

**EXECUTIVE
 4 FEBRUARY 2020**

PRESENT: COUNCILLOR M J HILL OBE (LEADER OF THE COUNCIL)

Councillors C J Davie (Executive Councillor for Economy and Place), E J Poll (Executive Councillor for Commercial and Environmental Management), Mrs S Woolley (Executive Councillor for NHS Liaison and Community Engagement), C N Worth (Executive Councillor for Culture and Emergency Services) and B Young (Executive Councillor for Community Safety and People Management).

Councillors A P Maughan (Vice-Chairman of the Children and Young People Scrutiny Committee), Mrs M J Overton MBE and R B Parker (Chairman of the Overview and Scrutiny Management Board) were also in attendance.

Also in attendance:-

Debbie Barnes OBE (Chief Executive), Matthew Clayton (Admissions and Education Provision Manager), Alex Craig (Commercial and Procurement Manager - People Services), Andrew Crookham (Executive Director Resources), James Drury (Executive Director Commercial), Glen Garrod (Executive Director - Adult Care and Community Wellbeing), Michelle Grady (Assistant Director for Strategic Finance), Andy Gutherson (Executive Director Place), Alina Hackney (Senior Strategic Commercial and Procurement Manager - People Services), Justin Hackney (Assistant Director, Specialist Adult Services), Ann Hoffmann (Executive Headteacher, St Francis and St Christopher's School), Eileen McMorrow (Senior Project Officer Specialist Schools Project), Carl Miller (Commercial and Procurement Manager - People Services), Carolyn Nice (Assistant Director, Adult Frailty & Long Term Conditions), Dave Pennington (Service Manager Property Development), Heather Sandy (Interim Director - Education), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer) and Rachel Wilson (Democratic Services Officer).

54 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Mrs P A Bradwell OBE (Executive Councillor for Adult Care, Health and Children's Services) and R G Davies (Executive Councillor for Highways, Transport and IT).

55 DECLARATIONS OF COUNCILLORS' INTERESTS

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

56 ANNOUNCEMENTS BY THE LEADER, EXECUTIVE COUNCILLORS AND EXECUTIVE DIRECTORS

The Executive Councillor for Economy and Place informed the Executive that the report from Norfolk County Council following its investigation into the flooding in Wainfleet during June 2019, would be published and made available to the public on 14 February 2020.

57 MINUTES OF THE MEETING OF THE EXECUTIVE HELD ON 7 JANUARY 2020

RESOLVED

That the minutes of the meeting held on 7 January 2020 be signed by the Chairman as a correct record.

58 REVENUE BUDGET MONITORING REPORT 2019/20

Consideration was given to a report from the Executive Director – Resources which provided an update on revenue spending compared with budgets for the financial year which started on 1 April 2019.

The Assistant Director – Strategic Finance advised that the tables in the report had shown the actual income and expenditure for the first eight months of the financial year to 30 November 2019, along with the forecasts for spending and comparison of the forecasts against the approved budgets.

The Executive was advised that the total council revenue spending was predicted to be £6.481m less than the total budget (excluding spending on schools), and general reserves at the year-end were forecast to be within the 2.5% - 3.5% range of the total budget based on current spending.

The explanations for the variances in budgets were set out in pages 16 – 25 of the report. An underspend of £2.2m was highlighted and £1.2m of this was associated with the IMT budget. In other budgets, it was forecasted that there would be an overspend of £3.632m which was due to a reduction in capital receipts income and some increase in insurance premium costs.

The Chairman of the Overview and Scrutiny Management Board (OSMB) advised that OSMB had considered the Executive report at its meeting on 30 January 2020 and had supported the recommendation in the report. The comments of OSMB had been circulated prior to the meeting for consideration by the Executive.

The Chairman of the OSMB highlighted that a number of points had been considered, which included the capacity to accurately forecast budget spending. In particular, the overspend on insurance due to increased claims for car damage from pot holes. It was also raised whether underspends could be used in-year rather than accumulating to the end of the year in order to provide flexibility.

The Executive was advised that for 2020/21 a significant review of all budget lines had been undertaken, and there was confidence that the budget being recommended was accurate. However, it was acknowledged that as time progressed there was a chance that accuracy would vary, and those variances were highlighted in the report presented to this meeting.

