



County Offices  
Newland  
Lincoln  
LN1 1YL

18 May 2022

**Overview and Scrutiny Management Board**

A meeting of the Overview and Scrutiny Management Board will be held on **Thursday, 26 May 2022 at 10.00 am in the Council Chamber, County Offices, Newland, Lincoln LN1 1YL** for the transaction of the business set out on the attached Agenda.

Yours sincerely

A handwritten signature in cursive script that reads 'Debbie Barnes'.

Debbie Barnes OBE  
Chief Executive

**Membership of the Overview and Scrutiny Management Board (11 Members of the Council and 3 Added Members)**

Councillors R B Parker (Chairman), T J N Smith (Vice-Chairman), Mrs J Brockway, P M Dilks, A M Hall, R J Kendrick, C S Macey, C E H Marfleet, N H Pepper, E W Strengiel and R Wootten

**Added Members**

Church Representative: Reverend P A Johnson

Parent Governor Representatives: Mrs M R Machin and Miss A E I Sayer



**OVERVIEW AND SCRUTINY MANAGEMENT BOARD AGENDA  
THURSDAY, 26 MAY 2022**

<b>Item</b>	<b>Title</b>	<b>Pages</b>
1	<b>Apologies for Absence/Replacement Members</b>	
2	<b>Declarations of Interest</b>	
3	<b>Minutes of the meeting held on 28 April 2022</b>	5 - 12
4	<b>Announcements by the Chairman, Executive Councillors and Chief Officers</b>	
5	<b>Consideration of Call-Ins</b>	
6	<b>Consideration of Councillor Calls for Action</b>	
7	<b>Delivery of HR Administration, Payroll, Exchequer, Adult Care Finance and the Customer Service Centre (CSC)</b> <i>(To receive a report by Sophie Reeve, Assistant Director – Commercial, which invites the Board to consider a report on the Delivery of HR Administration, Payroll, Exchequer, Adult Care Finance and the Customer Service Centre (CSC) which is due to be considered by the Executive on 7 June 2022. The views of the Board will be passed on the Executive as part of its consideration of this item)</i>	13 - 68
8	<b>Business World ERP System Re-design Update</b> <i>(To receive a report by Andrew McLean, Assistant Director – Corporate Transformation, Programmes and Performance; Louisa Harvey, ERP System Delivery Manager - Business World and Sadie Rossington, Senior Project Officer, which provides an update on the progress of the re-design of the Council's Business World ERP system)</i>	69 - 80
9	<b>Approval to Procure Contracts for Temporary Agency Staff</b> <i>(To receive a report by Tony Kavanagh, Assistant Director – HR and Organisational Support which invites the Board to consider a report on the Approval to Procure Contracts for Temporary Agency Staff which is due to be considered by the Executive on 7 June 2022. The views of the Board will be reported to the Executive as part of its consideration of this item)</i>	81 - 90
10	<b>People Management Update - Quarter 4</b> <i>(To receive a report by Tony Kavanagh, Assistant Director – HR and Organisational Support, which provides an update on the HR Management Information (HRMI) and on corporate People Strategy projects)</i>	91 - 100

**11 Developer Contributions Scrutiny Review - Second Monitoring Update of Action Plan** 101 - 122

*(To receive a report by Justin Brown, Assistant Director – Growth and Warren Peppard, Head of Development Management, which provides a second monitoring update on the recommendations from Scrutiny Panel A’s review on Developer Contributions)*

**12 Scrutiny Committee Work Programmes** 123 - 140

*(To receive a report which sets out the work programmes of the Flood and Water Management Scrutiny Committee; the Environment and Economy Scrutiny Committee and the Highways and Transport Scrutiny Committee in accordance with the Board's agreed programme)*

**ITEMS FOR INFORMATION ONLY**

**13 Overview and Scrutiny Management Board Work Programme** 141 - 152

*(To receive a report which enables the Board to note the content of its work programme for the coming year)*

