESTIMATED 2017/2018			
Original Estimate	2017/18 £000	Actuals	2017/18 £000
Capital Expenditure Net	49,444	Actual Capital Expenditure (Excl Sch RCCO & Leasing)	17,775
Capital Financing Requirement 31/3/2018	621,849	Actual Capital Financing Requirement 31/3/2018	554,638
Capital Financing Requirement Estimate at 31/3/2020	666,599	Capital Financing Requirement Estimate 31/3/2020	599,388
Gross External Borrowing	508,057	Actual Gross External Borrowing	462,657
Borrowing in Advance of Need Limit	11,188	Actual Borrowing in Advance of Need Taken	0
Incremental Impact of Borrowing Plans on Council Tax -Band D	£14.51	Actual Incremental Impact of Borrowing Plans on Council Tax -Band D	£2.78
MRP & Interest Repayments not to exceed 10% of Net Revenue Stream Estimate	5.76%	MRP & Interest Repayments not to exceed 10% of Net Revenue Stream Actual	5.26%
Ratio of Financing Costs To Net Revenue Stream	5.75%	Actual Ratio of Financing Costs To Net Revenue Stream	5.19%
External Debt:			
Authorised limit for external debt -		Actual external debt at 31/3/18	
borrowing	583,007	Borrowing	462,657
other long term liabilities	13,701	Other long term liabilities(Credit Arrangements)	11,033
TOTAL	596,708	TOTAL	473,690
Operational boundary -			
borrowing	559,007		
other long term liabilities	11,701		
TOTAL	570,708		
Treasury Management:			
Upper limit for fixed interest rate exposure		Actual exposure fixed interest	
Net principal re fixed rate borrowing less investments	666,599	Net Principal	262,804
Upper limit for variable rate exposure		Actual exposure variable interest	
Net principal re variable rate borrowing less investments	199,980	Net Principal	-42,910
Upper limit for total principal sums invested for over 364 days (per maturity date)	40,000	Actual sums invested > 364 Day	15,014
Maturity structure of fixed rate borrowing during 2017/18	upper limit	Actual maturity structure as at 31 March 2018	
under 12 months	25%	under 12 months	7.70%
12 months and within 24 months	25%	12 months and within 24 months	3.10%
24 months and within 5 years	50%	24 months and within 5 years	9.50%
5 years and within 10 years	75%	5 years and within 10 years	13.60%
10 years and above	100%	10 years and above	66.00%

Appendix B – Flexible Use of Capital Receipts Outcomes for 2017/18

	2017/18 Actual £'m	
Service changes and reductions (including redundancies)	0.556	The Council tracks the payback period for redundancy costs. It is estimated that for every £1 spent on redundancy costs within a 9 month period the Council saves £1.25. This year the Council incurred £0.556m of costs.
Property rationalisation and collaboration	1.713	The Council has an ongoing programme analysing the property portfolio to identify and maximise the use of Council assets. Savings relate to reductions in rent and associated property costs. This programme of work also contributes to the generation of capital receipts. This work released £4.030m capital receipts to fund transformation work in 2017-18. Work is ongoing on the new shared accommodation for Blue Light Services in Lincolnshire. This will transform the service delivery of the three emergency services and will provide more integrated service provision and create efficiency through accommodation sharing.
Efficiencies through contracting and procurement	1.771	Savings relate to reducing and maintaining current and future contract costs as low as possible (i.e. ensuring that growth in costs is kept to a minimum). Efficiencies through contracting include the new Best Start Lincolnshire Early Years service model which started in July 2017 with an expected ongoing saving of £0.783m per year. Also included is the new model for Children's 0-19 Health Services which is the result of the decommissioning of the Family Nurse Partnership.
Transforming information technology	1.173	Improvements and efficiencies in this category do not easily convert directly into a reduction in spending, however, they will increase capacity and allow other savings to be delivered across other areas of the Council. During 2017-18 work has been undertaken on several schemes including: the design and installation of an IT network and security at Lancaster House; development of the Enterprise Data Warehouse to relocate key LCC datasets in a central database; projects to migrate the IMP platform to Open Text Cloud and the legacy Achieve Forms software to the new Firmstep replacement as both the current versions are coming to the end of their life.
Preventing and detecting fraud	0.228	The Council is developing ways to benchmark against the six strategy themes tackling fraud and corruption in local government for 2016-2018. This will provide strong, harder hitting deterrents and fraud awareness, reduced levels of fraud in key service areas will help mitigate the impact of reducing budgets, and a maintained anti-fraud culture reduces fraud to an absolute minimum.
TOTAL	5.440	

Appendix C – Proposed Directorate Use of 1% Underspend

Directorate

Children's Services

Up to 1% Carry Forward

994,089

Rank (please rank in order of priority)	Service Area	Planned use of Carry Forward (please provide a short explanation)	Required for one off scheme/pressure, on-going pressure.	For on-going budget pressures how does the service plan on resolving these beyond this funding?	Amount (£)
1	Mosaic	The recent Ofsted inspection highlighted significant challenges with performance reporting in Children's Social Care, demonstrating that the data is not to the required standard. The current reporting mechanism on Mosaic needs a fundamental review that will require system changes and additional training for staff. The existing team is unable to manage the additional volume of work required to ensure that all safeguarding activity is recorded in line with Ofsted requirements. This is seen as a priority for Children's Services.	One off	N/A	199,089
2	People Management	<p>This funding will provide targeted resources to deliver innovative recruitment and retention strategies, and will also support effective succession planning. Over the past 18 months, Children's Services have introduced a range of strategies to support Social Work recruitment, which has seen a considerable reduction in agency costs. This is not only more cost effective but also provides a higher quality workforce. Such funding is intended to sustain these practices and to apply them to other hard to recruit posts across the Council.</p> <p>In addition, the Council needs to recruit into a number of senior posts. Whilst the skills required for this work are available, the additional funding will enable the use of psychometric testing, as well as providing temporary additional capacity to support recruitment.</p>	One off	N/A	150,000
3	Supported Accommodation	The development of supported housing is a strategic priority for Children's Services. Work is being undertaken with Corporate Property to release available houses in key locations to enable the Local Authority to offer an in-house approach for supported accommodation for care leavers and young people who are homeless (16 - 18 years old). This will provide higher quality provision with intervention support, and be a more cost effective provision than the current external placements. Funding is required to provide for dual running costs to allow the houses to be resourced with staffing and to facilitate the transition of the young people from external placements and into the new accommodation. Due to the nature of the challenges with this particular client group transition arrangements will need to be managed carefully.	One off	N/A	135,000
4	Supported Employment	Children's Services are committed to working with young people with learning disabilities to support them into employment as this is key to independence in adulthood. A supported employment project would seek to involve local businesses, schools and colleges to offer work based training and internships for young people with a disability. It is hoped that this will reduce the pressure on adult social care through better transition to adulthood.	One off	N/A	120,000

5	School Improvement	<p>The Council is proud of its schools and especially its small schools which represent the unique characteristics of our county. However, teaching in a small school can be highly challenging, particularly for teachers who are required to teach across a number of Key Stages. In small schools, classes comprise of children with varying levels of ability and needs, and across a number of Key Stages. This requires a very different approach compared to teaching a single Key Stage. Children's Services are currently working with North Yorkshire County Council to support professional development across teachers in 60 small schools to help overcome this challenge. This funding would provide this professional development to a further 120 schools and will enhance the Key Stage 2 performance which is a critical challenge for the county.</p>	One off	N/A	120,000
6	School Improvement	<p>Leading and teaching in a small school has many challenges including successfully recruiting to leadership posts. This funding will allow the development of a project to build capacity through talent spotting potential leaders and providing intensive training and mentoring to enable them to be head teacher ready. As potential head teachers often lack confidence to take on the leadership of schools particularly in a federation then this development will help to address this challenge.</p>	One off	N/A	100,000
7	School Improvement	<p>This funding will seek to work with the schools in two localities to develop, through a pilot, a sustainable solution to address barriers to learning for vulnerable pupils based on recommendations from a National Government Commission. Talking to Head Teachers, they want to work in collaboration with each other in a locality to share best practice, jointly undertake research and professional development and share expertise for the benefit of vulnerable pupils. Through partnership, they believe that they can support each other to develop a locality model of working which addresses the specific demographic pressures within their locality.</p> <p>However, schools are looking to the Local Authority to provide a leadership role, bringing schools and LA children's services together to truly understand the unique pressures in their community so we can work in collaboration to address these pressures and challenges.</p> <p>This project proposes to be jointly funded with schools, who will fund the school to school support and professional development, with the Local Authority providing leadership and needs analysis capacity. Its intended impact is:</p> <ul style="list-style-type: none"> * A reduction in the number of schools requiring improvement and an improvement in outcomes for our most disadvantaged pupils * Educational performance in the area will be transformed over time * Joint ownership and accountability for the system * More young people participating in resulting in less anti social behaviours 	One off	N/A	80,000

8	Regulated Services	'Mocking Bird' is a peer support programme aimed at foster carers to establish support networks within a locality. Evidence of such practices enables foster carers to be provided with more highly effective peer support and respite, enabling them to manage challenging young people, and to maintain placement stability. This funding would enable the piloting of this project in two localities.	One off	N/A	50,000
9	People Management	It is acknowledged that progress to recoup the apprenticeship levy has been slower than anticipated due, in part, to the delay in the government implementing the standards. Children's Services wish to undertake a radical review of its staffing structure to explore where apprenticeships could be introduced within its staffing establishment. This will include training for staff to act as mentor and assessors. It is anticipated that this will improve apprenticeship take up across Children's Services. This will require considerable capacity to map opportunities, cross reference with existing standards, work with providers to create more training programmes and develop job descriptions.	One off	N/A	40,000
		TOTAL			994,089

Rank (please rank in order of priority)	Service Area	Planned use of Carry Forward (please provide a short explanation)	Required for one off scheme/pressure, on-going pressure.	For on-going budget pressures how does the service plan on resolving these beyond this funding?	Amount (£)
1	Safeguarding Adult Care	To continue to reduce the current backlog of DOLS Assessment and Reviews still in the system, and also additional budget for the increased number of Reviews that will be required in 18/19 due to the extra number of Assessments that came through in 17/18 over and above budgeted expectations. Whilst this is currently seen as an ongoing pressure at the time of budget setting it wasn't known how many new assessments would be raised in year, or how many would still be in the backlog at the end of the year. Due to the fact that there were an additional 880 new assessments submitted in 2017/18 which will all require reviews in 18/19 this will put additional pressure on the DOLS team that are already working to their full capacity. Therefore this bid is also requesting that we employ 2 additional Business support staff to help maintain the workflow both at the start of the process as they come in and also after the Best Interest Assessments have been completed to ensure backlogs do not increase in the year.	Whilst this is currently seen as an ongoing pressure, at the time of budget setting it wasn't known how many new assessments would be raised in year, or how many would still be in the backlog at the end of the year.	Element is on going pressure but we anticipate future years should see a reduction in new assessments. It is also anticipated that there may be further reviews of the legislation by the Government and that either the Cheshire West case will be revoked or that the criteria for submitting assessments will be changed accordingly. Any short term additional costs could possibly be met through Adult Care reserves for 19/20.	750,000
2	Wellbeing	Falls pathway co-ordinator and prevention pilot programme. Creation of a dedicated Falls lead in LCC to develop and implement a falls pathway across health and social care. As part of this work, pilot postural stability instruction (strength and balance training) for falls prevention in high risk groups to avoid falls, avoidable hospital admissions and social care costs	Ongoing	If proven to be successful will be mainstreamed through PH grant	185,000
3	Wellbeing	Funding to support a range of workshops to support the Council's Domestic Abuse programme	One off	n/a	20,000
4	Specialist Adult Services	Demand Management - This initiative would require a one off contribution of £50,000 towards the cost of a fixed term 2 year project manager. The remainder of the funding would be found from within existing budgets. This would allow the project manager to expand the work beyond the initial re-focusing of the in-house Day Services to take on the wider co-ordination of employment support services whilst also co-ordinating related community capacity and network activities. The initiative would also require a £200,000 investment to expand the manage care network and to invest in the voluntary sector to fund community capacity builders.	One off	n/a	250,000
		TOTAL			1,205,000

Rank (please rank in order of priority)	Service Area	Planned use of Carry Forward (please provide a short explanation)	Required for one off scheme/pressure, on-going pressure.	For on-going budget pressures how does the service plan on resolving these beyond this funding?	Amount (£)
1	Infrastructure	Advance Design Block (ADB) replenish draw down of reserve in 2017/18. - ADB resource is essential to be able to prepare feasibility reports and to design schemes which support the growth agenda, fulfill manifesto commitments and provide vital highway network improvement. This drawdown in 2017/18 was as a result of progressing a number of schemes such as the Coastal Highway.	one off		250,000
2	Enterprise commissioning	Coastal Country Park - to improve access to the park with new park signage, renovatation of Anderby Creek car park and marketing	one off		100,000
3	Enterprise commissioning	GLLEP - Continue with the consultancy support which enables us to establish a private sector led input to the LEP's water management plan. We expect this to lead to schemes which help businesses to save water resources or use water as a way of growing their business, potentially attracting ERDF support towards any initiatives.	one off		15,000
4	Enterprise commissioning	China - to provide capacity to pursue the Hunan links and develop effective delivery mechanism	one off		15,000
5	Environmental Services	Joint Municipal Waste Management Strategy (JMWMS) - to support finalisation of document and adoption process plus waste project board capacity funding	one off		75,000
6	Enterprise commissioning	Utilities work - continue with consultancy support to continue LEP utilities study and ensure effective delivery in place for addressing utilities capacity issues	one off		20,000
7	Infrastructure	A15 - part funding of route analysis to support the Midlands Connect work and NLC aspirations. Will ensure all key routes in Lincolnshire have been subject to same analysis	one off		25,000
8	Strategic Communications	Marketing and photography campaign for ' Lincolnshire, a place to grow'	one off		30,000
9	Democratic Services & Strategic Comms	Business Process Support to improve productivity	one off initially		30,000
10	All Environment & Economy	Balance of the 1% to be allocated during the year to deal with emerging pressures within the service area	one off		335,790
		TOTAL			895,790

Directorate

Finance and Public Protection

Up to 1% Carry Forward

480,651

Rank (please rank in order of priority)	Service Area	Planned use of Carry Forward (please provide a short explanation)	Required for one off scheme/pressure, on-going pressure.	For on-going budget pressures how does the service plan on resolving these beyond this funding?	Amount (£)
1	Financial Strategy	Apprenticeship standards are now in place which are suitable for finance enabling the draw down of the apprenticeship levy for training costs. To support the workforce development plan for the Financial Strategy Team we are looking to introduce an apprenticeship programme, to attract and grow our own talent enabling us to continue providing a professional service. We are initially seeking to support 2 apprentices at varying levels.	Initially one-off, would like this to be an on-going programme	<i>will consider the extension of the programme within the overall budget available for the team</i>	29,990
2	Financial Strategy	To support the workforce priorities of the Finance & Audit teams, we are planning to accommodate two internships for university undergraduates for 12 months from September 2018. This should introduce LCC as an employer of choice and give an insight into working in the Public Sector Finance sector	Initially one-off, would like this to be an on-going programme	<i>will consider the extension of the programme within the overall budget available for the team</i>	16,927
3	Corporate Property	Health & Safety : Property Health and Safety budget. As well as planned work, Corporate Property get involved in a lot of reactive health and safety work at properties. At the moment there is no dedicated budget to address these issues. There is also a need for a budget, to be able to react to changes in legislation and newly identified risks ie radon, external cladding (Grenfell Tower) etc. The HSE expect to see an H&S budget line	on going	As there is a requirement for Employers to make resources available to ensure safe working environments for staff an ongoing budget should be identified	50,000
4	Audit & Risk Mgt	Lincolnshire's contribution to the Lincolnshire Counter Fraud partnership.	on-going		26,000
5	Audit & Risk Mgt	Key to Audit and Risk workforce strategy is building capacity and capability through apprenticeships. Delayed implementation of the procurement process meant that we were unable to recruit and therefore carried forward an underspend in 2017/18. We would like to recruit three apprenticeships across the service areas (costs from Sept 2018).	on-going		40,800
6	Audit & Risk Mgt	We were unable to recruit to the Business Development Manager in 2017/18 and therefore had an equivalent underspend in the service. This role is key to the success of our business plan growth target - supporting sustainable delivery model and contributing to operating costs of the service through income generation.	on-going		26,000
7	Fire and Rescue	Due to a number of delays in the upgrade of the Vision mobilising system LFR have had to cover the cost of a post in support of its implementation for longer than anticipated. This post is critical to the successful implementation and is not funded and therefore is a budget pressure.	One off for 2018/19		20,000

8	Emergency Planning & Business Continuity Service	In support of the Local Resilience Forum an upgrade to the IT in the CEC was planned for 2017/18. This was not completed but is still required and thereby brought back for reconsideration.	One off for 2018/19		22,000
9	Fire and Rescue	To complete development of the Service Learning Management System which is essential to delivering training to fire crews. This requires support from 2 additional staff at crew manager level for a period of 6 months.	One off for 2018/19		50,000
10	Business Support	Apprenticeship Employer Provider Centre. A paper on the provision of the employer provider centre was provided in February 2018 detailing that due to the evolving programme to support Apprenticeships, there would be a shortfall in funding (costs vs levy drawdown) of £31,085 in the first full year of operation, after which the centre should be come self funding. This is an initial cost to Business Support for 2018/19 only.	One off		31,085
11	Business Support	A project has been established to provide a traded service to Schools and Academies across Lincolnshire for clerking, secretarial and administrative support functions. This service is to be part of the EduLincs provision and will become self funding once fully established by March 2019. A FT team leader has been allocated to manage this project and build the required business case and market the provision. This project management is important to ensure a successful service provision is made into Lincolnshire Schools and Academies.	One off		39,850
12	Business Support	An audit report identifies the process and policies around fuel cards to be inadequate. A project is to be established to retender the fuel card contract, write a corporate policy and ensure future compliance on spend. A project officer is required for 6 months at G6 to be able to support this additional work.	One off		14,000
13	Commercial Team	To fund the second year of a Commercial Officer supporting and working on the Serco Contract.	One off	Second year of fixed term contract within 18/19	29,999
14	Finance and Public Protection	Balance of the 1% to be allocated during the year to deal with emerging pressures within the service area.	One off		84,000
		TOTAL			480,651

Appendix D – Proposed Use of 2017/18 Carry Forward and Reserves

	<u>£'000</u>
<u>Total Council Underspend for 2017/18 (Excluding Schools)</u>	27,669
<small>(This figure excludes the £17.058m Schools underspend for 2017/18)</small>	
 The following amounts are allocated from the underspend in line with the Council's Financial Strategy	
Up to 1% carry forward of Commissioning Strategy underspends (details set out at Appendix D):	-3,576
Legal Shared Services and Procurement Lincolnshire to carry forward all of their surplus.	-787
	<u>23,306</u>
 The following reserves are used to fund year end under/overspend in revenue budgets (in line with the Council's Financial Strategy):	
Insurance Reserve (surplus in revenue - add to reserve)	-230
Schools Sickness Insurance Reserve (deficit in revenue - drawdown from reserve)	584
Business As Usual Reserves (Fixed Penalty Notices, Flood and Water Risk Management)	-157
	<u>23,503</u>
Amount available after Financial Strategy allocations:	23,503
 The following allocations are for consideration for the remaining underspend:	
Proposal to create new reserve:	
Highways Permitting Reserve	-477
Purchase of Employee Leave Scheme	-127
Specific Schools capital projects (S77 of the Schools Standards and Framework Act 1998)	-584
 The Following are bids for funding in excess of 1% c/f	
Other Service Bids (Adverse Weather Reserve, Insurance Fund, Corporate Support Services Contract, New Heritage Services Fututure Operating model)	-3,650
Balance remaining after all proposals:	<u>18,665</u>

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

Report to:	Oveview and Scrutiny Management Board
Date:	28 June 2018
Subject:	2017/18 Council Business Plan Quarter 4

Summary:

This report invites the Overview and Scrutiny Management Board to consider a report on the 2017/18 Council Business Plan Quarter 4 which is being presented to the Executive on 3 July 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, which are reported on an annual basis.