In response to a question of whether the underspend for Adult Social Care could have been reasonably predicted, the Executive was advised the directorate was becoming a lot stronger at being able to predict needs in terms of budget requirements, however, there would always be variances. In 2019, Adult Care had benefitted from the work with Serco in relation to the carrying out of financial assessments. The authority had also been able to generate more income from working with NHS partners, particularly around mental health services. It was highlighted that £1m was a little more than a day's spend in terms of running adult social care services.

In terms of the reported underspend in Children's Services, the Executive was advised that this was due to the completion of the Fire Houses in Denton Avenue, Grantham. This meant that Children's Services were able to rehabilitate six young people from out of county back into the county, and this process happened much quicker than expected. It was noted that this had been a pilot, and so in future the directorate would be able to more accurately budget these activities.

In terms of the IMT underspend it was reported that this was far more controlled and smaller than in previous years. The underspend had occurred due to issues around timing, as some projects had not been delivered as quickly as planned and so some funding had been carried forward to the following year. A planned restructure had also been stopped when the new Executive Director came into post so he could examine it in more detail. It was also reported that IMT as an industry moved very quickly, and new products could come onto the market which were more efficient and cheaper. In conclusion, the underspend for the current year was an improvement on the previous year and it was an improving picture.

RESOLVED

That the current position on the revenue budget be noted.

59 CAPITAL BUDGET MONITORING REPORT 2019/20

Consideration was given to a report from the Executive Director – Resources which provided an update on capital spending compared with budgets for the financial year which started on 1 April 2019.

The Assistant Director – Strategic Finance reported that the tables in the report showed the actual expenditure and any grants and contributions for the eight months of the financial year to 30 November 2019, along with the forecast for spending and a comparison of the forecast against the approved budgets. For projects the whole life budget and forecast of the project was shown. It was reported that an underspend of £0.5m was forecasted across the projects for this financial year. However, in terms

of project schemes and the whole life budget was forecasted to be underspent by £13.2m. Of this, £11m was due to the Boston Barrier scheme which was proposed to be replaced by various schemes as part of the 2020/21 onwards capital budget setting process.

The Chairman of the Overview and Scrutiny Management Board (OSMB) advised that OSMB had considered the Executive report at its meeting on 30 January 2020 and had supported the recommendations in the report. The Comments of OSMB had been circulated prior to the meeting for consideration by the Executive.

The Chairman of OSMB highlighted that the delayed opening of the Lincoln Eastern Bypass from Spring 2020 to Autumn 2020 was not currently expected to generate increased costs, and informed the Executive that he had written to the Executive Director – Place on behalf of the OSMB requesting further information on how the costs were being managed. The Executive Director – Place advised that he had received the request and would be providing the information, in the form of a written response, to OSMB. However, he advised that within the cost envelope for the scheme there was a risk contingency included for the entirety of the scheme rather than for individual elements. The scheme was subject to regular review by the project team. It was noted that the weather events in the three months prior to Christmas 2019 had been extreme and had impacted on the scheme.

RESOLVED

That the current position on the capital budget be noted.

60 CAPITAL STRATEGY 2020/21

Consideration was given to a report from the Executive Director – Resources which advised that a Capital Strategy for 2020/21 had been prepared for the Council, in compliance with the CIPFA Prudential Code. The purpose of the Capital Strategy was to provide members with a high level overview of capital expenditure, its financing and its longer term impact on future financial sustainability. The Capital Strategy would be included in the Council's Budget Book and aimed to support budgetary decision making at the meeting of the County Council on 21 February 2020.

The Assistant Director – Strategic Finance presented the report and advised that the main aim was to ensure that the Strategy was affordable, and therefore a ten year capital programme was proposed to ensure that costs for the whole project were factored into future budgets.

The Chairman of the Overview and Scrutiny Management Board (OSMB) advised that the Board had considered the Executive report at its meeting on 30 January 2020 and had supported the recommendations in the report. The comments of the Board were circulated prior to the meeting for consideration by the Executive.

The Chairman of the OSMB highlighted that the Board had given consideration to developer contributions as they were an important aspect of a lot of schemes.

However, they were not always received before the project commenced and so the Council would have to fund any capital expenditure required upfront and then offset the cost once the developer contributions had been received. The Board also highlighted the importance of the relationship between the proposed scheme and the Corporate Plan.