<u>Democratic Services Officer Contact Details</u>	
Name:	<b>Emily Wilcox</b>
Direct Dial	<b>07557 486687</b>
E Mail Address	<a href="mailto:emily.wilcox@lincolnshire.gov.uk">emily.wilcox@lincolnshire.gov.uk</a>
<p><b>Please note:</b> for more information about any of the following please contact the Democratic Services Officer responsible for servicing this meeting</p> <ul style="list-style-type: none"><li>• Business of the meeting</li><li>• Any special arrangements</li><li>• Copies of reports</li></ul> <p>Contact details set out above.</p> <p>Please note: This meeting will be broadcast live on the internet and access can be sought by accessing <a href="#">Agenda for Overview and Scrutiny Management Board on Thursday, 30th June, 2022, 10.00 am (moderngov.co.uk)</a></p> <p>All papers for council meetings are available on: <a href="https://www.lincolnshire.gov.uk/council-business/search-committee-records">https://www.lincolnshire.gov.uk/council-business/search-committee-records</a></p>	



**OVERVIEW AND SCRUTINY MANAGEMENT  
BOARD  
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**PRESENT: COUNCILLOR R B PARKER (CHAIRMAN)**

Councillors T J N Smith (Vice-Chairman), Mrs J Brockway, P M Dilks, R J Kendrick, C S Macey, C E H Marfleet, N H Pepper, E W Strengiel and R Wootten

Councillors: R D Butroid (Executive Councillor for People Management, Legal and Corporate Property) and M J Hill OBE (Leader of the Council and Executive Councillor for Resources, Communications and Commissioning) attended the meeting as observers

M A Whittington (Executive Support Councillor for Resources, Communications and Commissioning) and Councillor S Woolley (Executive Councillor for NHS Liaison, Community Engagement, Registration and Coroners) also observed the meeting via Microsoft Teams

Officers in attendance:-

Graham Beckett (Operating Manager – Serco), Andrew Crookham (Executive Director - Resources), Tracy Johnson (Senior Scrutiny Officer), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer), John Wickens (Assistant Director - IMT and Enterprise Architecture) and Emily Wilcox (Democratic Services Officer)

Officers in attendance via Microsoft Teams:

Sophie Reeve (Assistant Director - Commercial), Phil Johnson (IT Service Management Consultant), Alex Botten (Strategic, Commercial and Procurement Manager), Paul Elverstone (ICT Contracts and Licenses Officer) and Andrew Webster (Commercial and Procurement Officer - IT)

136 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

An apology for absence was received by Debbie Barnes OBE, Chief Executive.

137 DECLARATIONS OF INTEREST

None were declared.

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138 MINUTES OF THE MEETING HELD ON 24 MARCH 2022

RESOLVED:

That minutes of the meeting held on 24 March 2022 be approved as a correct record and signed by the Vice-Chairman.

139 ANNOUNCEMENTS BY THE CHAIRMAN, EXECUTIVE COUNCILLORS AND CHIEF OFFICERS

The Chairman highlighted that he would be passing on the Board's comments from the discussions on items 8 and 9 to the Executive on the 4<sup>th</sup> May 2022.

The Chairman would also be presenting the Overview and Scrutiny Annual Report for 2021-22 to the Council's annual meeting on the 20<sup>th</sup> May, subject to the Board's agreement at the meeting which would illustrate all of the great work that has gone on over the last twelve months.

Members of the Board welcomed the Chairman back to the Board and wished him well following a break due to illness.

140 CONSIDERATION OF CALL-INS

None had been received.

141 CONSIDERATION OF COUNCILLOR CALLS FOR ACTION

None had been received.

142 PERFORMANCE OF THE CORPORATE SUPPORT SERVICES CONTRACT

Consideration was given to a report by the Assistant Director – Commercial which invited the Committee to consider a report on the Performance of the Corporate Support Services Contract during the review period January to March 2022.