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 2017/18 Council Business Plan Quarter 4 (Q4) at its meeting on 3 July 2018. The full report to the Executive is attached at Appendix 1 to this report.

There are a small number of measures within the [How we effectively target our resources](#) (Combination of 3 commissioning strategies) that fall within the remit of this Board. These are reported annually and are set out at Appendix 2 to this report. All of those measures where it is appropriate to compare with a target achieved the target in Q4 with the exception of the 'Public Services Network (PSN) Connection compliance'. This measure is not compliant. This is because the annual PSN connection submission has not been approved by the PSN Authority

and remedial action, which is necessary to improve the controls we have in place across our IT environment, has been identified. Activity is underway to progress the required work, which is complex in nature, and this must be completed before the council can consider resubmitting. Resubmission is anticipated to be carried out in late 2018/early 2019; however this will depend on whether the required work has been carried out to the appropriate standard at that time. (Measure 99)

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.

In addition, the Board is invited to comment on the Council Business Plan performance indicators attached at Appendix 2.

3. Consultation

a) Have Risks and Impact Analysis been carried out?

No

b) Risks and Impact Analysis

Not Applicable

4. Appendices

These are listed below and attached at the back of the report	
Appendix 1	Report on 2017/18 Council Business Plan Quarter 4 to be presented to the Executive at its meeting on 3 July 2018
Appendix 2	Council Business Plan performance indicators that fall within the remit of the Board

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.

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

Report to:	Executive
Date:	03 July 2018
Subject:	Council Business Plan 2017 - 2018 Performance Report, Quarter Four
Decision Reference:	I015765
Key decision?	No

Summary:

This report presents an overview of performance for Q4 against the Council Business Plan.

Executive can view performance on the web on the Lincolnshire Research Observatory using this [link](#)

Recommendation(s):

That Executive:-

1. Note and consider 2017/2018 Quarter 4 performance.
2. Approve the proposed changes 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.

Reasons for Recommendation:

To provide the Executive with information about Quarter 4 performance against the Council Business Plan 2017/2018.

1. Background

The Council Business Plan 2017/2018 was approved by Council on 24th February 2017. This report provides the Executive with highlights of Q4 performance. The full range of infographics is available to view on this [link](#)

Headlines Quarter 4 performance

All of the 17 commissioning strategies are reported in Q4:-

4 performed really well (all measures reported in Q4 achieved the target);

10 performed well (all measures except 1 reported in Q4 achieved the target);

3 had mixed performance (some measures achieved and some measures did not achieve the target in Q4).

The good news

The following 4 commissioning strategies performed really well (all measures reported in Q4 achieved the target):-

[Children are safe and healthy](#)

[Safeguarding adults](#)

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

[Sustaining and developing prosperity through infrastructure](#)

The following 10 commissioning strategies performed well (all except 1 measure reported in Q4 achieved the target)

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

[Community resilience and assets](#)

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

[Learn and achieve](#)

[Readiness for Adult Life](#)

[Readiness for school](#)

[Specialist adult services](#)

[Wellbeing](#)

It is worth noting that for the [Learn and achieve](#) and [Wellbeing](#) commissioning strategies performance improved even though the measure did not achieve the target.

Mixed performance (some measures achieved and some measures did not achieve the target)

The following 3 commissioning strategies continue to have mixed performance:-

[Carers](#)

[Protecting the public](#)

[Protecting and sustaining the environment](#)

Appendix A provides a summary of the 15 measures that did not achieve the target in Q4 and performance is not improving. It is worth noting that:-

Seven of these measures are reported annually for the first time in Q4;

Two of the measures are no longer fit for purpose and have been changed in the 2018-2020 Council Business Plan approved by Council in February;

Two of the measures (alcohol related violent crime and reported incidents of domestic abuse) are outside of the remit of the County Council.

The adverse weather conditions in Q4 have adversely affected 3 measures (visits to libraries, house hold waste recycling centres and household waste recycled)

Internal Audit review of performance management arrangements

An Internal Audit review was completed in March to provide assurance over the effectiveness of performance management arrangements. The main focus of performance management reporting is around the indicators that measure outcomes against the Council's Commissioning Strategies.

The audit included reviewing a sample of corporate and local indicators to confirm the accuracy and reliability of the information being reported. The audit gave High Assurance stating 'Our critical review or assessment on the activity gives us a high level of confidence on service delivery arrangements, management of risks, and the operation of controls and /or performance. The risk of the activity not achieving its objectives or outcomes is low. Controls have been evaluated as adequate, appropriate and are operating effectively.'

Hosting of infographics for reporting performance against the Council Business Plan 2018 -2020

Quarterly performance against the Council Business Plan is currently available on the Lincolnshire Research Observatory (LRO). The Council's contract with the host of the LRO is due to end in 2019. Wordpress will be the new platform to host Council Business Plan performance data from Quarter 1 2018/19 onwards. The Digital Engagement Team has advised that the current layout does not meet best practice standards for accessibility requirements and there two minor changes to improve accessibility of the website:-

- As the main body of the current pages are images, users of assistive technology (such as Dragon Naturally Speaking, a piece of software which enables users to 'read' web pages aloud) would not be able to access the content. Using the new layout (more inclusion of text elements and less pictographic elements) will ensure that users of assistive technology will find it easier to navigate and access our performance data.
- The new site will also allow those with physical issues to access the content more readily via keyboard commands without relying wholly on standard mice or rollerball devices to navigate.

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 4 against the Council Business Plan 2017/2018 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

This report will be considered by the Overview and Scrutiny Management Board at its meeting on 28 June 2018 and the comments of the Committee will be reported 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 4 and performance did not improve

8. 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 Jasmine Sodhi, who can be contacted on 01522 552124 or jasmine.sodhi@lincolnshire.gov.uk.

Appendix A Summary of measures where the target was not achieved in Quarter 4 and performance did not improve.

The following 8 Commissioning strategies had all but 1 measure achieve the target in Q4.

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

This is the first time 'Requests for support for new clients, where the outcome was universal services/signposting' has been reported this year. There has been a modest 5% increase in actual requests from new clients this year, 42.5% of which resulted in the provision of information and advice, or signposting to other services in the community. The reduction in information and advice this year has been driven by the increase in clients offered reablement (+20%), wellbeing (+11%) and equipment (+25%). As reported in Q3, the measure has been removed from the 2018-2020 Council Business Plan as it is no longer fit for purpose and will be replaced by 'Percentage of requests for support for new clients, aged 65 or over, where the outcome was long term support services.' This measure will more accurately reflect early intervention services, which collectively serve to delay and reduce the need for longer term funded support. (Measure 61)

[Community resilience and assets](#)

This is the first quarter during this reporting year that 'Visits to core libraries and mobile library services' has not achieved the target. The low number of visits are attributed to adverse weather events and Mobile vehicles failures which resulted in a reduction in the number of community visits made. There were 1.56m visits in 2017/2018, compared with a target of 1.59m which is 31.3k below the target. During Q4, February saw the biggest drop in visitor numbers compared with target. (Measure 36)

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

The 'Public Services Network (PSN) Connection compliance' is not compliant. This is because the annual PSN connection submission has not been approved by the PSN Authority and remedial action, which is necessary to improve the controls we have in place across our IT environment, has been identified. Activity is underway to progress the required work, which is complex in nature, and this must be completed before the council can consider resubmitting. Resubmission is anticipated to be carried out in late 2018/early 2019, however this will depend on whether the required work has been carried out to the appropriate standard at that time. (Measure 99)

[Readiness for Adult Life](#)

'Achievement gap between disadvantaged pupils and their peers' is the final data for the academic year September 2016 – July 2017. The outturn of 31% missed the target of 34% by 3 percentage points. Feedback from Schools has been that the transition to new assessment measures and exam specifications introduced by the Department for Education, complicates year on year comparison of the achievement gap due to the non-comparable nature of 'grade A-E' and 'grade 9 to 1', introduced in July 2016. When analysing the Free School Meals (FSM) data set, it is clear that the gap between Disadvantaged pupils and Non-disadvantaged pupils has narrowed in Lincolnshire by three percent over three years at the end of KS4. However, it is still wider than the national gap, and the East Midlands gap. We are in line with our statistical neighbours for the Free School Meals cohort. (Measure 42)

[Readiness for school](#)

'Lincolnshire Early Years Foundation Stage (EYFS)' has dipped slightly below national average. Although this appears disappointing, there has been a focus on an accurate assessment and moderation process to ensure teacher assessments are consistent and robust across the county for what is a complex provision offering. The Standards and Testing Agency (STA) have confirmed this through their visit to Lincolnshire and also to Leicester City, whom we have been supporting during the last 18 months on improving their

EYFS outcomes. On this basis, our focus for the future will be working more closely with our teaching schools, academies and maintained schools, to raise engagement and awareness levels of the impact the early years educational entitlement (30 hours fully funded education from the government) has on children's outcomes at the end of the foundation stage. We have participated in a regional Strategic School Improvement Fund (SSIF) application for Early Years, with a focus on communication; this aims to gain funding for a project to support stronger working relationships between statutory school provision and the Private, Voluntary or Independent (PVI) schools to better improve transition. The focus will remain on children with English as an additional language (EAL) with provision in Boston. Disadvantaged children will be the focus of schools in Lincoln and Gainsborough. Effective use of Early years pupil premium funding, deprivation funding and how this can be utilised to improve outcomes for this group of children can be used to promote the use of effective tracking and the value of this being shared with consent from the child's parent in to the school/academy of their choice. This measure is the final data for the academic year September 2016 - July 17. (Measure 47)

Specialist adult services

'Satisfaction with learning disability and autism care and support services' 75.6% of respondents with a learning disability reported in the annual Adult Social Care Survey (ASCS) that they are 'extremely' or 'very' satisfied with the care and support they receive. This measure is a subset of the Adult Social Care Outcomes Framework (ASCOF) measure about satisfaction of all adult care users. Due to a small reduction this year, the target has not been achieved. (Measure 53)

The following 3 commissioning strategies had mixed performance:-

Carers

'Carers reported quality of life' is taken from the 'Survey of Adults Carers in England' (SACE) which surveys the experience of carers in Adult Care, usually undertaken biennially. For 2017/2018 Lincolnshire County Council undertook an additional survey. It combines responses to 6 different questions about a carer's overall feeling about their quality of life including work, control, personal care, safety, social participation and encouragement. Some carers will be supported via Adult Care only; some only by the Lincolnshire Carer's Service; and some by both. There has been no significant change from the 2016/2017 survey. This is a key measure for Adult Care & Community Wellbeing as a whole to improve. (Measure 55)

'Carers supported to delay the care and support for the person they care for' Q4 performance of 57.4% saw a reduction of 9.8 percentage points compared to Quarter 3 (67.2%) and is 17.6 percentage points below target of 75%. This measure was initially designed to capture the preventative approach of the Lincolnshire Carer's Service, by identifying the number of carers who were caring for an adult who was not yet known to Adult Care. A greater proportion of carers are being identified through Adult Care client assessments. As these cared-for adults are more likely to be in receipt of services following their assessment this measure has been showing a downward trend. However, this represents a more 'whole family' approach where the needs of adults and their carers are being considered together. This measure will no longer be monitored in 2018-2020 Council Business plan which was agreed by Council in February. (Measure 57)

'Carers who find it easy to find information about services' This measure is taken from the Survey of Adults Carers in England (SACE) which surveys the experience of carers in Adult Care, usually undertaken biennially. For 2017/2018 Lincolnshire County Council undertook an additional survey. This measure has decreased by 3.2 percentage points when compared to the previous year's survey. However, 83.5% of respondents who received Information & Advice found it helpful. The Council are working on a project to improve Adult Care online information and advice. (Measure 58)

Protecting the public

A summary of the 4 measures that did not achieve the target in Q4 for Protecting the Public Commissioning Strategy are detailed as follows. Both measures are outside the direct responsibility of the County Council:-

- 'Alcohol related violent crime incidents' increased by 55.7% in Q4 compared to the same quarter last year. This continues the upward trend reported in previous quarters. This indicator is influenced by changes in violent crime recording and the flagging of the presence of alcohol in police crime reports. The drastic increase is down to a change in recording practice of crime which leads to more crimes being flagged than had been previously. The year-end figure of 2,007 incidents is 43.7% higher than over the target of 1,397 incidents. The Safer Communities Service continues to fund the 'Blue Light Project' which works with those treatment resistant drinkers who cause the most demand on the police. The scheme has now been brought into the Council having been previously been commissioned out to an external provider. The new arrangements mean that Blue Light Project staff now work from the same office as those working in the multi-agency Assisting Rehabilitation through Collaboration (ARC) scheme. ARC works with the most prolific crime offenders in Lincolnshire. The co-location of staff from both schemes has allowed them to share their expertise and resources, reducing duplication and increasing efficiency. As part of the Blue Light Project, training is due to be delivered later in the year which is open to front line staff from all agencies (including within the Council, to help them work more effectively with clients whose drinking is problematic). This will help to upskill staff so that they are better able to recognise and support clients to access help to tackle their drinking. The Safer Communities Service continues to work in partnership on the innovative Alcohol Abstinence Monitoring Requirement (AAMR) tags scheme, which has recently been expanded countywide in Lincolnshire after initially only operating at Boston Magistrates Court. The tags measure the amount of alcohol in an offender's sweat to determine if they are breaching their sentence or bail. The Safer Communities Service is currently working with other agencies on the evaluation of the effectiveness of this scheme. (Measure 6)
- 'Reported incidents of domestic abuse' to the police have increased, for all districts apart from West Lindsey, compared to the same quarter last year. Overall there has been a 6% increase in reported incidents in Quarter 4 2017/18 (2,276) compared to Quarter 4 of 2016/17 (2,142). These figures do not include incidents reported to other agencies and support services such as district councils or housing agencies. The cumulative outturn for 2017/2018 of 9,525 incidents is 3% away from the 2017/2018 target of 9,824 incidents. This measure has not achieved the target each quarter in 2017/18. Domestic abuse support services have recently been recommissioned for victims of domestic abuse. The new contract with West Lindsey Domestic Abuse Service (WLDAS) will commence on 1st August. The Safer Communities Service is working closely with WLDAS during the implementation period, including looking at how hospital based Independent Domestic Violence Advisors services could be delivered within budget, which will also probably see improved reporting of domestic abuse. (Measure 7)
- 'Primary fires' there has been an increase of 51 primary fires (up from 1,042 to 1,093 - 5% increase) compared to last year. There have been small fluctuations across a variety of property types but, in the main, the increase can be attributed to a rise in vehicle fires (up from 258 to 280 – 8.5%) and dwelling fires (up from 384 to 409 – 6.5%). It is, however, pleasing to see that fires in both prisons and restaurants/cafes have almost halved (prisons – down from 32 to 17, restaurants/cafes – down from 18 to 10), and fires in schools/colleges have also seen a significant reduction – down

from 13 last year to only 4 this year. In addition to the Home Safety Check programme, we continue to deliver four main campaigns throughout the year, all targeted at reducing fires in dwellings. The Arson Task Force continue to work toward reducing the number of vehicle fires. (Measure 19)

- 'Deliberate primary fires' there has been a small increase (19) in deliberate primary fires compared to last year (227 to 246 - 8.4%). Whilst we have seen some small fluctuations across several property types, the increase can largely be attributed to vehicle fires (94 to 115) and dwelling fires (26 to 36), yet fires in prisons have decreased compared to last year (27 to 16). The Arson Task Force continue to co-ordinate local Policing Teams with community safety activities aimed at reducing deliberate fires. (Measure 21)

Protecting and sustaining the environment

A summary of the 2 measures that did not achieve the target in Q4 for Protecting and Sustaining the environment Commissioning Strategy are:-

- 'The Household Waste Recycling Centre (HWRC)', the overall total for 2017/18 is 71.8% compared with a target of 75%. The spring weather was particularly adverse this year which has led to a reduction in composting and has contributed to the overall fall in the rate. As previously reported, the processing of some materials has been moved down the waste hierarchy from recycling to recovery. The Environment Agency has concerns around some materials being stored which have reduced the available recycling outlets in Lincolnshire. It should be noted that some of the data for Q4 is still incomplete, so a number of estimates have been used in the year to date figure. This measure has not achieved the target each quarter in 2017/18. (Measure 76)
- 'Household waste recycled' The tonnage is down by approximately 14k tonnes compared to 2016/17; much of that difference (approximately 7k tonnes) was seen in Q4. This is largely due to an increase in reported levels of contamination of the mixed dry recycling compared to 2016/17 and a reduction in green waste composted because of adverse weather conditions in February and March. All Waste Collection Authorities (WCA's) now charge for green waste collections and this may also reduce the total green waste collected. This measure has not achieved the target each quarter in 2017/18. (Measure 78)



We effectively target our resources

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

Revenue savings

Savings made by rationalising the property portfolio. Progression is made towards the proposed plan of identified savings.