The Chairman of OSMB also reported the view that there was a need for a different form of capital monitoring by scrutiny which should be given consideration during the next financial year. There was support for the view that members needed to have oversight of the progress of schemes and the benefits of the business case. The Executive was advised that the Executive Director – Resources was looking into this matter. Members should be able to look at variations in project costs and if they had questions, they should be referred to a scrutiny committee, to ensure that scrutiny was focused on matters which were important and valuable.

Further to the queries in relation to developer contributions, it was highlighted that they allowed the authority to progress with the large schemes. Whilst it was acknowledged that they were not always received in advance of the project, there was a robust follow up process. The timing of the receipt of these monies meant that a lot of projects were back loaded, and so would fund future projects. It was noted that around Lincoln there were a lot big sites moving forward. In terms of the Lincoln Eastern Bypass, the contributions were coming via slightly different arrangements, through CIL (Community Infrastructure Levy), rather than through a Section 106 which was open to challenge.

RESOLVED

That the Capital Strategy 2020/21 be recommended to full Council for approval.

61 COUNCIL BUDGET 2020/21

Consideration was given to a report from the Executive Director – Resources, which invited the Executive to consider its final proposals for the Council's budget and council tax in light of the provisional local government settlement and consultation comments on its initial proposals. The Executive was also asked to consider prudential targets in relation to capital financing and other treasury management matters.

The Assistant Director – Strategic Finance introduced the report to the Executive and guided them through a further update to the Council Budget 2020/21, tabled at the meeting, which set out a revised Budget position following confirmation from the district councils of the Council Tax bases; Council Tax Collection Fund surpluses; Business Rates Collection Fund surpluses; and the Business Rates Section 31 grant funding.

An updated Appendix I to the report was also circulated to the meeting, which included budget consultation feedback from scrutiny committees; members of the public; and the notes from the consultation meeting with external stakeholders.

The Assistant Director – Strategic Finance advised that the report presented gave the updated position following the meeting of the Executive on 7 January 2020. The budget requirement was expected to be £489m with a surplus of £1.447m which would be added to the Development Fund. District councils had had until 31 January 2020 to submit their Council Tax Base and surplus/deficit position on the Council Tax element of the Collection Fund. The update on the position had been circulated to the Executive, and showed that the variances from the district councils on council tax and business rates created a further surplus of £1.165m not previously included in the budget. It was noted that the Council was yet to receive its budget settlement from Government.

The Executive was also advised of a late announcement on 7 January 2020 from Government regarding the increase to the National Living Wage which was greater than forecasted at 6.2%. This would create a budget pressure of £0.552m, and this had been reported back to Government.

It was highlighted that there had been no changes to Appendix D – Revenue Budgets 2019/20 and 2020/21 since January 2020. The Capital Programme also remained unchanged, although there were a small number of changes made to the phasing of some schemes.

It was proposed to increase Council Tax by 3.5%, which would be an increase for a Band D property of £45.18 per year. It was also proposed to not continue with the flexible use of capital receipts to fund revenue transformation projects, but instead use them to repay loans or fund new capital expenditure. Consultation feedback had indicated that the budget proposals for 2020/21 were broadly supported.

The Chairman of the Overview and Scrutiny Management Board (OSMB) advised that OSMB had considered the Executive report containing the Council Budget 2020/21 proposals and the Medium Term Financial Strategy at its meeting on 30 January 2020, and had supported the Budget proposals put forward. The Chairman highlighted that he had abstained from voting on this item.

The Chairman of OSMB also highlighted the cost pressure for the Customer Service Centre of £2.25m which was due to increases in the cost of the contract with Serco as well as the volume of calls being received. The contract had been renegotiated to better reflect the actual cost of delivery being incurred by Serco. He also highlighted the need to align the budget with the Corporate Plan, and that OSMB supported the in-depth reviews of a number of service areas, as well as the creation of the development fund as a new earmarked reserve. The Executive Director – Commercial advised that the Customer Service Centre was also in the process of a channel shift, and the new website would assist with more transactional activity. This would provide a different way for residents and businesses to contact the Council. This was a developing picture and was part of the transformation plan.