The Board was advised that during the period, there had been no instances where KPI's failed to meet the minimum service level or the target service level during the review period. The overall KPI Summary Performance and exceptions were set out at Tables 1 and 2 within the report.

IMT\_KPI\_12, IMT\_KPI\_18 and IMT\_KPI\_19 had all been temporarily suspended in order to redirect resource to the Modern Desktop Management (MDM) ticket resolution at the direction of the Council.

Overall, Serco's performance against the KPI's for the period was strong and were working on time and ahead of time in some areas.

The Board welcomed an update from the newly appointed Operations Director for Serco and noted the progress that had been within IMT including the successful roll-out of MDM; the embrace of hybrid working and also acknowledged challenges in retention of staff. The payroll team had faced challenges following the late pay award that had been granted in March 2022, but the team had worked hard to ensure that the changes were processed on time. The challenges that could be faced as a result of the Business World project were recognised, as well as the carers recommissioning, which would potentially see the introduction of a new telephony system to contribute to the Council's plans for digital delivery.

Members welcomed the update and noted the performance of the Corporate Support Services Contract during the period.

RESOLVED:

That assurance be provided about the performance of the Corporate Support Services Contract.

143 OPTIONS FOR THE FUTURE DELIVERY OF IMT SERVICES

Consideration was given to a report by the Assistant Director – IMT and Enterprise Architecture, which invited the Board to consider a report on the options for future delivery of IMT services prior to its consideration by the Executive on the 4 May 2022.

The Board received a presentation which provided details of the future delivery options and recommended model for procurement; the drivers for a change in the delivery of services; the approach to procurement; market engagement; information on trends in IMT design and sourcing strategies; details of the Service Integration and Management (SlaM); costs; risks and mitigation and an indicative outline plan for the future of IMT services.

The Board supported the recommendations to the Executive and as part of its consideration of the report, the following points were noted:

- Good governance was important to ensure effective use of money and avoid duplicating the purchase of cloud services by different departments, to manage data under GDPR and other mandatory requirements that come with a gov.uk namespace, and for working in a technical environment. The Board acknowledged a potential risk in individual departments purchasing their own cloud services, which created wider IMT issues and therefore the Council aimed to centralise the service. The Board requested that a report be brought back to a future meeting on this issue before SlaM service was fully developed.
- A full options appraisal for the non IMT services currently being delivered by Serco, namely HR Admin, Payroll, Exchequer, Adult Social Care Finance and the Customer Service Centre, would be considered by the Board at its meeting on 26 May prior to

consideration by the Executive on 7 June. The IMT options appraisal had been started before the other areas as it had been anticipated that this would involve more complex procurement

- Cloud services were the only way forward for the Council to ensure it received the best security for its services and had so far proven to be resilient to cyber attacks. The large investments by bigger organisations in state of the art security meant that they would be quicker responses to any cyber attacks and the ability to detect and react to any problems more quickly than any individual organisation.
- The MDM programme would see device management move to cloud services. A later phase of the MDM programme would see a would enable monitoring of the actions undertaken by each device and assess the risk, whilst reporting in real time to a security operations centre.
- Market analysis had shown multiple examples of organisations who could deliver more than one specialism which combined into the needs for device management, support desk and device security, or build subcontracts into the big technical vendors. There was a homogenisation of the market into key technical organisations such as Google, Amazon and Microsoft.
- The Council had now moved all its services into Microsoft Azure hosting, and these host environments were identical for millions of subscribers due to being global scale systems. The only uniqueness to these environments was where the Council was operating separate bits of software and doing precise pieces of configuration.
- The procurement exercise would be designed to enable the Council to create a range of options and procure specialisms independently if that would be in the best interest for the Council.
- It was anticipated that there would be around three or four providers of IMT Services in the future. Having more providers would involve more management around governance and assuring their performance which would allow more capacity to analyse data from cloud services and further expand on current service level agreements.
- Assurance was provided that the SlaM process was a well established method of practice which was successful in other organisaions.
- It was expected that there would be significant changes to the IMT Service over the coming years, with the potential for a focus on configuration programming and building business solutions rather than physical engineering as part of the SlaM process.
- Members were reassured that recruitment challenges were not likely to pose significant risk to the IMT service as the service was becoming less reliant on technical engineers. There were a number of methods which could be used to attract people to work within the Council, which included the offer short term payments, company cars and relocation packages and the promotion of the benefits of living and working in Lincolnshire, such as home working and lower housing costs. Contractors were able to recruit staff based on their own pay and conditions and were therefore not subject to local government pay restrictions.