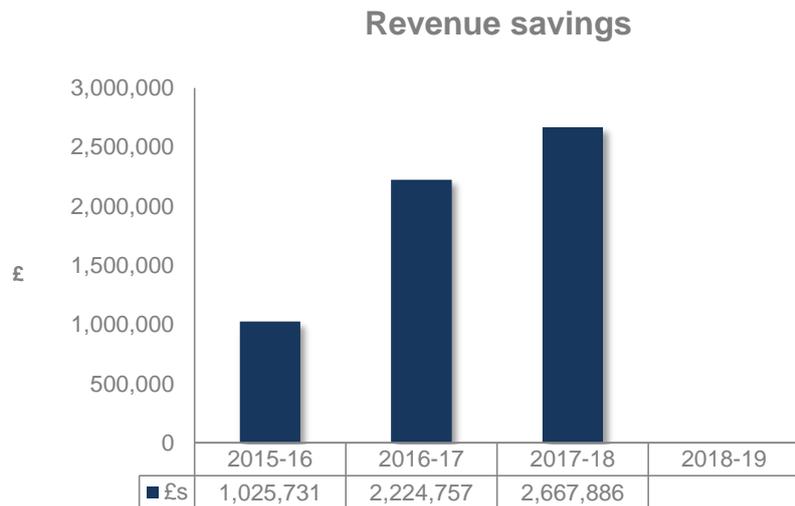
A higher amount of revenue savings indicates a better performance.

Measured

2,667,866
£
Cumulative as at March 2018

↓

1,000,000
£
Target for March 2019



About the latest performance

The target for savings made as a result of the rationalisation of property was surpassed last year and Corporate Property have continued to contribute to that in 2017/18 with over £440,000 saved from the budget this year. This is as a result of surrendered leaseholds, including LCC's withdrawal from Witham Park Lincoln, plus the disposal of several freeholds which contribute to a reduction in property running costs.

Further details

No further details are available for this measure.

About the target

Opportunities for property rationalisation have been identified and the target (£1m by March 2019) represents what will be achieved if the programme of rationalisation is completed to schedule.

About the target range

A target range is not applicable for this measure.

About benchmarking

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



We effectively target our resources

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

Capital receipts

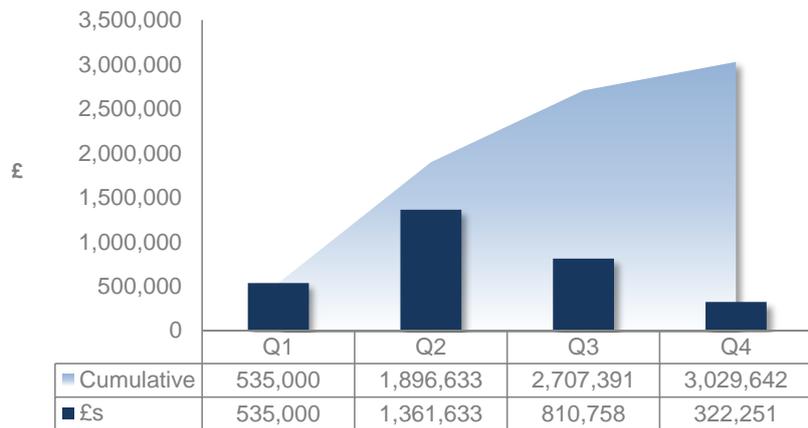
This measure shows the capital receipts generated from the sale of Lincolnshire County Council's surplus assets. Progression through property disposal towards a triennial set capital receipts target. A higher amount of capital receipts indicates a better performance.

Measured

322,251

£
Quarter 4 March 2018

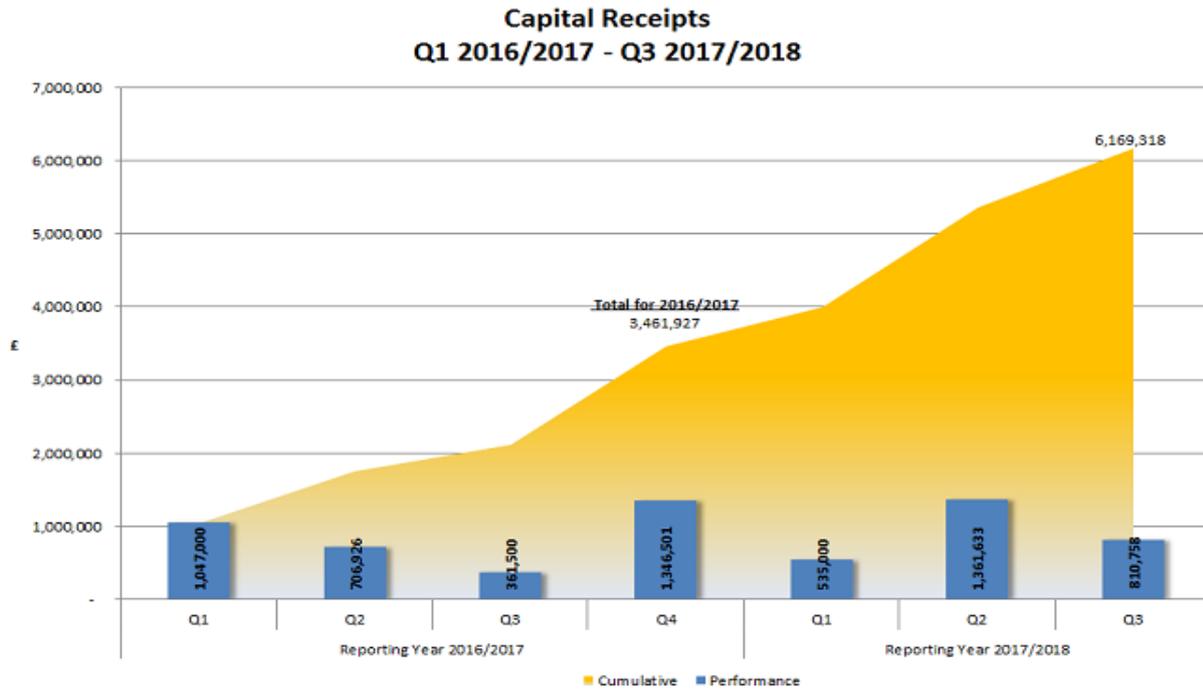
Capital receipts



About the latest performance

The £20m disposals target is a three year plan and we have now reached the end of the second year with a total receipt of £6,491,569 (gross). The current forecasted total for the end of the target period is £18,063,248 (gross). Corporate Property are in the process of identifying additional potential receipts that could contribute to the forecasted figure and so this should increase next quarter.

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

Staff are made aware of their information governance responsibilities

Information governance training

This measure relates to the percentage of employees that undertake Information Governance training over a 12 month period. The subjects covered in the training include data protection, information security, freedom of information and records management. A higher percentage of employees that have undertaken information governance training in the last 12 months indicates a better performance.



Achieved

87

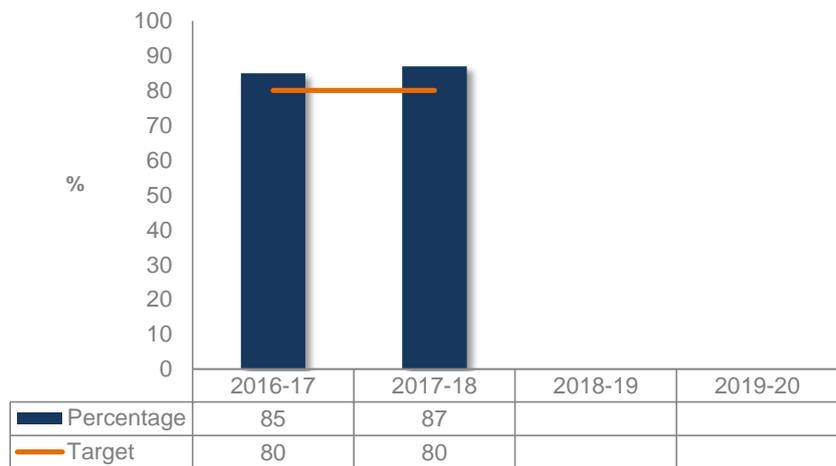
%
March 2018



80

%
Target for March 2018

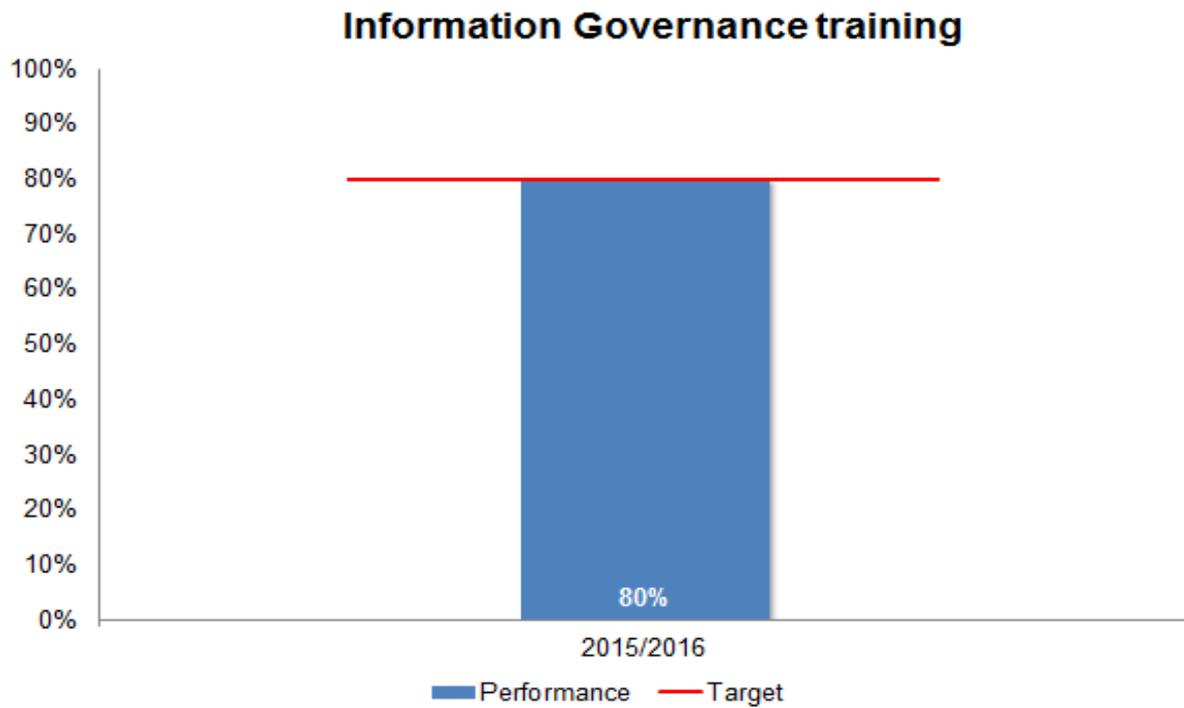
Information governance training



About the latest performance

Following a concerted effort by the Information Assurance Team to raise awareness the level of completion has once again increased. It is also clear that managers continue to encourage staff to undertake the training as they recognise the benefits it provides. Positive engagement by colleagues across the council continues to help improve awareness, supports an individuals understanding of their own responsibilities, and demonstrates a positive organisational approach.

Further details



About the target

Anything below 80% is below target.

About the target range

The range for the target is 80% or above. This allows for staff on long term absence and staff new to post who may not have had sufficient time to complete the training.

About benchmarking

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



We effectively target our resources

Staff are made aware of their information governance responsibilities

Information Assurance Policies

This measure relates to the number of information assurance policies that have been subject to review and update within the last 12 months. The process of review and update ensures that policies remain relevant, accurate, and reflect any changes as dictated by changes in legislation, best practice or other external compliance requirements.

A higher percentage of information assurance policies that have been subject to review and update in the last 12 months indicates a better performance.



Achieved

100

%

March 2018

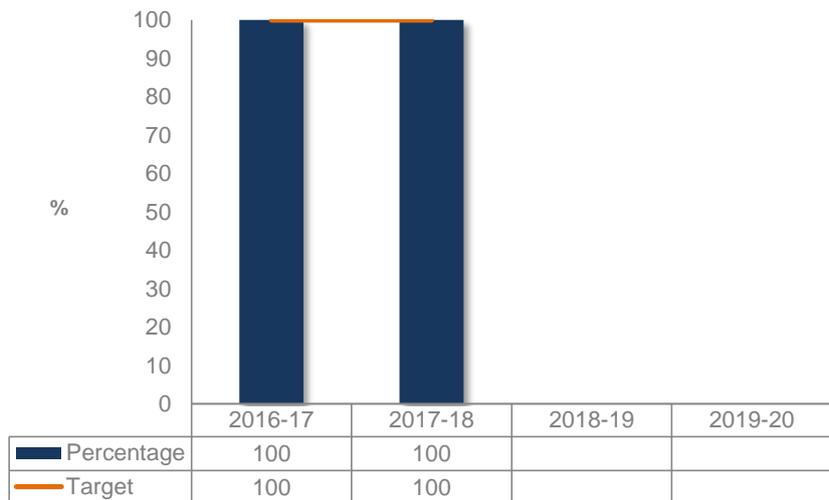


100

%

Target for March 2018

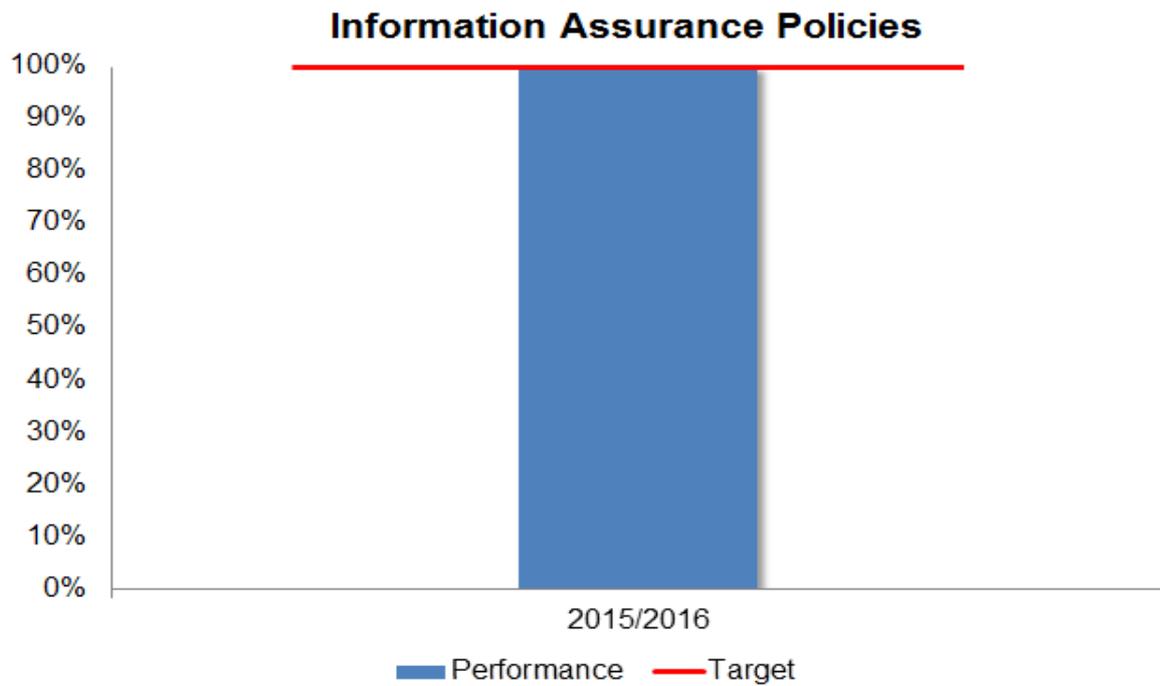
Information Assurance Policies



About the latest performance

All information assurance policies are subject to regular review to ensure they remain relevant and effective. They remain a central part of organisational controls within the wider information assurance framework. Recent reviews have considered the changes borne out of the General Data Protection Regulation.

Further details



About the target

An aspirational target of 100%.

About the target range

The target range is 90%-100% which allows for some slippage should there be capacity issues.

About benchmarking

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



We effectively target our resources

Record and investigate all reported security incidents in a timely manner to ensure impact is minimised and effective remedial action

Reported security incidents

The measure relates to the number of security incidents relating to Council assets reported to the Information Governance Team over the previous 12 months. A security incident is any fact or event which results in the compromise, misuse, or loss of Lincolnshire County Council information. These can occur due to a range of causes including human error, malicious activity, or process failure. Where the cause of a security incident is identified corrective actions are recommended in order to reduce the risk of an incident reoccurring. This in turn leads to an increase in the maturity of Lincolnshire County Council as an organisation that manages information securely.

A lower number of security incidents reported indicates a better performance.