The Executive Director – Resources provided an update in relation to fair funding, and advised that the technical working group which had been set up to examine the best way to deliver the review was in the process of being reconstituted. The next stage of the consultation was expected in the spring of 2020. It was also noted that

there had been some consideration of whether the paper from government in relation to adult social care funding arrangements should be a white paper rather than green paper and there were indications that the government was considering long term funding arrangements.

RESOLVED

That the Executive:

1. Considers the effect of the updated funding available and revenue expenditure as noted in paragraphs 1.4 and 1.5, Appendix A and Appendix B of the report;
2. Considers the Equality Impact Analysis at Appendix C and the consultation comments as shown in Appendix I of the report and presented at the meeting.
3. Subject to recommendation 4 below approves for recommendation to full council:
 - a) The revenue budget for 2020/21 shown in Appendix d of the report;
 - b) The capital programme for 2020/21 shown in table E and Appendix E of the report;
 - c) The levels of council tax proposed in table B of the report including the increase of council tax in 2020/21 by 3.50%;
 - d) The prudential indicators for 2020/21 shown in Appendix G of the report;
 - e) The Flexible Use of Capital Receipts Strategy for 2020/21 attached as Appendix H to the report; and
 - f) The Medium Term Financial Strategy attached at Appendix J to the report.
4. Requests the Leader to review and amend the Executive's budget recommendations to the County Council, as appropriate, in light of the National Living wage cost pressure outlined in paragraphs 1.14 and 1.15 of the report, and the final Local Government Finance Settlement and the council tax, and business rates information from the Lincolnshire District Councils if received between the Executive meeting and the County Council on 21 February 2020.
5. Requests the Leader to review and amend the figures within the Medium Term Financial Strategy to be recommended to the County Council as appropriate, to ensure consistency with final budget recommendations made to the County Council meeting on 21 February 2020.

62 HOME BASED REABLEMENT SERVICE PROCUREMENT

Consideration was given to a report by the Executive Director Adult Care and Community Wellbeing which sought approval from the Executive to procure a new contract for home based reablement.

The Commercial and Procurement Manager – People Services introduced the report and advised that the Home Based Reablement service (HBRS) was designed to help people learn or relearn the skills necessary for daily living, which had been lost through illness, deterioration of health and/or increased support needs. The HBRS offered outcome-focused, person-centred care and support in the service user's own home, designed to optimise their independence, for a period of up to six weeks per user episode. Current performance was based on an average of around three weeks. In addition to reablement support, the service required the provider to offer a 'provider of last resort' (POLR) service to support people with long term needs in their own homes; and was intended to provide a contingency at times of market failure in the home care market and was designed to be on a short term basis.

The Executive was advised that following a procurement process in 2015, a contract for a countywide home based reablement service was awarded to Allied Healthcare, commencing in November 2015 for a maximum duration of five years. Allied Healthcare went into administration in December 2018, resulting in the novation of the contract on an interim basis to Alderson Libertas to secure continuity for this vital service. Since November 2015, performance of the service had improved significantly, in particular since the current provider took over the service. The current contract would expire on 30 June 2020 and therefore it was necessary to make decisions regarding the future scope and procurement of the service. It was proposed that the new contract would commence on 1 July 2020 for three years with the option to extend for a further two years.

Reference was also made to the intention to include within the contract, a pilot scheme relating to the broadening of eligibility criteria to enable a period of reablement to all individuals who had been assessed as requiring a level of County Council funded community care. This would effectively encompass all individuals referred into homecare with the exception of those on an end of life pathway or with advance dementia.

In response to a question, the Executive was advised that success of the pilot scheme would be measured by the proportion of people that received reablement and then did not require any further funded care. Under the Council's Business Plan measure for reablement, currently over 88% of people who received the service did not require any long term care as a result. It was confirmed that a control group would be established as part of the pilot. Officers would also be looking at the costs of care for newly eligible people compared with if they had not received reablement.

The Executive was informed that there was a substantial amount of evidence nationally around intermediate care and reablement, and it had been found that six weeks was the optimum period of time for this type of service to be provided. However, in some cases people only required the service for two weeks. It was a tailored package delivered within a six-week time scale. It would be possible to capture through the contract how long the service was required. There were very few cases that had gone beyond the six weeks, the average time for people to require this service was 28 days.