- New senior management capability would be created within the IMT team to oversee the inhouse SlaM service with the potential to recruit existing staff members with the relevant skillset.

## RESOLVED:

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

144 AWARD TO RESELLER FOR PROVISION OF MICROSOFT SUBSCRIPTION AGREEMENT AND RELATED SERVICES

Consideration was given to a report by the Lead IT Contract and Vendor Relationship Officer, which invited the Board to consider a report on the Award to reseller for provision of Microsoft Subscription Agreement and related services, which was due to be considered by the Executive on 4 May 2022.

The Board was advised that the current contract for services was due to expire on the 30<sup>th</sup> June 2022 and consisted of two licensing agreements, which were Microsoft Enterprise Subscription Agreement and the Microsoft Service and cloud enrolment.

Contracts with Microsoft generally are procured every three years. However, the Council agreed with Microsoft to accept the RAMP pricing for services in 2020 and consequently the three year term for the current contract extended beyond the current reseller agreement by one year. It was necessary to put in place a short term contract to cover the period prior to the procuring of the next three year cycle and therefore recommended that the Executive approved the direct award of a one year contract for the provision of Microsoft Subscription Agreement and related services.

The Board supported the recommendations to the Executive and during its consideration of the report, the following points were noted:

- The 2022/23 Microsoft Subscription order could not be continued through the existing contract as the Microsoft 365 'E5' Ramp offer had consumed the headroom in the original contract decision meaning the total value being spent under the existing contract awarded via the CCS RM3733 Technology Products 2 framework would be exceeded and the procurement would be non-compliant with the framework.
- There Council had taken advantage of an opportunity to obtain a discount for three years at the outbreak of the Covid-19 pandemic which was taken by the Council. The 'E5' Ramp offer had been procured quickly through the original award as part of the Council's Covid-19 working from home response package.
- The proposed one year contract would enable the Council to retain the benefit of the last year of the Ramp discount whilst allowing it to become coterminous with the

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greater bulk of the Council's Microsoft contracts, enabling the Council to seek a better deal in 2023.

- The Board acknowledged that 'doing nothing' was not an option and welcomed the savings of approximately £150,000 that had been made.

**RESOLVED:**

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

**145 OVERVIEW AND SCRUTINY ANNUAL REPORT 2021-22**

Consideration was given to a report by the Head of Democratic Services and Statutory Scrutiny Officer, which invited the Board to comment on the Overview and Scrutiny Annual Report 2021-22, prior to its consideration by the Council at its meeting on Friday 20<sup>th</sup> May 2022.

The Board welcomed the increase in non-executive Councillor engagement in scrutiny to 92%. The Head of Democratic Services and Statutory Scrutiny Officer agreed to identify the reasons for the remaining 8% of non-executive councillors not being engaged in scrutiny.

It was suggested that the Board consider engaging with other external organisations.

**RESOLVED:**

That the submission of the Overview and Scrutiny Annual Report for 2021-22 to the annual meeting of the County Council on 20 May 2022, as set out at Appendix A, be agreed.

**146 SCRUTINY COMMITTEE WORK PROGRAMMES**

Consideration was given to a report by the Chairman of the Children and Young People Scrutiny Committee, which detailed the future work programme of the Committee, as well as recent work of the Committee. Further detail was provided at Appendix A to the report.