Measured

158

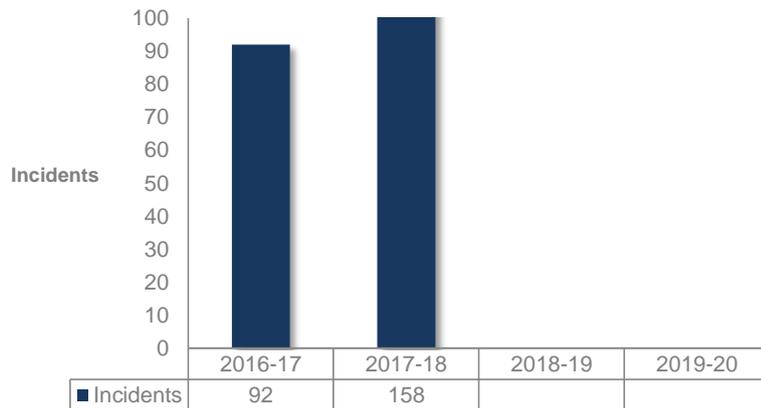
Incidents
March 2018



92

Incidents
2016/17

Reported security incidents

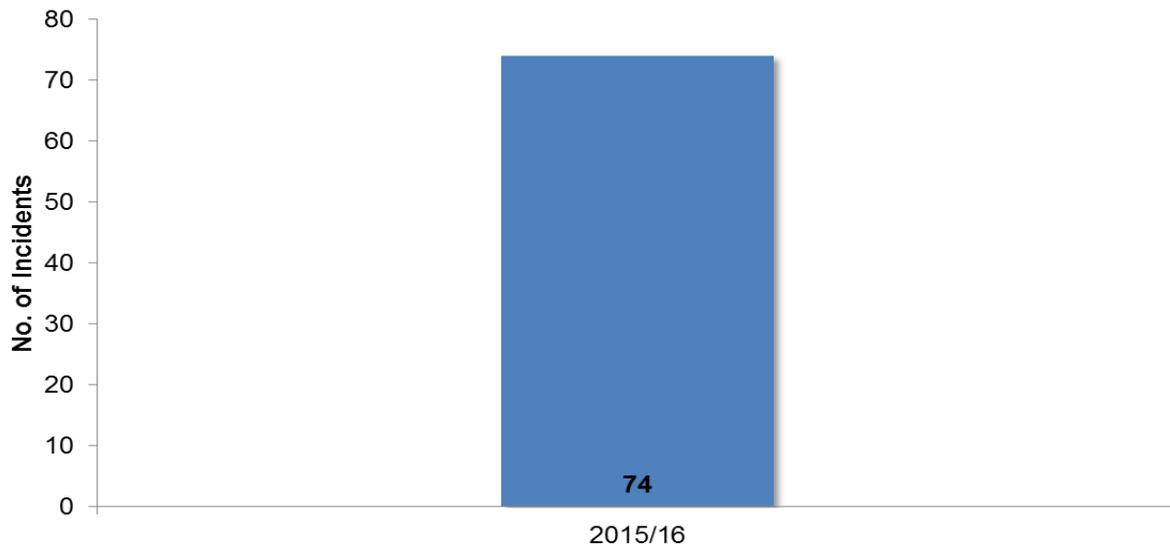


About the latest performance

In total there were 210 incidents reported and investigated by the Information Assurance Team. Of these 158 were confirmed as being actual incidents involving LCC assets. Factors that contribute to the increase include; improvements in the reporting of unaccountable hardware assets e.g. lost mobile phones; continued improvement in engagement from service areas; and an increase in awareness regarding the importance of reporting incidents. Reported figures include incidents caused by third parties. 84% of actual incidents were classed as having negligible impact on the council and/or individuals.

Further details

Number of security incidents



About the target

It is not appropriate to set a target as this is a contextual measure.

About the target range

A target range is not applicable as this is a contextual measure.

About benchmarking

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



We effectively target our resources

Meet external information assurance compliance requirements

Public Services Network connection compliance

PSN (Public Services Network) is a network operated by a number of suppliers for government that provides a trusted, reliable, solution to departments, agencies, local authorities and other bodies that work in the public sector. Maintaining compliance demonstrates that our organisation's security arrangements, policies and controls are sufficiently rigorous for us to interact with the PSN and those connected to it.



Not achieved

Non-compliant

Compliant/non-compliant
2017/18

About the latest performance

The annual PSN connection submission has not been approved by the PSN Authority and remedial action, which is necessary to improve the controls we have in place across our IT environment, has been identified. Activity is underway to progress the required work, which is complex in nature, and this must be completed before the council can consider resubmitting. Resubmission is anticipated to be carried out in late 2018/early 2019, however this will depend on whether the required work has been carried out to the appropriate standard at that time.

Further details

	2015/2016	2016/2017
Outturn	Compliant	Compliant

About the target

The target is to comply with the successful submission of the Cabinet Office Public Services Network code of connection.

About the target range

A target range does not apply as the outcome is compliance or non-compliance.

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 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 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

79.7

%

Quarter 4 March 2018

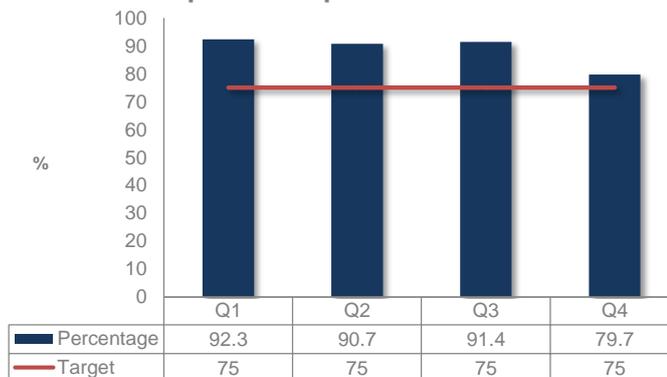


75

%

Target for Quarter 4 March 2018

Achievement of KPIs - VINCI facilities partnership contract

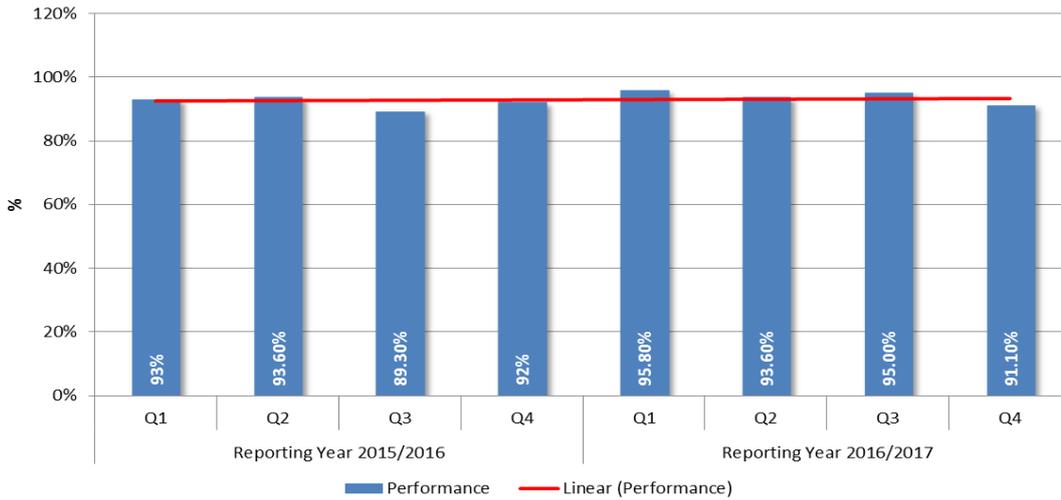


About the latest performance

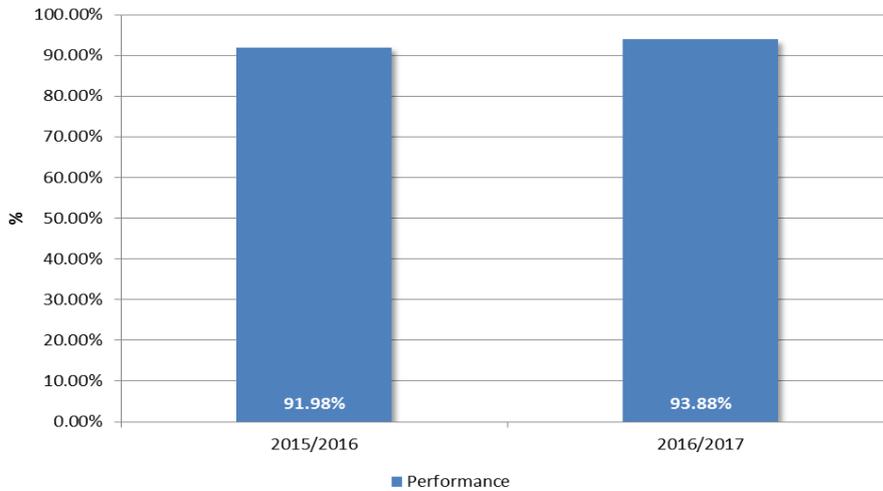
VINCI Facilities Partnership Limited continue to develop their supply chain and have instigated measures to improve the management and monitoring of health, safety, compliance and quality related issues.

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:	Overview and Scrutiny Management Board
Date:	28 June 2018
Subject:	Treasury Management Annual Report 2017/18

Summary:

This report has been prepared in accordance with the reporting recommendations of the CIPFA Code of Practice 2017 and details the results of the Council's treasury management activities for the financial year 2017/18. The report compares this activity to the Treasury Management Strategy for 2017/18, approved by the Executive Councillor with responsibilities for Finance on 20 March 2017. It will also detail any issues arising in treasury management during this period.

Actions Required:

The Overview and Scrutiny Management Board is invited to support the content of the Treasury Management Annual Report 2017/18 and agree any comments to be passed onto the Executive Councillor for Resources and Communications.

1. Background

1. Introduction and 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.

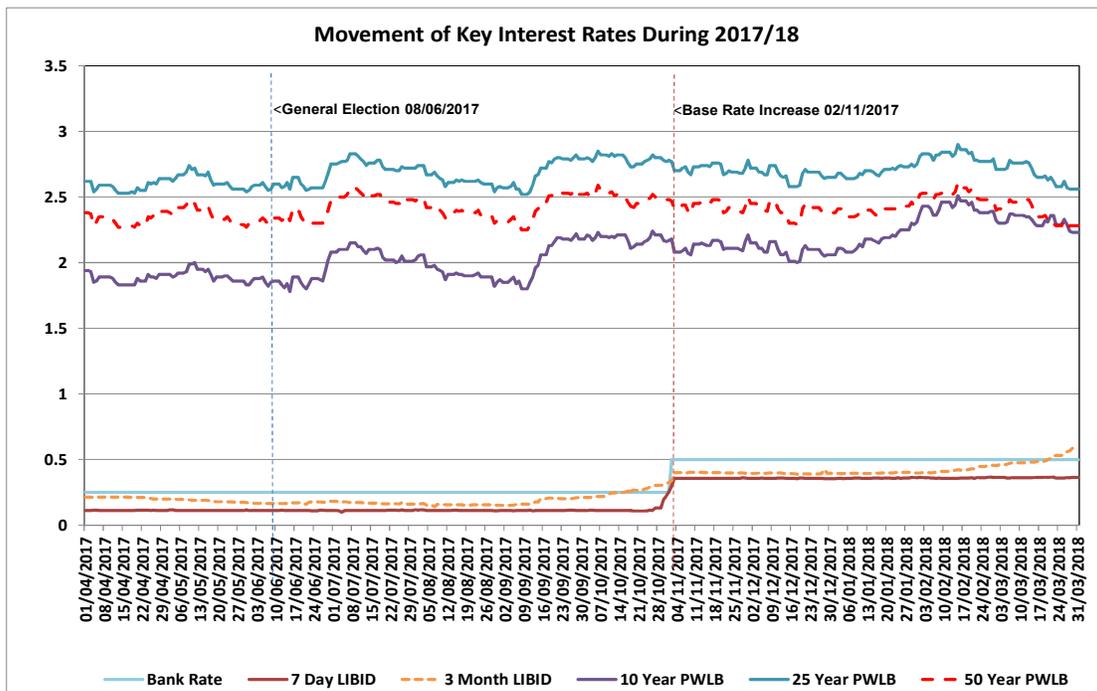
1.2. This Annual Treasury Report will cover the following matters for the year 2017/18:

- An economic overview and interest rate review.
- Investment outturn and comparison with strategy.
- Annual investment strategy/ authorised lending list changes during the year.
- Borrowing outturn and debt rescheduling activity and comparison with strategy.
- Other treasury issues during 2017/18.

2. Economic Overview and Interest Rate Forecast 2017/18

2.1. At the time of setting the Strategy in March 2017, short term bank rate was expected to remain at 0.25% for the year and long term rates were forecast to rise no more than 0.10% by the end of the year.

2.2. The graph below shows that Base Rate was increased for the first time in a decade on 2 November 2017 to 0.50% leading to short term rates rising from this point as market expectations for further increases in Bank Rate took hold. Long term rates ended the year around 0.10% lower than they started at the longer end, with many fluctuations in between.



2.3. The General Election result in June 2018, resulting in a hung parliament and a considerably weakened Conservative Government, had little impact on financial markets.

2.4. During the year Base Rate expectations were driven by the pattern of growth in the UK economy and the Monetary Policy Committee's (MPC) comments on this over the year. Growth in the first half of 2017 was disappointingly weak (the slowest rate since 2012). This was due to the sharp increase in inflation caused by the devaluation of sterling after the EU Brexit referendum in June 2016. Cost of imports increased as a result which led to a reduction in consumer spending. Growth started to pick up in the second half of the year leading the MPC to hint at an imminent Base Rate rise in September 2017. This rise to 0.50% came on 2 November 2017 and short term rates followed to around this level. The minutes of the February MPC meeting revealed another sharp warning of more imminent and faster pace of increases in Base Rate due than was previously expected. This fuelled market expectations leading to sharp increases in

investment rates from 3 to 12 months by the close of the year. Growth for 2017 ended at 1.7% (up from forecast of 1.5%). Estimates of growth in 2018, 2019 and 2020 were 1.5%, 1.3% and 1.3% respectively. Base Rate was not increased again and remained at 0.50% at the end of the year. Due to the weak growth forecasts, the expected rate rises in May 2018 did not materialise and expectations for rate rises have been pegged back again.

2.5. Inflation was not a significant factor during the year. The MPC forecast that CPI would peak at about 3.1% as a result of the devaluation of sterling caused by the result of the Brexit referendum. This was viewed as a one off impact, for which the MPC was not duly concerned. CPI inflation ended the year at 2.7%, falling to 2.4% in April 2018.

2.6. The US Fed has been the first major western central bank to start raising rates. Starting in December 2015, the Central Rate has been increased 6 times to 1.75% in March 2018. They are also the first to start unwinding quantitative easing by a gradual reduction in reinvesting maturing debt. US growth for 2017 was 2.3%, from 1.6% in 2016. Unemployment fell to its lowest in 17 years reaching 4.1%. Wage and general inflationary pressures are rising in the US as the economy is operating at near full capacity. Further increases in rate are expected in 2018.

2.7. Economic Growth in the EU continued to gather momentum with overall GDP at 2.3% in 2017. Nevertheless despite providing massive monetary stimulus by extending QE, the ECB is struggling to get inflation up to its 2% target and in March, inflation was still only 1.4%. Any rate increases are therefore unlikely until at least the end of 2019.

3. Investment Outturn 2017/18 and Comparison with Strategy

3.1. The Council's investment activity, position and return as at 31 March 2018 are detailed in the table below:

Investment Activity 2017/18	£m		
Opening Balance at 01.4.2017	255.69		
Investments Made In 2017/18	929.86		
Investments Repaid In 2017/18	927.85		
Closing Balance at 31.3.2018	257.70		
Investment Return 2017/18	Return Annualised	Weighted Benchmark Annualised	Outperformance
Year to 31.03.2018	0.54%	0.28%	0.26%

3.2. The investment balance at 31 March 2018 comprised general and earmarked reserves, Pension Fund Cash (£15.2m), income received but

not yet used/spent and general movement of working capital. The average value of investments during 2017/18 was £295.3m, although the investment balance at year end has remained relatively static compared to the previous year.

- 3.3. In line with the strategy, investments were made in periods of 4 months to 2 years to lock into rates above benchmark rate level, and use of bank call accounts and money market funds were made for liquidity that offered returns ranging from 0.20% to 0.75%. The majority of investments have been in the 364 day area and a couple of two year investments were taken during the year. This was to take advantage of the enhanced yields available in these periods. Investments included fixed deposits, bonds and certificates of deposit. As a result of the strategy, the weighted average maturity of the investment portfolio lengthened slightly over the year, starting at 153 days and ending at 167 days on 31 March 2018.
- 3.4. The benchmark target return for investments used is a weighted benchmark that uses both the 7 day LIBID and 3 month LIBID market rates, weighted to reflect the maturity of the investments made and therefore the risk parameters of the investment portfolio. Being a market rate, this benchmark moves relative to market movement. Market rates have fallen over the year. The cumulative benchmark rate for 2017/18 was 0.28% compared to 0.31% in 2016/17. The Council outperformed this benchmark by 0.26% in 2017/18 with a return of 0.54%, compared to 0.65% in 2016/17, and produced an investment return of £1.390m, (£1.390m in 2016/17), compared to a forecast of £1.0m. This outperformance was achieved by investing in longer term investments at average rates of 0.68% for most of the year.
- 3.5. The investment return was also benchmarked against the Link Benchmarking analysis, comprising a mixture of 9 other authorities in the East Midlands area and 14 English Counties. The results are detailed below as at 31 March 2018.

Link Benchmarking – Position at 31/3/2018			
	LCC	Benchmark Group(9)	English Counties (14)
March Return %	0.66%	0.57%	0.60%
Risk Banding	0.62% -0.74%	0.50% - 0.61%	0.52% -0.64%
WAM (days)	167	77	85

- 3.6. The benchmarking results show that the Council is above par with the investment returns achieved by its Link comparators in 2017/18. This is due to a longer Weighted Average Maturity (WAM) position taken by the Council. This is a good result given the conservative nature of the Counterparties allowed on the Authorities Lending List (restricted to a Long Term minimum rating of A+) for which these comparators were not restricted to. Link calculates a risk banding return that should be achievable for the level of risk being taken on investments and the Council is in line with this banding.

3.7. Temporary borrowing totalling £51m was taken throughout the year to cover a shortfall in liquidity predicted at certain times. The average cost of this temporary borrowing was 0.31%, which was cost neutral as surplus borrowing was invested in money market funds at an average of 0.30%. This was in line with strategy and as an alternative to drawing on higher yielding Notice Accounts when necessary. No temporary borrowing remained outstanding at 31 March 2018.

4. Annual Investment Strategy/ Authorised Lending List Changes During 2017/18

4.1. The Council's Annual Investment Strategy for 2017/18 was approved, along with the Treasury Strategy, by the Executive Councillor with responsibilities for Finance on 20 March 2017, after being scrutinised by the then Value for Money Scrutiny Committee on 28 February 2017. The Strategy outlines the Council's investment priorities as **the security of capital and the liquidity of investments**, with the aim to achieve the optimum return on investments commensurate with proper levels of security and liquidity.