RESOLVED

That the Executive:

1. Approves a procurement be undertaken to deliver a contract to be awarded to a single provider of a county-wide home based reablement service for a period of three years with a possibility of a further two-year extension.
2. Delegates to the Executive Director of Adult Care and Community Wellbeing, in consultation with the Leader of the Council and the Executive Councillor for Adult Care, Health & Children's Services, the authority:
 - i. To approve the entering into a pilot with the contractor to assess the effects of broadening eligibility for the services; and
 - ii. To determine the final form of the contract and to approve the award the contract(s) and the entering into of contract(s) and other legal documentation necessary to give effect to the above decision.

63 RE-PROCUREMENT OF COMMUNITY SUPPORTED LIVING SERVICES

Consideration was given to a report by the Executive Director Adult Care and Community Wellbeing which sought approval for the re-procurement of the Community Supported Living – Open Select List.

The Commercial and Procurement Manager – People Services introduced the report and advised that the Community Supported Living – open Select List was a framework agreement of approved providers would could meet care and support, and if appropriate, accommodation needs for vulnerable adults across Lincolnshire. The current framework had 38 providers approved to deliver services; there were 21 active at this time. It was reported that the current contractual arrangement would end on 31 May 2020. The service had been reviewed and recommendations made to ensure future demand could be met across Lincolnshire, and in particular, for those who had needs of a highly complex nature.

The Executive was advised that this was a service which was delivered in people's own homes, and also in the community. It avoided the need for residential and nursing care. There were around 900 people within the County that were supported by Community Supported Living. Of these, 570 people were accommodated in supported accommodation. It was noted that the accommodation was separate to the care package.

The Service would support people to look for housing, but the accommodation was funded by the local housing authority.

RESOLVED

That the Executive:

1. Approves the procurement of a framework of Care Quality Commission registered Community Supported Living providers who can meet care and support needs across Lincolnshire.
2. Delegates to the Executive Director of Adult Care and Community wellbeing, in consultation with the Executive Councillor for Adult Care, health and Children's Services, the authority to determine the final form of the contract and to approve the award of contract(s) and the entering into of contract(s) and other legal documentation necessary to give effect to the decision.

64 HEMECARE

Consideration was given to a report by the Executive Director Adult Care and Community Wellbeing which presented the case for re-commissioning the existing homecare contracts on a broadly similar model however with a small number of significant changes to how the service functioned.

The Senior Strategic Commercial and Procurement Manager – People Services introduced the report and advised that the Council currently commissioned 12, zone based, contracts to deliver homecare across the county. These arrangements were due to come to an end on 30 September 2020. The Council had a statutory duty to provide homecare in the community and as such must ensure that there were satisfactory arrangements in place with the market to discharge this duty. The contracts were the Council's only method of directly commissioned domiciliary care with the only other main alternative available being direct payments.

The Executive was advised that some of the changes to the contract included the following:

- Minimum of 30 minute call duration for personal care calls
- Introduction of a provider led floating response team for each zone
- Introduction of an enhanced "extra rural rate" where there was a low volume of calls in very rural areas.

The Executive was advised that the report concluded almost a year of work. Homecare was one of the highest volume services of the Council with over 2300 people receiving care. The review had confirmed that the commercial model did work and was fit for purpose. It was also highlighted that one of the planned changes was to the contract duration. It was currently a three-year contract with two one-year extensions, and it was proposed to increase to a five-year contract with the opportunity for up to three one-year extensions.

The Assistant Director – Adult Frailty and Long Term Conditions clarified that any visits made by carers which were not personal care did not have to be 30 minutes. The minimum call duration of 30 minutes only applied to visits which included personal care. It was also noted that the number of calls a person would receive was

based on their assessed need. The biggest package the authority provided involved three to four visits per day.

It was highlighted that the inclusion of an extra rural rate had been proposed as the visits to the more isolated places, such as small hamlets, put undue pressure on the market. A detailed analysis of call volumes had taken place and those areas and post codes which qualified as extra rural had been identified. It was expected that the actual cost impact of this would be low, but would be a solution to some of those areas that were difficult to manage.