The Deputy Police and Crime Commissioner and a representative from NHS Lincolnshire Clinical Commissioning Group had attended the last meeting of the Committee to represent the Police and Health Services, who, along with the Council, were the statutory partners of the Lincolnshire Safeguarding Children Partnership (LSCP). After a lengthy debate with a lot of challenge provided to the LSCP's Independent Chair and Business Manager, the Committee was assured of the work being undertaken by the LSCP.

The Chairman of the Children and Young People Scrutiny Committee was pleased to report that a letter received from Ofsted in relation to its focused visit to Children's Services was extremely positive and highlighted that children were supported highly effectively to make

good progress and that there was clear evidence of strong relationship-based social work practice throughout the service.

The Committee had supported the recommendations to the Executive and welcomed the commissioning arrangements for the holiday activities and food (HAF) programme in which the Council would receive grant funding to provide school meals to eligible children outside of term time.

Consideration was then given to a report by the Chairman of the Public Protection and Communities Scrutiny Committee, which detailed the future work programme of the Committee, as well as recent work of the Committee. Further detail was provided at Appendix B to the report.

At its meeting in April, the Committee had received a report in relation to Volunteering in Lincolnshire and was updated on how Covid has affected the voluntary sector in the County; a report on the current picture about Avian Flu across the County and how cases were being tackled; a report on the outcomes of the Her Majesty's Inspectorate for Constabularies and Fire and Rescue Services (HMICFRS) review of Lincolnshire Fire and Rescue in which the Committee had agreed for a further report to be added on to the work programme in regards to actions taken to mitigate concerns and address recommendations; and lastly, the Committee was reassured around the arrangements established by Lincolnshire County Council, Lincolnshire's district councils, and multi-agency partners to deliver the government's requirements in relation to the Ukraine humanitarian crisis and requested that a further update be submitted to the Committee in six months time.

Further to the dispatch of the agenda, the Board was advised of the following additions to the work programme of the Public Protection and Communities Scrutiny Committee:

- The Trading Standards Annual Review and the Stay Safe Update Report in September 2022
- Reducing Offending – The Work of the Safer Lincolnshire Partnership in December 2022
- An update in the Food sector by Trading Standards and an Update from the Safer Lincolnshire Partnership in January 2023
- The Annual PREVENT report and a report on Substance Misuse in March 2023

Assurance was provided by the Chairman of the Public Protection and Communities Scrutiny Committee that the Committee was working alongside the Executive Councillor for Fire, Rescue and Emergency Services and the Chief Fire Officer, to address areas for improvement within the Fire Service following the findings of the report from HMICFRS.

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RESOLVED:

1. That the Board's satisfaction be recorded with the activity undertaken since 27 January 2022 by:
  - (a) the Children and Young People Scrutiny Committee and
  - (b) the Public Protection and Communities Scrutiny Committee.
  
2. That the Board's satisfaction be recorded with the planned work programme of:
  - (a) the Children and Young People Scrutiny Committee and
  - (b) the Public Protection and Communities Scrutiny Committee.

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The Board was informed that this item was for information only.

The meeting closed at 11.37 am

**Open Report on behalf of Andrew Crookham, Executive Director - Resources**

Report to:	<b>Overview and Scrutiny Management Board</b>
Date:	<b>26 May 2022</b>
Subject:	<b>Delivery of HR Administration, Payroll, Exchequer, Adult Care Finance and the Customer Service Centre (CSC)</b>

**Summary:**

This report invites the Overview and Scrutiny Management Board to consider a report on the Delivery of HR Administration, Payroll, Exchequer, Adult Care Finance and the Customer Service Centre (CSC), which is being presented to the Executive on 07 June 2022. 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 recommendations to the Executive as set out in the report.
- 2) Agree any additional comments to be passed on to the Executive in relation to this item.