4.2. As such investments are only placed with highly credit rated financial institutions, using Link's suggested creditworthiness approach, including Short and Long Term Ratings, Sovereign Credit Ratings and Credit Default Swap overlay information provided by Link Asset Services.

4.3. In addition to Link's credit methodology, the Council also maintains a minimum limit of **A+ Long Term Rating (two out of three agencies)** for all its Counterparties, excluding part-nationalised UK banks and a **minimum limit AA- Sovereign Rating, (two out of three agencies)** for any Country in which a Counterparty is based. Appendix A shows the Council's Authorised Lending List at 31 March 2018, based on this creditworthiness approach, together with a key explaining the credit rating scores.

4.4. The table below shows the changes to the Authorised Lending List over 2017/18, predominantly resulting from positive changes to credit ratings over the year.

Counterparty	Action	Reason
Lloyds Group (UK) (Lloyds and BOS)	Change: Limit increased to £20m / 364 Day.	Improved Credit Rating & Loss of Part Nationalised Status.
Nordea Bank (Finland)	Removal from List.	Banking Restructure Leading to Exit from Market.
ING Bank (Netherlands)	Change: Limit increased to £20m / 364 Day.	Improved Credit Rating.
UBS Ltd (UK)	Change: Limit increased to £20m / 364 Day.	Improved Credit Rating.
Bank of America (USA)	Change: Limit increased to £20m / 364 Day.	Improved Credit Rating.
Aberdeen Global Liquidity MMF/ Standard Life Liquidity MMF	Group Limit of £20m / 24 Months applied.	Merger of both MMFs to form Aberdeen Standard Group.

4.5. At the 31 March 2018 no investments to Counterparties on the list were in breach of limit due to limit changes.

4.6. A full list of the investments held at 31 March 2018, compared to Link's creditworthiness list, and changes to credit rating of counterparties during March 2018 are shown in Appendix B.

5. Borrowing Outturn & Debt Rescheduling Activity 2017/18 and Comparison with Strategy

5.1. The Capital Programme expenditure plans were revised during 2017/18 from that agreed by Full Council at its meeting on 24 February 2017 and actual spending was under budget. The result on the corresponding Borrowing Requirement for the year is shown in the table below:

	Original Budget at 1/4/2017 £m	Final Budget at 31/3/2018 £m	Actual at 31/3/2018 £m	Underspend £m
Net Capital Expenditure Programme 2017/18	49.444	79.838	53.088	26.750
Borrowing Requirement 2017/18	48.844	36.548	14.602	21.946

5.2. The Strategy for 2017/18 stated that new borrowing would be undertaken in all periods with the aim of achieving an even spread of maturity profile and keeping an increase in the average cost of the Council's debt to a minimum. Borrowing would be undertaken at a time appropriate to coincide with an identified dip in borrowing rates available.

5.3. The Council's actual borrowing and debt rescheduling position as at 31 March 2018 and activity during 2017/18, is detailed in the table below:

Borrowing Activity 2017/18	Maturing Debt £m	Debt To Fund Capital Expenditure £m	Total £m	% Cost
Opening Balance at 1.4.2017	0.0	476.745	476.745	4.068%
New Borrowing in 2017/18	0.0	0.000	0.000	
Borrowing Matured/Repaid in 2017/18	(14.000)	(1.354)	(15.354)	
Debt Rescheduling:-				
Borrowing Repaid in 2017/18	0.0	0.0	0.0	
Borrowing Replaced in 2017/18	0.0	0.0	0.0	
Closing Balance at 31.3.2018	(14.000)	475.391	461.391	4.088%
Authorised Limit For External Debt 2017/18			583.007	

5.4. The table above shows that no external borrowing was taken during the year, the borrowing requirement being met in full by internal borrowing in 2017/18.

5.5. Total Lenders Option Borrowers Option (LOBO) debt the Council has still stands at £30m, well within the limit set in the strategy of 10% of total external debt (equating to £46.1m). A limit is set on this type of borrowing to limit the amount of variability within the debt portfolio for debt repayment.

5.6. Appendix C shows the maturity profile of the Council's long term debt as at 31 March 2018, including the variability effect of the £30m LOBO debt held. (LOBO debt allows the Lender the opportunity to change the rate on the Loan at specified intervals and the Borrower the option to accept this change or repay the loan.) The graph shows a fairly even maturity profile with no debt maturing in any one year exceeding 10.38% of the total debt portfolio.

5.7. Internal Borrowing is using internal balances to finance capital spend, instead of external borrowing. This strategy reduces interest rate risk (the risk of unexpected adverse changes in interest rate) and credit risk (the risk of default by counterparties to whom investments are held as investment exposure falls) and also provides a net saving in interest costs in the short term. The balance of internal borrowing at 31 March 2018

stood at £82.152m from £69.343m the previous year and is broken down as follows:

2011/12	£15.459m
2012/13	£56.486m
2013/14	£26.028m
2014/15	(£13.417m)
2015/16	(£18.343m)
2016/17	£3.130m
2017/18	<u>£12.808m</u>
Total	£82.152m

A further £21.946m of internal borrowing will be carried forward to 2018/19 along with the Capital Programme and Borrowing Requirement underspends, which will bring total internal borrowing to £104.097m. (16.0% of the 2018/19 authorised borrowing limit). Scope for further internal borrowing after this will be limited as cash balances are run down going forward.

5.8. It is worth pointing out that the internal borrowing balance detailed above can be taken externally at any time if investment interest rate yield curves reverse and move higher than long term borrowing rates in the future.

5.9. The table below shows how the final borrowing requirement for 2017/18 was utilised.

	£m
Final Borrowing Requirement 2017/18	14.602
Made Up Of:	
Voluntary Repayment Debt 2017/18	1.794
Actual Borrowing Undertaken in 2017/18	0.000
Internal Borrowing BF from 2016/17	34.579
Internal Borrowing 2017/18	0.175
Internal Borrowing Underspend CF to 2018/19	-21.946
Total	14.602

5.10. No debt rescheduling activity took place during the year due to all existing borrowing loans being in premium position. (Meaning that the coupon rate of existing debt is higher than the current market rate for equivalent outstanding periods and so a premium would be incurred to repay this debt back early).

5.11. Interest paid on long term borrowing in 2017/18 was £19.000m some £0.966m under budget due to the underspend of the capital programme borrowing requirement and internal borrowing taken.

5.12. Full Council, at its meeting on 24 February 2017, approved the Council's Prudential Indicators for 2017/18, set as a requirement of the Prudential Code to ensure the Council's capital financing, in particular its long term borrowing, is prudent, affordable and sustainable. It can be confirmed that no Prudential Indicator limits were breached during 2017/18. Appendix D compares actual key treasury Prudential Indicators with those estimated for 2017/18.

6. Other Treasury Management Issues

6.1. MIFID II (Markets in Financial Instruments Directive)

The Financial Conduct Authority (FCA) issued the above Directive which came into force on 3 January 2018. It relates to the rules governing the relationship between investors and who they invest with and applies to regulated products such as Certificates of Deposit, Bonds and Money Market Funds.

The Council has met certain Qualitative and Quantitative tests to opt up to professional status where necessary with all its market participants to enable it to continue to invest in accordance with its Investments Strategy.

6.2. Revised CIPFA Treasury Management and Prudential Codes 2017

CIPFA issued revised codes that govern Treasury Management in December 2017, following a consultation. The Codes were last updated in 2011. The new Codes revisions apply to and from Council's 2018/19 budgets. The prime reason of these revisions was to highlight the increased emergence of **non-treasury investments** held in other financial assets and property, primarily held for return by Councils. Such activity includes loans supporting service outcomes, investments in subsidiaries and investment property portfolios. CIPFA has emphasised that these investments, although not part of general treasury management activity, are the responsibility of the S151 Officer and should therefore be managed and subject to the same risk / return considerations as for treasury. Within the Codes, CIPFA recommend that details of these non-treasury investments should be included in an annual **Capital Strategy**, which will also set out the Council's risk appetite and specific policies and governance arrangements for these non-treasury investments. This Capital Strategy will be completed in 2018/19 and will follow the same approval and scrutiny path as the Treasury Strategy.

The new codes also propose some minor changes to the Prudential and Treasury Indicators that have already been adhered to in the Treasury Management Strategy for 2018/19.

6.3. MHCLG Investment & MRP Guidance

New MHCLG Investment & MRP Guidance was issued in February 2018. This too focuses particularly on non-treasury asset investments and their classification and to make sure that the increasingly complex business models

for non-treasury related activities being adopted are highlighted and that risk exposure on these investment decisions is being highlighted and understood.

The definition of a long term investment has also been confirmed as over 365 days (change from within 12 months). There are also changes to guidance on retrospective changes to MRP policy.

As with the CIPFA Codes, this Guidance was last updated in 2010 and 2012 and the new Guidance will be adopted from 2018/19 going forward.

2. Conclusion

Base Rate was increased for the first time in a decade to 0.50% in November 2017, whilst longer terms rates remained relatively flat throughout the year ending the year just around 0.10% lower than where they started. In light of this backdrop the Council still outperformed its investment benchmark during the year by 0.26%, achieving an annualised return of 0.54% and also beat benchmarking comparators from Link. This was achieved by lengthening the Weighted Average Maturity of investments, which stood at 167 days at 31 March 2018. The level of Council treasury investments at 31 March 2018 stood at £257.7m. The cost of the Council's borrowing remained at just above 4%. No external borrowing was taken during the year, its borrowing requirement being met from internal cash resources or internal borrowing hence the level of external borrowing fell to £461.4m at 31 March 2018. The Council's internal borrowing level stood at £82.152m at 31 March 2018. A total of £21.946m of internal borrowing will be carried forward to 2018/19 along with capital expenditure and borrowing requirement underspends. Temporary borrowing of £51m was undertaken in 2017/18 to cover predicted liquidity issues during the year at a cost neutral level. This sum was repaid before 31 March 2018. The Council opted up to professional status with its market participants during the year, in line with MIFID II requirements. Both CIPFA and MHCLG issued revised Codes and Guidance during the year primarily to accommodate the rising trend of non-treasury related investments in Councils. The new requirements from these new documents will be adhered to in 2018/19.

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	Authorised Lending List at 31 March 2018 and Credit Rating Key
Appendix B	Investment Analysis Review at 31 March 2018 - Link Asset Services Ltd
Appendix C	LCC Long Term Maturity Profile as at 31 March 2018
Appendix D	Prudential Indicators -Actuals Compared to Estimates 2017/18

5. Background Papers

Document title	Where the document can be viewed
Treasury Management Strategy Statement and Annual Investment Strategy 2017/18 -20/3/2017	Lincolnshire County Council, Finance and Public Protection
Council Budget 2017/18 - 24/2/2017	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.

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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	IBCA Sovereign	For Treas: CDS Overlay	
	1 Other Local Authorities	20 each	24 Months						
	2 Debt Management Account Deposit Facility	50	6 Month						
	3 UK Banks :								
UK	# HSBC Group	20	364 Day						
	HSBC Bank Plc	20	364 Day	364 Day	SB	AA-	AA	364 Day	
	HSBC Evergreen Notice Account	20	364 Day						
UK	# RBS Group - Part Nationalised	40	364 Day						
	National Westminster Plc	40	364 Day	364 Day	SB	BBB+	AA		
	Natwest Instant Access Liquidity Account	40	364 Day	364 Day					
UK	Natwest 90 Access - Liquidity Account	40	364 Day	364 Day					
UK	Royal Bank of Scotland Plc	40	364 Day	364 Day	SB	BBB+	AA		
UK	# LloydsHBOS Group	20	364 Day						
	Lloyds TSB Bank Plc	20	364 Day	364 Day	SB	A+	AA	364 Day	
	Bank of Scotland Plc	20	364 Day	364 Day				364 Day	
UK	Standard Chartered Bank	15	6 Months	6 Months	SB	A+	AA	6 Months	
	4 Other Banks								
AUS	Australia & New Zealand Banking Group	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
AUS	Commonwealth Bank of Australia	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
AUS	National Australia Bank	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
AUS	Westpac Banking Corporation	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
BEL	# BNP Paribas Group	15	6 Months						
	BNP Paribas Fortis	15	6 Months	6 Months	SB	A+	AA-	6 Months	
FRA	BNP Paribas	15	6 Months	6 Months	SB	A+	AA	6 Months	
CAN	Bank of Montreal	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
CAN	Bank of Nova Scotia	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
CAN	Canadian Imperial Bank Commerce	20	364 Day	364 Day	NO	AA-	AAA	364 Day	
CAN	National Bank of Canada	15	6 Months	6 Months	SB	A+	AAA	6 Months	
CAN	Royal Bank of Canada	20	364 Day	364 Day	SB	AA	AAA	364 Day	
CAN	Toronto Dominion Bank	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
SWE	#Nordea Group	20	364 Day						
	Nordea Bank AB	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
FRA	Credit Industriel et Commercial	15	6 Months	6 Months	SB	A+	AA	6 Months	
FIN	OP Corporate Bank	20	364 Day	364 Day	SB	Aa3	AA+	364 Day	
GER	DZ Bank AG	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
GER	Landesbank Hessen-Thuringen Girozentrale (Heleba)	20	364 Day	364 Day	SB	A+	AAA	364 Day	
NETH	Bank Nederlande Gemeenten	25	24 Months	24 Months	SB	AA+	AAA	24 Months	
NETH	Cooperative Centrale Raiffeisen Boerenleenbank BA (Rabobank)	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
NETH	ING Bank NV	20	364 Day	364 Day	SB	A+	AAA	364 Day	
SING	DBS Bank Ltd	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
SING	Oversea Chinese Banking Corporation Ltd	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
SING	United Overseas Bank	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
SWITZ	#UBS Group	20	364 Day						
	UBS AG	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
UK	UBS Ltd	20	364 Day	364 Day	SB	AA-	AA	364 Day	
SWE	Skandinaviska Enskilda Banken AB	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
SWE	Swedbank AB	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
SWE	# Svenska Group	20	364 Day						
	Svenska Handelsbanken	20	364 Day	364 Day	SB	AA	AAA	364 Day	
	Svenska Handelsbanken - 35 Day Notice Account	20	364 Day	364 Day				364 Day	
	Svenska Handelsbanken- 10 Day Notice Account	20	364 Day	364 Day				364 Day	
	Svenska Handelsbanken- Call Account	20	364 Day	364 Day				364 Day	
USA	Bank of New York Mellon	25	24 Months	24 Months	SB	AA	AAA	24 Months	
USA	Bank of America	20	364 Day	364 Day	SB	A+	AAA	364 Day	
USA	JP Morgan Chase Bank	20	364 Day	364 Day	SB	AA-	AAA	364 Day	
	5 AAA Money Market Funds								
	# MMF Group	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			
	#AberdeenStandard Group	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 / C Machej / K Tonge / N Kay.								
	Revised: 31st March 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.

Sector 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

March 2018

Monthly Economic Summary

General Economy

The first key economic release of the month was the February Manufacturing Purchasing Managers' Index (PMI) survey. This dropped to an eight-month low of 55.2 from 55.3 in January, despite a marked upturn in new orders. The headline figure did, however, beat the average forecast of 55.0. Furthermore, underlying data within the survey showed that factory order growth is the strongest it has been since November and that 56% of manufacturers expect to raise production over the coming year. Meanwhile, construction PMI picked up slightly in February – but uncertainty continues to weigh on order books. The figure rose to 51.4 from 50.2 in January, ahead of even the most optimistic of forecasts. Services PMI also perked up, jumping to a four-month high of 54.5 from 53.0; with new orders rising at their fastest rate since May last year. The combination of the three surveys reinforced market expectations that the Bank of England (BoE) will raise interest rates again in their May meeting.

Elsewhere, trade balance data led to the suggestion that Britain's economy remains on a slow trajectory ahead of Brexit. Britain went from being the fastest-growing G7 economy in 2016 to the weakest last year as the Brexit vote weighed on household spending and corporate investment. Manufacturing output inched up 0.1% in January after a 0.3% rise in December – weaker than a poll forecasting 0.2%. This latest reading left the three month rate at 0.9%, the weakest pace since mid-2017.

Painting a slightly more cheerful picture, British inflation was weaker than expected in February as the impact of the Brexit vote finally faded from the figures, easing some of the squeeze on consumers who have seen their rising pay flag behind rising prices. The annual Consumer Price Index (CPI) rate rose by 2.7% in February, down from 3.0% previously and the weakest increase since July of last year. This provided further evidence that Britain's inflation peaked after hitting its highest level in five years of 3.1% in November 2017. Many of the early 2017 price increases due to the previous depreciation of the pound have started to work through the system, with petrol prices falling on the month and food prices rising more slowly than in February 2017 – all contributing to a lower inflation figure.

Unemployment edged back down to its four-decade low of 4.3% in February having briefly risen to 4.4% in January. The number of people in work grew by 168,000 in the three months to January – double the rise predicted in a poll of economists. Paired with that, British workers overall pay rose at the fastest pace in nearly two-and-a-half years over the three months to January – also increasing chances that the BoE will raise the cost of borrowing in May. Total earnings, including bonuses, rose annually by 2.8% in the three months to January compared with an upwardly revised 2.7% rise in the three months to December. Excluding bonuses, wages rose by

2.6%, a slight pick-up from the 2.5% seen in the three months to December. An expected steady increase in pay growth was a major reason why the BoE said in February that it expected interest rates to rise faster than they thought a few months previously.

Switching to public finance data, Public Sector Net Borrowing (PSNB) excluding public sector banks increased by £2.5bn to £1.3bn in February 2018, compared to February 2017. Public Sector Net Debt (PSND) excluding public sector banks was £1,762.6bn at the end of February 2018, equivalent to 85.1% of gross domestic product (GDP) – an increase of £68.1bn (+0.9%) on February 2017. In summary, PSNB excluding public sector banks is currently tracking below that of the last financial year with the Office for Budget Responsibility's (OBR) revising their official forecast for the current financial year down to £45.2bn from £49.9bn at the spring statement.

The Monetary Policy Committee (MPC) voted to keep interest rates unchanged, however two of its policy makers (Ian McCafferty and Michael Saunders) voted for an immediate rate rise. Minutes from the meeting said that “ongoing tightening” was likely to be needed to return inflation back to target; adding strength to Mark Carney's comments last month that “rates might need to go up faster than expected”.