In response to a query, it was reported that the turnover of care workers was a concern and could be higher than 30%, which was in line with most other areas in the country. The challenge for health and social care support staff was how to retain those staff and attract them to Lincolnshire. The County Council had a very good working relationship with the providers, and the retention and turnover of staff was something that was monitored closely. However, the Executive was advised that the authority was in a better position than previously as there was exclusivity for providers within the zones so they were better able to secure the capacity. It was also noted that it was a lot harder to provide these services in a county like Lincolnshire, particularly with the coastal areas. It was commented that it would be nice to recognise the importance of the work that care workers did.

The scrutiny comments regarding this report which were outlined on page 335 of the agenda pack had been positive, particularly in relation to the introduction of the extra rural rate and the 30 minute minimum calls.

RESOLVED

That the Executive:

1. Approves the re-procurement of 12 zone-based Homecare contracts to establish a county-wide service effective from 1 July 2020 with services fully commencing on 1 October 2020
2. Subject to approval by full Council of additional funding sufficient to cover the additional cost identified in paragraph 2.21 of the report, approves the inclusion within each of the said homecare contracts of:
 - i. A 30 minute minimum call duration for all personal care;
 - ii. A new 'extra rural rate' in extremely remote area with low volumes of call activity; and
 - iii. The establishment of a Floating Support Team.
3. Delegates to the Executive Director – Adult Care and Community Wellbeing in consultation with the Executive Councillor for Adult Care, Health and Children's Services, the authority to determine the final form of the service, the procurement and the contract, to approve the award of the contract and entering into the contract, and any other legal documentation necessary to give effect to the above decisions.

65 PROPOSAL TO EXPAND CAPACITY AT THE LINCOLN ST CHRISTOPHER'S SCHOOL FROM 200 TO 333 (FINAL DECISION)

Consideration was given to a report by the Interim Director – Education which sought to advise the Executive on the making of the final decision regarding the proposed expansion of The Lincoln St Christopher's School.

The Admissions and Education Provision Manager introduced the report and advised that the County Council had a statutory duty to ensure that there were sufficient school places to accommodate all pupils of statutory school age who lived in Lincolnshire, including provision for children with special educational needs and disabilities (SEND). The Local Authority (LA) believed that this proposal was the best available option to fulfil this duty.

The proposal under consideration was to permanently expand the capacity at the Lincoln St Christopher's School from 200 to 333 across two sites to ensure there was sufficient SEND provision for primary and secondary age children. This would supersede the original proposal as part of the Building Communities of Specialist Provision strategy which was to reduce the capacity of St Christopher's from 200 to 155, expand St Francis from 128 to 173 and to build a new free school for 155 pupils on the former Usher site subject to a successful capital bid. However, the Free School bid was unsuccessful and so had been necessary to reconsider the available options. The proposal was to expand St Christopher's over two sites being taken forward, with a modification to the expansion at St Francis from 128 to 155 instead of 173.

The Executive was advised that a period of consultation commenced on 5 September 2019, and closed on 3 October 2019, a summary of written responses was attached as Appendix A to the report.

Following the consultation the decision was taken on 22 October 2019 to publish a Statutory Notice on 7 November 2019. This initiated a four week representation period up to 5 December 2019 when further written objections and comments could be submitted. The process was now entering the final stage when the Local Authority, as decision maker, must take the final decision regarding the proposal within two months of the Representation Period (by 5 February 2020).

The Executive was advised that if this proposal was agreed, the accommodation would be built ready for September 2022. It was also reported that no objections to the proposals had been received. The report had also been considered by the Children and Young People Scrutiny Committee on 17 January 2020 where substantial debate had taken place, and the Committee had unanimously supported the recommendations. During debate questions had been raised regarding the carbon impact of the proposal, and members had been assured that this would be taken into consideration.

It was confirmed that the Executive Headteacher would be the Head Teacher at St Francis, and would oversee both sites, and there would also be a Head Teacher for St Christopher's.

RESOLVED

- (1) That the Executive approves the expansion of The Lincoln St Christopher's School from 200 to 333 places with full effect from September 2024. Such approval is conditional on any necessary planning permission being granted by 31 December 2020 in respect of proposed development works at both St Christopher's school site and the former Usher Junior site.
- (2) That the Executive approves the modification of the determination for the expansion of St Francis special school from 128 to 155 instead of to 173.

The meeting closed at 12.32 pm.