**1. Background**

The Executive is due to consider a report on the Delivery of HR Administration, Payroll, Exchequer, Adult Care Finance and the Customer Service Centre (CSC) at its meeting on 07 June 2022.

**2. Conclusion**

Following consideration of the attached report, the Board is requested to consider whether it supports the recommendations 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

The Board is being consulted on the proposed decision of the Executive on 07 June 2022.

### 4. Appendices

These are listed below and attached at the back of the report	
Appendix 1	Delivery of HR Administration, Payroll, Exchequer, Adult Care Finance and the Customer Service Centre (CSC) to be presented to the Executive on 07 June 2022

### 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 at [Sophie.reeve@lincolnshire.gov.uk](mailto:Sophie.reeve@lincolnshire.gov.uk) or on 07931715366.



**Open Report on behalf of Andrew Crookham - Executive Director of Resources**

Report to:	<b>Executive</b>
Date:	<b>7 June 2022</b>
Subject:	<b>Delivery of HR Administration, Payroll, Exchequer, Adult Care Finance and the Customer Service Centre (CSC)</b>
Decision Reference:	<b>I025180</b>
Key decision?	<b>Yes</b>

**Summary:**

The Corporate Support Services contract with Serco which includes the provision of IMT Services (dealt with by Executive on the 4 May 2022) Finance Services, HR Administration and Payroll and the Customer Service Centre expires at the end of March 2024 and cannot be extended further.

The Corporate Support Services Review (CSSR) programme was commissioned in June 2020 to explore options for the delivery of support services following this date. The purpose of this report is to enable the Council to make an informed decision about the best way forward for the future delivery of the Finance Services, HR Administration and Payroll and the Customer Service Centre Services and it is only those services that are being considered. Approval is also being sought from the Executive for the mix of new commissioning arrangements as part of the future model of delivery and authority to commence a procurement for the proposed outsourced service. At the same time because of its overlap with the operation of the Customer Service Centre the Executive is also asked to approve the recommended way forward for the delivery of digital transformation.

**Recommendation(s):**

That the Executive:

1. Approves the future services design and sourcing approach as follows:
  - a) Entering into a shared service arrangement with Hoople Limited for the delivery of HR Administration and Payroll to the Council and to schools;

- b) The outsourcing of the operation of the Customer Service Centre services to external suppliers;
  - c) The Council retains responsibility for digital transformation and the technology that supports it using a mixed model for resourcing transformation with a combination of in-house resource and external expertise secured as and when required;
  - d) The insourcing of the Adult Care Finance and Exchequer services.
2. Approves the carrying out of the necessary procurement processes to secure the services of external suppliers referred to in recommendation 1b and c.
  3. Delegates to the Executive Director for Resources, in consultation with the Leader of the Council, and for recommendation 1b and 1c with the Executive Councillor for Children's Services, Community Safety and Procurement and for recommendation 1b with the Executive Councillor for People Management and Corporate Property, the authority to take all necessary decisions and steps to progress the new commissioning arrangements referred to in recommendation 1 and to progress the procurements referred to in recommendation 2 up to and including the award of contracts.

**Alternatives Considered:**

The report and Appendix A looks at the available alternative delivery models and balances the pros and cons of these models for each of the services areas as follows;

- For HR Administration and Payroll- where the alternative delivery models are insourcing and outsourcing through a competitive procurement.
- For the CSC - where the alternative delivery model is insourcing.
- For Finance Services -where the alternative delivery model is outsourcing through a competitive procurement.

**Reasons for Recommendation:**

For HR Payroll and Administration there is no ready market for outsourcing. It would be possible to include the service in with the CSC procurement but there are few synergies, and it is likely to damage the competition for the CSC. Insourcing would mean that the Council would have to deliver a complex payroll itself not having done so for over 20 years. The alternative is preferred which is to extend our relationship with Hoople Limited which has current complex public sector payroll experience, and which would provide a “one stop shop” where the HR Payroll and Admin system and service were provided by a single provider clarifying the lines of accountability.