Rounding off the month, the final estimate for Q4 GDP was left unrevised at 0.4% on a quarterly basis and 1.4% on an annual basis, matching consensus expectations. Additionally, growth in business investment was revised up to 0.3% from 0%; as a whole, net trade made its first positive contribution to growth since 2012.

In the Eurozone, the final reading of Q4 GDP was left unrevised at 0.6%, slightly lower than Q3's 0.7%. The expansion was driven mainly by net exports. Annual growth was also confirmed at 2.7% for Q4, with growth for the Eurozone economy for 2017 as a whole increasing by 2.5%. Following their March meeting, the European Central Bank's (ECB) only change was the removal of their previous pledge to “increase the Asset Purchase Programme (AAP) in terms of size and/or duration” if needed. Eurozone inflation fell to 1.1% in February, down from the 1.3% seen in January with the highest contribution to inflation coming from services, followed by food. Lastly, Eurozone unemployment held steady in January at 8.6%, the lowest rate recorded in the Eurozone since December 2008.

The US saw a significant 313,000 increase in non-farm payrolls in February (the biggest in 18 months) together with a 54,000 positive revision to gains in the preceding two months. Unemployment, however, remained unchanged at 4.1% as an increase in people actually looking for work (the “participation rate”) offset the actual increase in jobs. Boosted by a surge in clothing prices, inflation

posted a 0.2% monthly gain for February and a 2.2% annual rise, from 0.5% and 2.1% respectively the month prior. These strong figures paved the way for the Fed's unanimous decision to raise interest rates by another 25 basis points to 1.50%-1.75%, with comments reiterating the need for "further gradual" hikes. The final estimate for Q4 GDP was revised upwards to a 2.9% annualised rate, from the previously reported 2.5%. The upward revision reflected a lower level of inventory reduction through the quarter.

Sterling opened the month at \$1.377 against the US Dollar and closed the month at \$1.402. Against the Euro, Sterling opened at €1.122 and closed at €1.138.

Housing

Nationwide revealed house prices unexpectedly fell during March, down 0.2% on the month. Annually, house prices rose 2.1% - weaker than forecasts of 2.6% and slowing from February's 2.2% increase. Elsewhere, Halifax reported that at 1.8%, house prices rose at their slowest pace in nearly five years in the three months to February. This was a drop from the 2.2% recorded the month prior, while in

Forecast

Neither Link Asset Services (LAS) nor Capital Economics (CE) changed their bank rate forecasts during March. LAS suggest that the next interest rate rise will be to 0.75% in Q2 2018, with further rises of 25 basis points in Q4 2018 and again in Q4 2019. Capital Economics' forecasts continue to suggest further rises of 25 basis points in Q2 2018, Q3 2018, Q4 2018, Q2 2019 and Q4 2019.

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

Lincolnshire County Council

Current Investment List

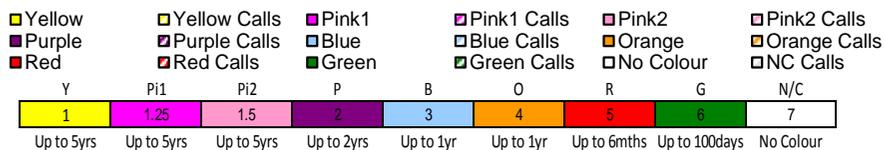
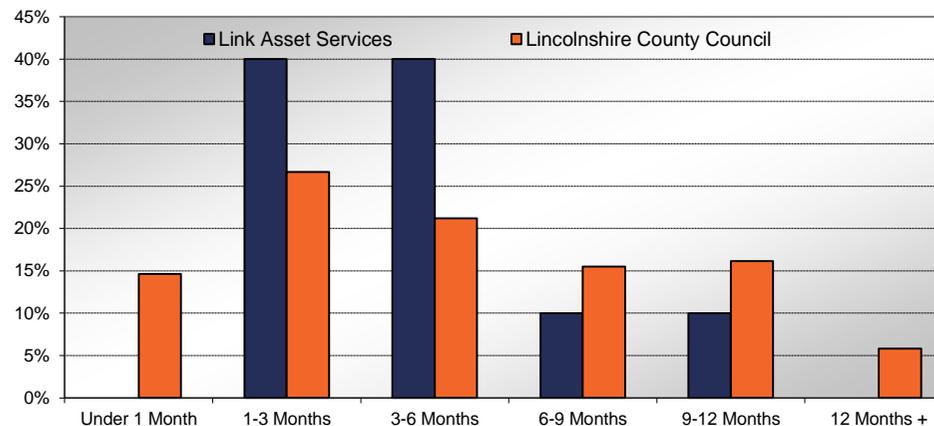
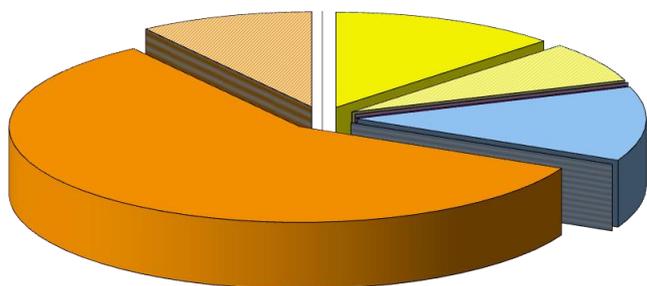
Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest Long Term Rating	Historic Risk of Default
MMF Standard Life	17,740,000	0.46%		MMF	AAA	0.000%
The Royal Bank of Scotland Plc	5,000,000	0.70%	11/04/2017	10/04/2018	BBB+	0.005%
The Royal Bank of Scotland Plc	5,000,000	0.68%	21/04/2017	13/04/2018	BBB+	0.006%
HSBC Bank Plc	10,000,000	0.60%		Call30	AA-	0.002%
The Royal Bank of Scotland Plc	4,000,000	0.68%	08/05/2017	04/05/2018	BBB+	0.016%
The Royal Bank of Scotland Plc	6,000,000	0.64%	17/05/2017	08/05/2018	BBB+	0.018%
DBS Bank Ltd	5,000,000	0.52%	26/05/2017	11/05/2018	AA-	0.003%
Bank of Scotland Plc	5,000,000	0.65%	20/11/2017	21/05/2018	A	0.008%
Commonwealth Bank of Australia	5,000,000	0.52%	26/05/2017	25/05/2018	AA-	0.004%
The Royal Bank of Scotland Plc	5,000,000	0.66%	28/06/2017	27/06/2018	BBB+	0.041%
Cooperatieve Rabobank U.A.	3,925,000	0.50%	29/06/2017	28/06/2018	A+	0.014%
UBS AG	9,800,000	0.53%	28/07/2017	28/06/2018	A+	0.014%
HSBC Bank Plc	10,000,000	0.63%		Call90	AA-	0.006%
Commonwealth Bank of Australia	10,000,000	0.52%	30/06/2017	29/06/2018	AA-	0.006%
Australia and New Zealand Banking Group Ltd	5,000,000	0.50%	30/06/2017	29/06/2018	AA-	0.006%
Landesbank Hessen-Thueringen Girozentrale (Helaba)	5,000,000	0.54%	05/07/2017	04/07/2018	A	0.015%
Australia and New Zealand Banking Group Ltd	5,000,000	0.50%	14/07/2017	13/07/2018	AA-	0.007%
Australia and New Zealand Banking Group Ltd	6,650,000	0.50%	20/07/2017	19/07/2018	AA-	0.007%
Australia and New Zealand Banking Group Ltd	3,350,000	0.48%	03/08/2017	02/08/2018	AA-	0.008%
Cooperatieve Rabobank U.A.	10,000,000	0.55%	15/09/2017	14/09/2018	A+	0.026%
The Royal Bank of Scotland Plc	1,125,000	0.81%	07/02/2018	17/09/2018	BBB+	0.079%
The Royal Bank of Scotland Plc	810,000	0.80%	07/02/2018	17/09/2018	BBB+	0.079%
The Royal Bank of Scotland Plc	1,230,000	0.79%	09/02/2018	17/09/2018	BBB+	0.079%
The Royal Bank of Scotland Plc	2,268,000	0.80%	09/02/2018	17/09/2018	BBB+	0.079%
UBS AG	5,000,000	0.52%	19/09/2017	18/09/2018	A+	0.026%
Canadian Imperial Bank of Commerce	6,500,000	0.55%	19/09/2017	18/09/2018	A+	0.026%
Landesbank Hessen-Thueringen Girozentrale (Helaba)	2,755,000	0.59%	19/09/2017	18/09/2018	A	0.026%
Bank of Scotland Plc	5,000,000	0.75%		Call175	A	0.027%
Landesbank Hessen-Thueringen Girozentrale (Helaba)	6,325,000	0.70%	30/10/2017	29/10/2018	A	0.033%
Toronto Dominion Bank	6,900,000	0.69%	01/11/2017	31/10/2018	AA-	0.014%
UBS AG	5,200,000	0.74%	20/11/2017	19/11/2018	A+	0.036%
United Overseas Bank Ltd	6,775,000	0.68%	24/11/2017	23/11/2018	AA-	0.015%
The Royal Bank of Scotland Plc	2,000,000	0.78%	23/01/2018	27/11/2018	BBB+	0.112%
North Tyneside Metropolitan Borough Council	3,800,000	0.75%	11/12/2017	10/12/2018	AA	0.016%
Eastleigh Borough Council	3,950,000	0.90%	14/03/2018	14/12/2018	AA	0.016%

Lincolnshire County Council

Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest Long Term Rating	Historic Risk of Default
North Tyneside Metropolitan Borough Council	5,000,000	0.75%	20/12/2017	19/12/2018	AA	0.017%
Liverpool City Council	5,000,000	0.70%	13/01/2017	11/01/2019	AA	0.018%
United Overseas Bank Ltd	4,675,000	0.68%	15/01/2018	14/01/2019	AA-	0.018%
Commonwealth Bank of Australia	5,000,000	0.70%	26/01/2018	25/01/2019	AA-	0.019%
Landesbank Hessen-Thuringen Girozentrale (Helaba)	5,920,000	0.86%	02/03/2018	01/03/2019	A	0.052%
DBS Bank Ltd	5,000,000	0.99%	21/03/2018	20/03/2019	AA-	0.023%
Toronto Dominion Bank	6,000,000	1.03%	27/03/2018	26/03/2019	AA-	0.023%
DBS Bank Ltd	5,000,000	1.00%	28/03/2018	27/03/2019	AA-	0.023%
DBS Bank Ltd	5,000,000	1.00%	29/03/2018	28/03/2019	AA-	0.023%
Doncaster Metropolitan Borough Council	5,000,000	0.77%	20/04/2017	05/04/2019	AA	0.024%
Cheshire East Council	5,000,000	0.85%	20/02/2018	08/04/2019	AA	0.024%
Bournemouth Borough Council	5,000,000	0.71%	29/09/2017	20/09/2019	AA	0.033%
Total Investments	£257,698,000	0.66%				0.018%

Portfolio Composition by Link Asset Services' Suggested Lending Criteria



Portfolios weighted average risk number = **3.29**

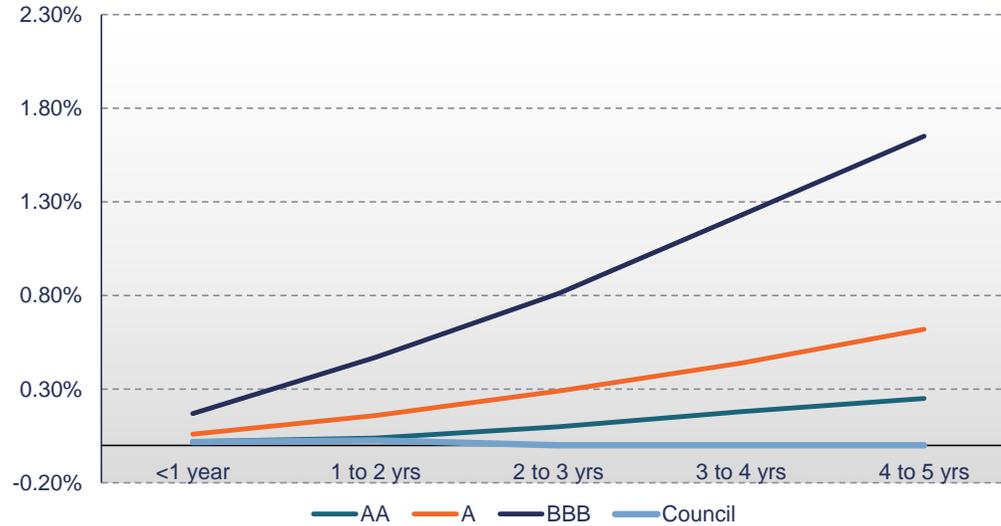
WARoR = Weighted Average Rate of Return
WAM = Weighted Average Time to Maturity

	% of Portfolio	Amount	% of Colour in Calls	Amount of Colour in Calls	% of Call in Portfolio	WARoR	WAM	WAM at Execution	Excluding Calls/MMFs/USDBFs	
									WAM	WAM at Execution
Yellow	19.59%	£50,490,000	35.14%	£17,740,000	6.88%	0.66%	221	340	340	524
Pink1	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Pink2	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Purple	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Blue	12.59%	£32,433,000	0.00%	£0	0.00%	0.70%	72	334	72	334
Orange	67.82%	£174,775,000	14.30%	£25,000,000	9.70%	0.65%	170	317	184	356
Red	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Green	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
No Colour	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Total	100.00%	£257,698,000	16.59%	£42,740,000	16.59%	0.66%	167	323	191	378

Lincolnshire County Council

Investment Risk and Rating Exposure

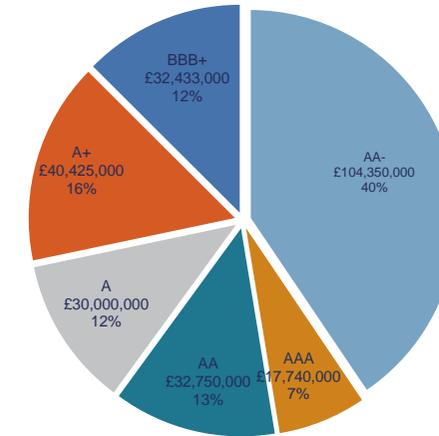
Investment Risk Vs. Rating Categories



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%	0.25%
A	0.06%	0.16%	0.29%	0.44%	0.62%
BBB	0.17%	0.47%	0.81%	1.23%	1.65%
Council	0.018%	0.027%	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
01/03/2018	1589	Nationwide Building Society	United Kingdom	Long Term Rating downgraded to 'A' from 'A+', Outlook changed to Stable from Negative. Short Term Rating affirmed.
21/03/2018	1592	Abbey National Treasury Services Plc	United Kingdom	Long Term and Short Term Ratings affirmed, Long Term Rating removed from Positive Watch and placed on Stable Outlook.

Lincolnshire County Council

Monthly Credit Rating Changes MOODY'S

Date	Update Number	Institution	Country	Rating Action
08/03/2018	1590	Goldman Sachs International Bank	United Kingdom	Long Term and Short Term Ratings affirmed, Outlook on Long Term Rating changed to Negative from Stable.
28/03/2018	1593	Cooperatieve Rabobank U.A.	Netherlands	Long Term Rating downgraded to 'Aa3' from 'Aa2', Outlook changed to Stable from Negative. Short Term Rating affirmed.

Lincolnshire County Council

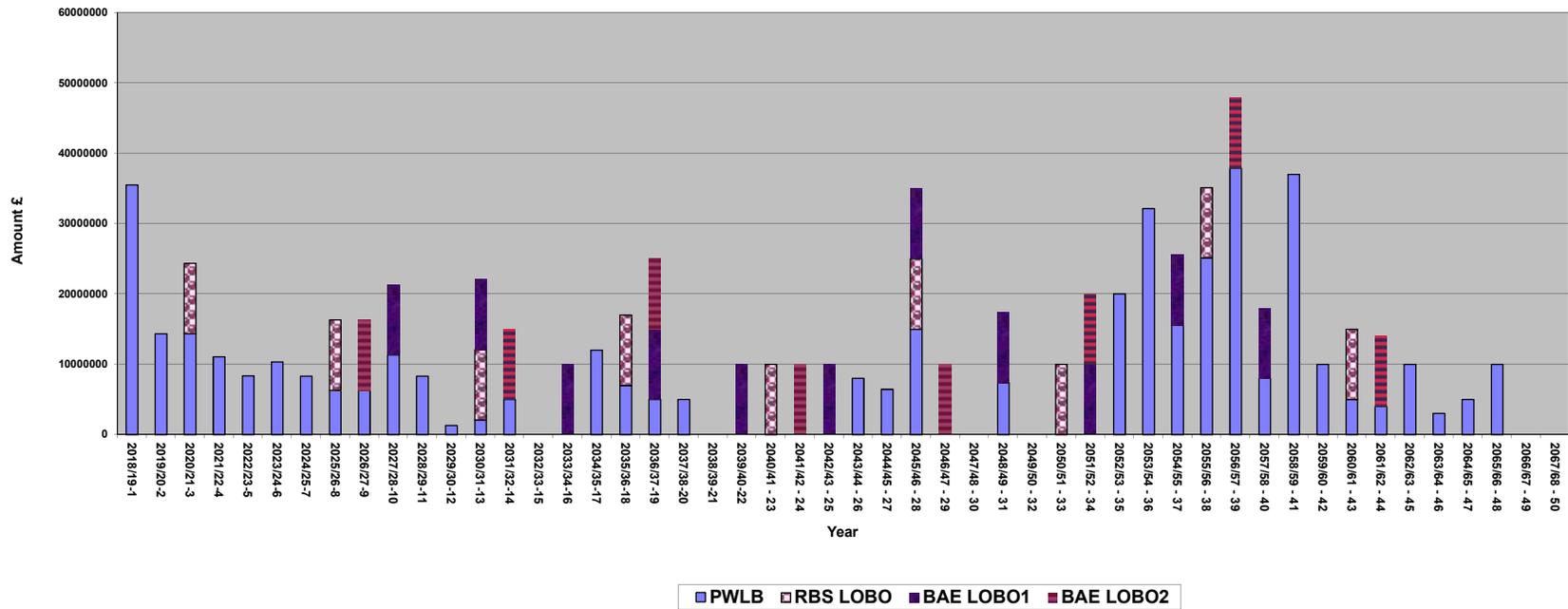
Monthly Credit Rating Changes S&P

Date	Update Number	Institution	Country	Rating Action
01/03/2018	1588	Nationwide Building Society	United Kingdom	Long Term Rating affirmed at 'A', Outlook changed to Positive from Stable. Short Term Rating affirmed at 'A-1'.
19/03/2018	1591	NRW.BANK	Germany	Long Term and Short Term Ratings affirmed, Outlook on Long Term Rating changed to Positive from Stable.

Whilst Link Asset Services makes every effort to ensure that all the information it provides is accurate and complete, it does not guarantee the correctness or the due receipt of such information and will not be held responsible for any errors therein or omissions arising there from. All information supplied by Link Asset Services should only be used as a factor to assist in the making of a business decision and should not be used as a sole basis for any decision. The Client should not regard the advice or information as a substitute for the exercise by the Client of its own judgement.

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Long Term Borrowing Maturity Profile at 31-3-2018 Showing Impact of LOBO Variability



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PRUDENTIAL INDICATORS ACTUAL COMPARED TO ESTIMATED 2017/2018			
Original Estimate	2017/18 £000	Actuals	2017/18 £000
Capital Expenditure Net	49,444	Actual Capital Expenditure (Excl Sch RCCO & Leasing)	17,775
Capital Financing Requirement 31/3/2018	621,849	Actual Capital Financing Requirement 31/3/2018	554,638
Capital Financing Requirement Estimate at 31/3/2020	666,599	Capital Financing Requirement Estimate 31/3/2020	599,388
Gross External Borrowing	508,057	Actual Gross External Borrowing	462,657
Borrowing in Advance of Need Limit	11,188	Actual Borrowing in Advance of Need Taken	0
Incremental Impact of Borrowing Plans on Council Tax '-Band D	£14.51	Actual Incremental Impact of Borrowing Plans on 'Council Tax -Band D	£2.78
MRP & Interest Repayments not to exceed 10% of Net Revenue Stream Estimate	5.76%	MRP & Interest Repayments not to exceed 10% of Net Revenue Stream Actual	5.26%
Ratio of Financing Costs To Net Revenue Stream	5.75%	Actual Ratio of Financing Costs To Net Revenue Stream	5.19%
External Debt:			
<u>Authorised limit for external debt -</u>		Actual external debt at 31/3/18	
borrowing	583,007	Borrowing	462,657
other long term liabilities	13,701	Other long term liabilities(Credit Arrangements)	11,033
TOTAL	596,708	TOTAL	473,690
<u>Operational boundary -</u>			
borrowing	559,007		
other long term liabilities	11,701		
TOTAL	570,708		
Treasury Management:			
<u>Upper limit for fixed interest rate exposure</u>		Actual exposure fixed interest	
Net principal re fixed rate borrowing less investments	666,599	Net Principal	262,804
<u>Upper limit for variable rate exposure</u>		Actual exposure variable interest	
Net principal re variable rate borrowing less investments	199,980	Net Principal	-42,910
<u>Upper limit for total principal sums invested for over 364 days</u> (per maturity date)	40,000	Actual sums invested > 364 Day	15,014
Maturity structure of fixed rate borrowing during 2017/18	upper limit	Actual maturity structure as at 31 March 2018	
under 12 months	25%	under 12 months	7.70%
12 months and within 24 months	25%	12 months and within 24 months	3.10%
24 months and within 5 years	50%	24 months and within 5 years	9.50%
5 years and within 10 years	75%	5 years and within 10 years	13.60%
10 years and above	100%	10 years and above	66.00%

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**Open Report on behalf of Richard Wills,
Director responsible for Democratic Services**

Report to:	Overview and Scrutiny Management Board
Date:	28 June 2018
Subject:	Scrutiny Committee Work Programmes: <ul style="list-style-type: none">• Environment and Economy Scrutiny Committee• Highways and Transport Scrutiny Committee• Flood and Water Management Scrutiny Committee

Summary:

On 29 June 2017, the Overview and Scrutiny Management Board agreed a process for reviewing the work programmes of scrutiny committees whereby the work programme of each scrutiny committee would be considered on a quarterly basis, with the focus on two or three scrutiny committee work programmes at each meeting of this Board. This would allow in-depth consideration of the work programme; both in terms of the outcomes from the items considered and intended future activity.

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 Environment and Economy Scrutiny Committee (Appendix A);
 - the Highways and Transport Scrutiny Committee (Appendix B); and
 - the Flood and Water Management Scrutiny Committee (Appendix C)
- 2) The Overview and Scrutiny Management Board is invited to make suggestions on the content of the work programmes of the three committees listed above.

1. Background

One of the roles of the Overview and Scrutiny Management Board is to challenge, review and hold to account the work programmes of each scrutiny committee.

On 29 June 2017, the Board agreed a process whereby the work programme of each scrutiny committee would be considered on a quarterly basis to allow for more in-depth consideration. 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 that their committee will be focussing on.

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	20 December 2018
Public Protection and Communities			
Environment and Economy	28 June 2018	25 October 2018	31 January 2019
Highways and Transport			
Flood and Water Management			

Environment and Economy Scrutiny Committee

The work programme of the Environment and Economy Scrutiny Committee is attached at Appendix A. Councillor Barry Dobson, the Chairman of the Environment and Economy Scrutiny Committee, will be making a statement to provide supporting information on the content of the work programme.

Highways and Transport Scrutiny Committee

The work programme of the Highways and Transport Scrutiny Committee is attached at Appendix B. Councillor Mrs Jackie Brockway will be making a statement, on behalf of the Chairman, Councillor Mike Brookes, to provide supporting information on the content of the work programme.

Flood and Water Management Scrutiny Committee

The work programme of the Flood and Water Management Scrutiny Committee is attached at Appendix C. Councillor Bob Adams, the Chairman of the Flood and Water Management Scrutiny Committee, will be making a statement to provide supporting information on the content of the work programme.

2. Conclusion

As part of the new reporting arrangements of the work programmes of scrutiny committees, the Overview and Scrutiny Management Board is asked to consider the work programmes of the Environment and Economy Scrutiny Committee,

Highways and Transport Scrutiny Committee and the Flood and Water Management Scrutiny Committee.

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	Environment and Economy Scrutiny Committee
Appendix B	Highways and Transport Scrutiny Committee
Appendix C	Flood and Water Management Scrutiny Committee

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 Daniel Steel, Scrutiny Officer, who can be contacted on 01522 552102 or by e-mail at daniel.steel@lincolnshire.gov.uk

ENVIRONMENT AND ECONOMY SCRUTINY COMMITTEE

The Environment and Economy Scrutiny Committee combines two areas of responsibility - Protecting & Sustaining the Environment and Sustaining & Growing Business & the Economy.

Team Lincolnshire

In May, the Committee considered the Team Lincolnshire Ambassador Programme's objectives and two Year Activity Plan for 2018/19 and 2019/20. Team Lincolnshire is a partnership between the private and public sector brought together with the purpose of attracting and supporting business investment in Lincolnshire. The Committee supported the benefits, events and activities available to Team Lincolnshire ambassadors and the work being undertaken to promote collaboration.

The Committee also welcomed Tim Downing, Director at Pygott and Crone and a founder member of Team Lincolnshire to discuss the benefits he had received from supporting and endorsing the Team Lincolnshire Ambassador Programme.

Rural Broadband Provision

The Committee continues to monitor the implementation of the Lincolnshire Broadband Programme. In May 2018 the Committee was briefed that current coverage sits at circa 93.5% Superfast Broadband in Lincolnshire. Officers were confident that when the second deployment contract finishes, Lincolnshire would have reached 97% coverage (by December 2019). At present 161,790 premises are now fibre enabled with 14,000 still remaining to complete.

The Committee was satisfied that as the Broadband Programme looks to move into a third deployment, it appears very clear consideration will need to be given to alternative technologies to reach our more rural areas. Contract three will likely use Fibre, Fixed Wireless and 4G broadband; 5G will not play any part in Contract 3.

The Committee aim to continue to review Broadband Provision in the coming year.

Hotel Strategy

In February the Committee reviewed the outcome of the Hotel Demand Study commissioned for Greater Lincolnshire which detailed the complexities of this market. Greater Lincolnshire has 106 hotels providing 4,459 bedrooms with a capacity for 3.3 million overnight stays per year. The Committee noted that Hotel companies have set development criteria and Hotel development is ultimately a matter for the market to determine.

The Committee supported the outcome of the Hotel Study and requested that a formal action plan be presented to a future meeting to outline the next steps.

The Hotel Investment Action Plan was presented to the Committee at the May 2018 meeting where the Committee endorsed the following three key areas;

- Building a strong relationship with hotel developers
- Working with smaller providers so that there is quality accommodation across Greater Lincolnshire
- Continue to support the growth of the tourism sector

Joint Municipal Waste Management Strategy (JMWMS)

In April 2018 the Committee considered the Joint Municipal Waste Management Strategy 90 day public consultation. As part of this consultation process the Scrutiny Committee was asked to consider the Consultation Draft JMWMS, and to provide feedback on it, including any suggested amendments.

The Committee supported the work undertaken on the JMWMS and plan to review the outcomes of the consultation and progress towards developing a new JMWMS at a future meeting. Comments provided by the Committee during this item will be included in the formal consultation.

Future Planned Work

The Committee continues to actively monitor and have input into the future work programme. In addition, the Committee will consider a number of key items over the coming period, this includes:

10 JULY 2018 – 10.00am		
Holland Room, Old Hall, Riseholme Park, Lincoln, LN2 2LG		
Item	Contributor	Purpose
Quarter 4 Performance Report (1 January to 31 March 2018)	Justin Brown, Commissioner for Economic Growth; David Hickman, Growth and Environment Commissioner	Review of the Key Performance and Customer Satisfaction Information
Greater Lincolnshire Local Industrial Strategy	Ruth Carver, Commissioning Manager (LEP)	Review of the initial work undertaken on the Greater Lincolnshire Local Industrial Strategy
Exporting in Lincolnshire	James Baty, Senior Project Officer, Economic Research	
Town Centre Vitality	Simon Wright, Principal Officer Regeneration Phil Hughes, Strategic Planning Manager Jill McCarthy, Principal Officer Growth	
Verge Harvesting Project	Vanessa Strange, Accessibility and Growth Manager	

10 JULY 2018 – 10.00am Holland Room, Old Hall, Riseholme Park, Lincoln, LN2 2LG		
Item	Contributor	Purpose
<p>Verge Harvester Demonstration Event</p> <p>Demonstration by the verge harvesting project on the working being undertaken to collect verge cuttings and using them in anaerobic digestion (AD) to make clean energy.</p>		

18 SEPTEMBER 2018 – 10.00am		
Item	Contributor	Purpose
Quarter 1 Performance Report (1 April to 30 June 2018)	Justin Brown, Enterprise Commissioner; David Hickman, Growth and Environment Commissioner	Review of the Key Performance and Customer Satisfaction Information
Progress and prioritisation of Economic Development Capital Projects	Andy Brooks, Commissioning Manager (Regeneration Programme)	
Apprenticeships in Lincolnshire	Clare Hughes, Principal Commissioning Officer (LEP)	
Greater Lincolnshire Local Enterprise Partnership – Accountable Body Progress Report	Linsay Hill Pritchard, Principal Commissioning Officer	To scrutinise performance of the projects funded by greater Lincolnshire LEP (NB. Lincolnshire County Council is the accountable body for the GLLEP)

30 OCTOBER 2018 – 10.00am		
Item	Contributor	Purpose
Greater Lincolnshire Local Industrial Strategy	Justin Brown, Commissioner for Economic Growth; Ruth Carver, Commissioning Manager (LEP)	Review of the work undertaken on the Greater Lincolnshire Local Industrial Strategy
Agri-Food Sector – Plan, Progress and Prospects	Kate Storey, Commissioning Officer (LEP)	

27 NOVEMBER 2018 – 10.00am		
Item	Contributor	Purpose
Quarter 2 Performance Report (1 July to 30 September 2018)	Justin Brown, Commissioner for Economic Growth, David Hickman, Growth and Environment Commissioner	Review of the Key Performance and Customer Satisfaction Information.
Visitor Economy Sector – Plan, Progress and Prospects	Nicola Radford, Senior Commissioning Officer (Regeneration Programmes)	
Co-commissioning Historic Environment Services	David Hickman, Growth & Environment Commissioner	To shape development of a more integrated approach to LCC services relating to the historic environment.

15 JANUARY 2019 – 10.00am		
Item	Contributor	Purpose
Revenue and Capital Budget Proposals 2019/20	Andy Gutherson, County Commissioner Economy and Place; Justin Brown, Commissioner for Economic Growth; David Hickman, Growth and Environment Commissioner	PRE-DECISION SCRUTINY Budget Proposals for 2019/20

26 FEBRUARY 2019 – 10.00am		
Item	Contributor	Purpose
Quarter 3 Performance Report (1 October to 31 December 2018)	Justin Brown, Commissioner for Economic Growth, David Hickman, Growth and Environment Commissioner	Review of the Key Performance and Customer Satisfaction Information.

09 APRIL 2019 – 10.00am		
Item	Contributor	Purpose
Lincolnshire Broadband Programme Progress Report	Steve Brookes, Lincolnshire Broadband Programme Manager	Review of the implementation of the Lincolnshire Broadband Programme (Onlincolnshire).

Items to be programmed

- Third Carbon Management Plan - Vanessa Strange, Accessibility and Growth Manager
- Manufacturing Economy Sector - Plan, Progress and Prospects

- Learning points from DWP/GLLEP Skills Pilot Project
- Growth Hub Expansion - Samantha Harrison, Commissioning Manager (Enterprise)
- County Farms Update
- Coastal Country Park
- Joint Municipal Waste Management Strategy

For more information about the work of the Environment and Economy Scrutiny Committee please contact Daniel Steel, Scrutiny Officer on 01522 552102 or by e-mail at daniel.steel@lincolnshire.gov.uk

HIGHWAYS AND TRANSPORT SCRUTINY COMMITTEE

Effective Highways Communication

The Committee continues to monitor and review the effectiveness of Highways Communication activity to ensure and promote that highways service users are consulted, communicated and informed appropriately in a timely and accurate manner.

In March 2018 the Committee received an update on the current status of the work being undertaken to improve the highways and transport service users' experience. The Committee supported the improvements made to communication with County Councillors and Parish Councils, as well as the information now available on the Council's website.

The Highway Fault Reporting Online System continues to be an area for review and the Committee agreed to receive a further update in October 2018. This update will include recent changes to the system and the proposed introduction of the FixMyStreet Pro, which will integrate with Confirm and be linked directly from the County Council website. It is proposed that this solution will enable email updates to customers following the necessary development work which has been a key aim of the Committee to improve communication.

Major Road Network

In March 2018 the Committee considered proposals by the Department for Transport (DfT) to create a Major Road Network (MRN) comprising the most economically important local authority A Roads.

The Committee approved of the Lincolnshire roads being put forward for inclusion in addition to those proposed by DfT including the A158 Lincoln to Skegness, A52 Boston to Grantham and A15 Sleaford to Peterborough. In addition the Committee supported the long-term strategic needs to make best use of the targeted funding being made available from the National Roads Fund, and endorsed close working with Midlands Connect to promote a joint MRN across the whole of the West and East Midlands.

Further information on the outcome of the Major Road Network is expected later in 2018/19.

Winter Maintenance

In April 2018 the Committee considered the annual Winter Maintenance end of year report. This year's winter has proven to be one of the most severe winters in recent years and this report reflected that increased strain on the service. The Committee supported proposals to consider procuring new vehicles and move away from lease

agreements to increase reliability of equipment and improve the service going forward.

The Committee also supported a change in the salt option for the new winter season with the introduction of treated brown salt is being considered to replace our current white salt pre-wet/dry option. The Committee agreed for a further update in July 2018 to consider further proposals before the preparations for winter report in September 2018.

Update on Local Bus Matters

In June 2018 the Committee received a detailed briefing on the implementation of the Bus Services Act 2017 and a number of wide ranging strands of activity currently being undertaken.

The Committee recommended that further consideration be given to the governance/scrutiny arrangements for the Market Moderation Teckal Company (Transport Connect Ltd). It was confirmed that Legal Services were preparing an options appraisal for the Executive to consider on how the council could best fulfil its role as owner of the Company.

The Committee also highlighted a number of key points and requested that further consideration be given to the Passenger Transport Strategy Review and a Review of Lincolnshire's Bus Strategy. These items will be added to the future work programme.

Future Planned Work

The Committee continues to actively monitor and have input into the future work programme. In addition, the Committee will consider a number of key items over the coming period, this includes:

16 JULY 2018 – 10:00am		
Item	Contributor	Purpose
Highways Infrastructure Asset Management Plan (HIAMP)	Vincent VanDoninck, Policy and Strategic Asset Manager	PRE-DECISION SCRUTINY Executive Councillor Decision Between 18 Jul 2018 and 23 Jul 2018
Transport Strategies Update	Steve Brooks, Senior Project Leader	Introduction to local transport strategies and proposed future work programme for reviewing each individual strategy.
Winter Maintenance Update	Darrell Redford, Network Resilience Manager	

10 SEPTEMBER 2018 – 10:00am		
Item	Contributor	Purpose
Highways 2020 Update	Paul Rusted, Infrastructure Commissioner	Update on progress towards replacement arrangements for Highways 2020.
Quarter 1 Performance Report (1 April to 30 June 2018)	Paul Rusted, Infrastructure Commissioner	Review of the Key Performance and Customer Satisfaction Information.
CCTV Pilot Scheme for Parking enforcement outside schools	Matt Jones, Parking Services Manager	Review of progress on the CCTV Pilot Scheme.
Winter Maintenance - Preparations for Winter 2018/2019	Vincent VanDoninck, Policy and Strategic Asset Manager	
Midlands Connect Sub National Transport Body	Andrew Thomas, Principal Accessibility Planning Officer	

22 OCTOBER 2018 – 10:00am		
Item	Contributor	Purpose
Provisional Engagement with Network Rail	Network Rail	Annual engagement session with Network Rail which will include details of network performance and discussion of any key issues or concerns in Lincolnshire.
Effective Highways Communication	Satish Shah, Network Manager	Review of the work being undertaken to enhance service users' experience with regards to the Highways and Transport services.
New Highways Operating Model VfM Assessment	Paul Rusted, Infrastructure Commissioner	Consideration of the value for money assessment for the New Highways Operating Model.

10 DECEMBER 2018 – 10:00am		
Item	Contributor	Purpose
Highways 2020 Update	Paul Rusted, Infrastructure Commissioner	Update on progress towards replacement arrangements for Highways 2020.
Quarter 2 Performance Report (1 July to 30 September 2018)	Paul Rusted, Infrastructure Commissioner	Review of the Key Performance and Customer Satisfaction Information.

21 JANUARY 2019 – 10:00am		
Item	Contributor	Purpose
Revenue and Capital Budget Proposals 2018/19	Andy Gutherson, County Commissioner Economy and Place, Paul Rusted, Infrastructure Commissioner	PRE-DECISION SCRUTINY Budget Proposals for 2018/19

11 MARCH 2019 – 10:00am		
Item	Contributor	Purpose
Quarter 3 Performance Report (1 October to 31 December 2018)	Paul Rusted, Infrastructure Commissioner	Review of the Key Performance and Customer Satisfaction Information.

29 APRIL 2019 – 10:00am		
Item	Contributor	Purpose
Winter Maintenance – End of Year Report	Vincent VanDoninck, Policy and Strategic Asset Manager	Review of 2018/19 winter maintenance period.

10 JUNE 2019 – 10:00am		
Item	Contributor	Purpose
Quarter 4 Performance Report (1 January to 31 March 2019)	Paul Rusted, Infrastructure Commissioner	Review of the Key Performance and Customer Satisfaction Information and progress against the NHT Public Satisfaction Survey 2017 Action Plan

Items to be programmed

- A46 Dunholme / Welton Roundabout
- Re-consideration of the Speed Management in Lincolnshire Scrutiny Review - (20mph Limits and Zones) – *To be reviewed once additional information is received from Government.*
- Midlands Connect – A46
- Cycling Strategy
- Review of Lincolnshire's 'Bus Strategy'
- Review of Passenger Transport Strategy
- Bus Subsidy Support Update
- Lincolnshire Connected – expected late 2018/early 2019
- Boston Transport Strategy and Boston Distributor Road (BDR)
- Coastal Highway – Teresa James, Senior Project Leader – *Review of the first phase of work and initial report on possible options.*

For more information about the work of the Highways and Transport Scrutiny Committee please contact Daniel Steel, Scrutiny Officer on 01522 552102 or by e-mail at daniel.steel@lincolnshire.gov.uk

FLOOD AND WATER MANAGEMENT SCRUTINY COMMITTEE

Anglian Water's Consultation Draft Water Resources Management Plan

The Committee received an item in May 2018 to consider the outline points proposed for LCC and its partners' response to the Water Resources Management Plan (WRMP) consultation. The Committee was invited to provide further discussion at the meeting to ensure that members continue to shape and guide the Council's response. In developing a formal response to the WRMP consultation, it is intended that it should be a joint response between partners as far as possible, including aligning closely with the Greater Lincolnshire LEP.

The Committee will continue to monitor the outcome of the Water Resources Management Plan going forward.

Review of the Lincolnshire Flood Risk and Water Management Partnership

In May 2018 the Committee considered the recent developments in the Lincolnshire Flood Risk and Water Management Partnership, and an opportunity to input into the early stages of developing strategic priorities for the revision of the Joint Lincolnshire Flood Risk and Drainage Management Strategy.

Since 2012 flood risk management has increasingly been recognised as an integral part of a wider issue of managing water as a resource that is essential to economic growth nationally and, particularly, in the east of England.

The Committee endorsed the opportunities for continuing engagement with the partnership and the consistency of engagement across partners and across the county. The Committee will continue to consider the development of a revised Joint Lincolnshire Flood Risk and Water Management Strategy at future meetings.

Saltfleet to Gibraltar Point Strategy Review Consultation

In February 2018 the Committee had input into the Saltfleet to Gibraltar Point Strategy Review Consultation. The Lincshire project started in 1994 and has provided flood risk management to homes and businesses in the area. A review of the coastal strategy to cover a larger area between Saltfleet and Gibraltar Point and consultation regarding the strategy had commenced on 5 February 2018 and was due to close on 22 March 2018.

Because of the need to maintain higher beach levels, the Environment Agency was exploring beach nourishment alongside a range of viable alternative options/approaches to ensure that a sustainable and affordable long-term flood risk management solution was maintained along the Lincolnshire coast line.

The Committee submitted the preferences of each member based on the options presented at the meeting as part of the consultation.

Future Planned Work

The Committee continues to actively monitor and have input into the future work programme. In addition, the Committee will consider a number of key items over the coming period, this includes:

17 SEPTEMBER 2018 – 10:00am		
Item	Contributor	Purpose
Environment Agency Update	Environment Agency	Updates to Committee on Environmental Agency Activities, including progress on key schemes.
Investigations undertaken under Section 19 of the Flood and Water Management Act 2010	Paul Brookes, Flood Risk Manager	This item provides the latest position of all the current investigations in the County under Section 19 of the Flood and Water Management Act 2010
Humber Estuary Strategy Review Consultation	Environment Agency	Potential consultation into the review of the management of flood risk impact to Lincolnshire from the Humber Estuary.

26 NOVEMBER 2018 – 10:00am		
Item	Contributor	Purpose
Environment Agency Update	Environment Agency	Updates to Committee on Environmental Agency Activities, including progress on key schemes.
Investigations undertaken under Section 19 of the Flood and Water Management Act 2010	Paul Brookes, Flood Risk Manager	This item provides the latest position of all the current investigations in the County under Section 19 of the Flood and Water Management Act 2010

11 FEBRUARY 2019 – 10:00am		
Item	Contributor	Purpose
Environment Agency Update	Environment Agency	Updates to Committee on Environmental Agency Activities, including progress on key schemes.
Investigations undertaken under Section 19 of the Flood and Water Management Act 2010	Paul Brookes, Flood Risk Manager	This item provides the latest position of all the current investigations in the County under Section 19 of the Flood and Water Management Act 2010

Items to be programmed

- River Maintenance Transfer (De-maining) pilots - Black Sluice IDB
- Environment Agency visit to the Boston Barrier Site Works

For more information about the work of the Flood and Water Management Scrutiny Committee please contact Daniel Steel, Scrutiny Officer on 01522 552102 or by e-mail at daniel.steel@lincolnshire.gov.uk

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Policy and Scrutiny

**Open Report on behalf of Richard Wills,
Director responsible for Democratic Services**

Report to:	Overview and Scrutiny Management Board
Date:	28 June 2018
Subject:	Overview and Scrutiny Management Board Work Programme

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 to be taken from 1 November 2017 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

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)**
- **Future Scrutiny Reviews**

30 August 2018		
Item	Contributor	Purpose
2018/19 Council Business Plan Quarter 1	Jasmine Sodhi, Performance and Equalities Manager	Pre-Decision Scrutiny (Executive decision on 4 September 2018)
Performance of the Corporate Support Services Contract	Sophie Reeve, Chief Commercial Officer Arnd Hobohm, Corporate Support Services Contract Manager	Performance Scrutiny
Corporate Support Services – Re-provision: IT Progress Report	Andrew McLean, Chief Commissioning Officer	Policy Development
Employee Survey Outcomes	Fiona Thompson, Service Manager – People Management	Performance Scrutiny
Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> • Adults and Community Wellbeing Scrutiny Committee • Health Scrutiny Committee 	Cllr Hugo Marfleet, Chairman of Adults and Community Wellbeing Scrutiny Committee Cllr Carl Macey, Chairman of Health Scrutiny Committee	Performance Scrutiny

27 September 2018		
Item	Contributor	Purpose
Corporate Support Services – Re-provision: IT, Customer Service Centre, Exchequer	Sophie Reeve, Chief Commercial Officer	Pre-Decision Scrutiny (Executive decision on 2 October 2018)

27 September 2018		
Item	Contributor	Purpose
Services, Adult Care Finance, People Management	Andrew McLean, Chief Commissioning Officer	
Revenue and Capital Budget Monitoring Report 2018/19	David Forbes, County Finance Officer	Budget Scrutiny / Pre Decision Scrutiny (Executive decision on 2 October 2018)
Capital Strategy 2018/19	David Forbes, County Finance Officer	Pre Decision Scrutiny (Executive Councillor decision TBC)
Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> Children and Young People Scrutiny Committee Public Protection and Communities Scrutiny Committee 	Cllr Robert Foulkes Chairman of Children and Young People Scrutiny Committee Cllr Nigel Pepper Chairman of Public Protection and Communities Scrutiny Committee	Performance Scrutiny
Treasury Management Performance Quarter 1 (1 April to 30 June 2018)	Karen Tonge, Treasury Manager	Performance Scrutiny (For Information)

25 October 2018		
Item	Contributor	Purpose
Performance of the Corporate Support Services Contract	Sophie Reeve, Chief Commercial Officer Arnd Hobohm, Corporate Support Services Contract Manager	Performance Scrutiny
Review of Financial Risk Assessment	David Forbes, County Finance Officer	Budget Scrutiny
Council Workforce Plan 2018/19 – Progress Report	Fiona Thompson, Service Manager – People Management	Performance Scrutiny
Staff Sickness and Appraisal Performance	Fiona Thompson, Service Manager – People Management	Performance Scrutiny

25 October 2018		
Item	Contributor	Purpose
Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> • Environment and Economy Scrutiny Committee • Highways and Transport Scrutiny Committee 	Cllr Barry Dobson Chairman of Environment and Economy Scrutiny Committee Cllr Mike Brookes Chairman of Highways and Transport Scrutiny Committee	Performance Scrutiny

29 November 2018		
Item	Contributor	Purpose
2018/19 Council Business Plan Quarter 2	Jasmine Sodhi, Performance and Equalities Manager	Performance Scrutiny / Pre-Decision Scrutiny (Executive decision on 4 December 2018)
Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> • Adults and Community Wellbeing Scrutiny Committee • Health Scrutiny Committee 	Cllr Hugo Marfleet, Chairman of Adults and Community Wellbeing Scrutiny Committee Cllr Carl Macey, Chairman of Health Scrutiny Committee	Performance Scrutiny
Treasury Management Performance Quarter 2 (1 July to 30 September 2018)	Karen Tonge, Treasury Manager	Performance Scrutiny (For Information)

20 December 2018		
Item	Contributor	Purpose
Performance of the Corporate Support Services Contract	Sophie Reeve, Chief Commercial Officer Arnd Hobohm, Corporate Support Services Contract Manager	Performance Scrutiny

20 December 2018		
Item	Contributor	Purpose
Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> • Children and Young People Scrutiny Committee • Public Protection and Communities Scrutiny Committee 	Cllr Robert Foulkes Chairman of Children and Young People Scrutiny Committee Cllr Nigel Pepper Chairman of Public Protection and Communities Scrutiny Committee	Performance Scrutiny

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)
Council Budget 2019/20	David Forbes, County Finance Officer	Budget Scrutiny (Council Decision on 22 February 2019)
Service Budget Proposals 2019/20	David Forbes, County Finance Officer	Budget Scrutiny (Council Decision on 22 February 2019)
Final Draft Council Business Plan 2019/20	Jasmine Sodhi, Performance and Equalities Manager	Pre-Decision Scrutiny (Executive Decision on 5 February 2019)
Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> • Environment and Economy Scrutiny Committee • Highways and Transport Scrutiny Committee • Flood and Water Management Scrutiny Committee 	Cllr Barry Dobson Chairman of Environment and Economy Scrutiny Committee Cllr Mike Brookes Chairman of Highways and Transport Scrutiny Committee Cllr Bob Adams Chairman of the Flood and Water Management Scrutiny Committee	Performance Scrutiny

28 February 2019		
Item	Contributor	Purpose
Performance of the Corporate Support Services Contract	Sophie Reeve, Chief Commercial Officer Arnd Hobohm, Corporate Support Services Contract Manager	Performance Scrutiny
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 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"> Adults and Community Wellbeing Scrutiny Committee Health Scrutiny Committee 	Cllr Hugo Marfleet, Chairman of Adults and Community Wellbeing Scrutiny Committee Cllr Carl Macey, Chairman of Health Scrutiny Committee	Performance Scrutiny
Treasury Management Performance Quarter 3 (1 September 2017 to 31 December 2018)	Karen Tonge Treasury Manager	Performance Scrutiny (For Information)

28 March 2019		
Item	Contributor	Purpose
Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> Children and Young People Scrutiny Committee Public Protection and Communities Scrutiny Committee 	Cllr Robert Foulkes Chairman of Children and Young People Scrutiny Committee Cllr Nigel Pepper Chairman of Public Protection and Communities Scrutiny Committee	Performance Scrutiny

26 April 2019		
Item	Contributor	Purpose
Performance of the Corporate Support Services Contract	Sophie Reeve, Chief Commercial Officer Arnd Hobohm, Corporate Support Services Contract Manager	Performance Scrutiny
Overview and Scrutiny Annual Report	Nigel West, Head of Democratic Services and Statutory Scrutiny Officer	Performance Scrutiny
Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> • Environment and Economy Scrutiny Committee • Highways and Transport Scrutiny Committee 	Cllr Barry Dobson Chairman of Environment and Economy Scrutiny Committee Cllr Mike Brookes Chairman of Highways and Transport Scrutiny Committee	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

Scrutiny Panel Activity

(as at 20 June 2018)

Current Reviews

Scrutiny Panel A	Membership	Completion Date
Roundabout Sponsorship and Advertising	Councillors L Wootten (Chairman), S Dodds (Vice Chairman)	

Scrutiny Panel B	Membership	Completion Date
Transitions from Children's Services to Adult Services	Councillors Mrs A Newton (Chairman), A H Turner (Vice Chairman)	

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 20 June 2018)

Committee	Working Group	Membership
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; A Bridges; Mrs J Brockway; S R Dodds; S P Roe and M A Whittington
Children and Young People Scrutiny Committee	Pupil Exclusions	Councillors M D Boles, S R Dodds, R J Kendrick, A P Maughan and R Wootten
Health Scrutiny Committee for Lincolnshire	NHS Finance	Councillors C S Macey, C J T H Brewis, M A Whittington and District Councillors P Gleeson and Mrs R Kaberry-Brown

FORWARD PLAN OF KEY DECISIONS FROM 02 JULY 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
1015718	Looked After Children and Care Leavers Strategy	Open	Executive 3 Jul 2018	Looked After Children and Care Leavers; Corporate Parenting Sub Group; Children and Young People Scrutiny Committee; eight elected councillors; senior officers of Lincolnshire County Council; Lincolnshire Safeguarding Children Board agencies; and district councils	Report	Corporate Parenting Manager Tel: 01522 553916 Email: andrew.morris@lincolnshire.gov.uk	All Divisions
1015755	Commercialisation and Commissioning Strategies	Open	Executive 3 Jul 2018	Overview and Scrutiny Management Board	Report	Strategic Commercial and Performance Manager Tel: 01522 552120 Email: george.spiteri@lincolnshire.gov.uk	All Divisions
1015182	Review of Financial Performance 2017/18	Open	Executive 3 Jul 2018	Overview and Scrutiny Management Board	Report	County Finance Officer Tel: 01522 553642 e-mail: david.forbes@lincolnshire.gov.uk	All Divisions
1015772	Highways Infrastructure Asset Management Plan	Open	Executive Councillor: Highways, Transport and IT Between 18 Jul 2018 and 23 Jul 2018	Highways and Transport Scrutiny Committee	Report	Policy and Strategic Asset Manager Tel: 01522 782070 Email: vincent.VanDoninck@lincolnshire.gov.uk	

FORWARD PLAN OF KEY DECISIONS FROM 02 JULY 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
I015859 New!	Supported Accommodation Strategy for 16/17 year olds and care leavers	Open	Executive Councillor: Adult Care, Health and Children's Services 30 Jul 2018	Children and Young People and Scrutiny Committee	Report	Jo Kavanagh - e-mail: jo.kavanagh@lincolnshire.gov.uk Tel: 01522 554505	All Divisions
I015179	Revenue and Capital Budget Monitoring Report 2018/19	Open	Executive 2 Oct 2018	Overview and Scrutiny Management Board	Report	County Finance Officer tel: 01522 553642 e-mail: david.forbes@lincolnshire.gov.uk	All Divisions

FORWARD PLAN OF KEY DECISIONS FROM 02 JULY 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
1015623	Building Communities of Specialist Provision: A Collaborative Strategy for Children and Young People with Specialist Educational Needs and Disabilities (SEND) in Lincolnshire	Open	Executive 6 Nov 2018	Lincolnshire Parent Carer Forum; Special School Head Teachers; Trustees and Governing Body members; Lincolnshire Schools' Forum; Lincolnshire Learning Partnership; Mainstream School Leaders; Staff, parents/carers and friends of the special schools; union representative; all parent/carers of pupils attending Special Schools in and outside of the county; all SENDCo's registered with Lincolnshire County Council's (LCC) SENDCo network; all independent non-maintained special schools and out of county schools where LCC have pupils placed; Health: commissioning and providers; key interested parties noted on the list; general public and the Children and Young People Scrutiny Committee	Report	SEND Project Office Tel: 01522 554943 Email: eileen.mcmorrow@lincolnshire.gov.uk	All Divisions
1013959	Future Model of the Heritage Service	Open	Executive 2 Apr 2019	Public Protection and Communities Scrutiny Committee	Report	Chief Community Engagement Officer Tel: 01522 553831 Email: nicole.hilton@lincolnshire.gov.uk	All Divisions

FORWARD PLAN OF KEY DECISIONS FROM 02 JULY 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
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

EXECUTIVE MEMBERS

Councillor Name	Portfolio
Councillor M J Hill OBE (Leader of the Council)	Resources and Communications
Councillor Mrs P A Bradwell (Deputy Leader)	Adult Care, Health and Children's Services
Councillor C J Davie	Economy and Place
Councillor R G Davies	Highways, Transport and IT
Councillor E J Poll	Commercial and Environmental Management
Councillor Mrs S Woolley	NHS Liaison and Community Engagement
Councillor C N Worth	Culture and Emergency Services (Libraries, Heritage, Culture, Registration and Coroners Service, Fire and Rescue and Emergency Planning)
Councillor B Young	Community Safety and People Management (Crime Reduction, Trading Standards, Equality and Diversity People Management and Legal)