For the CSC the recommendation to outsource the service recognises that operating the CSC is a reasonably complex logistical operation and one where recruitment and retention activity is high. The management time spent on that could be better deployed elsewhere. Additionally external providers with more than one CSC can offer more resilience, expertise and innovation and the current outsourcing experience has been good.

The recommendation to insource Adult Care and Exchequer services is because it will enable the Council to respond agilely to the additional demands arising from legislative change and otherwise will also enable the Council to communicate directly with its service users to reduce surprises and maximise income collection, so the potential benefit is significant. Additionally, there is no ready market for outsourcing.

## 1. Background

1.1 On the 24 March 2014 the Council entered into the corporate support services contract with Serco for a range of corporate support services covering:

- a. People Management including HR Administration and Payroll;
- b. Finance including Exchequer Services and Adult Care Finance;
- c. Customer Service Centre (CSC);
- d. Information Communications and Technology (IMT).

1.2 The contract has been extended twice and is due to expire at the end of March 2024 and cannot be extended further. After a difficult start Serco has met the vast majority of the contract's comprehensive Key Performance Indicators and the Council has benefited from the expertise of Serco's staff and managers. The numbers employed on the contract vary from time to time but the last return indicates the following FTE deployed on each service area;

	<i>FTE</i>	<i>Positions</i>
CSC	115.97	134
Finance	68.40	72
IMT	46.28	47
HR Admin and Payroll	31.82	33
Overhead	6.68	7
<b>Total</b>	<b>269.14</b>	<b>293</b>

1.3 The expiration of the contract provides the Council with an opportunity to consider the implications for future delivery of our services. Given the length of time the contract has been in place, there have been changes in how the Council operates and what services it needs, but also in the market from which such services are procured and the commissioning advice from government bodies.

- 1.4 In 2014 multi stream contracts were still being let to prime providers so that a single outsourcing company for example Serco or Capita was responsible for a wide range of services often greater than the range of services referred to in paragraph 1.1. That model is now largely a thing of the past having fallen out of favour with both providers and local authorities in large part because as outsourcing has matured there are less savings to be had from second and third generation outsourcings and the public sector itself has become more efficient, so cost differentials are small.
- 1.5 This has been seen particularly in IMT where the service options and technologies are now quite different than they were in 2014. As the transition of IMT Services from the existing arrangements into the new model will be more complex than other services the IMT recommissioning has been running slightly ahead of the other services and a separate IMT options appraisal report was taken to the Executive in May. The Executive decided to accept the recommendations which were to implement a multi-provider IMT service delivery model involving external providers who are specialists in specific areas of IMT service delivery, supplemented by increasing in-house delivery.
- 1.6 Further information describing the model and the reasons for it are set out in the Options for the Future Delivery of IMT Services.

## **2 Selecting the Right Delivery Model Government Advice and Guidance**

- 2.1 In a recent commissioning publication “Delivery Model Assessments Guidance Note” May 2021, The Government Commercial Function identified some pros and cons of outsourcing -v- in house delivery.
- 2.2 Outsourcing, done well, can:
- Give management space to focus on core priorities and free up resources
  - Leverage greater scale and efficiencies from a market operating at scale
  - Bring dynamism from a diverse marketplace of providers
  - Draw on innovative new approaches and expertise
  - With appropriate contractual flexibility, adapt to changing circumstances.
- 2.3 Conversely in-house delivery, done well, can:
- Give greater flexibility to react to changing circumstances (business, economic or political) without being restricted by contract terms or procurement law
  - Provide greater control over processes and how a service is delivered
  - Take advantage of internal synergies
  - Ensure alignment to the organisation's core purpose
- 2.4 In 2020 the Institute for Government advised that insourcing works when;
- There's no healthy competitive market
  - Flexibility is required to make changes to the design and scope of a service in view of changing policy and budget priorities
  - We lack the skills to procure or manage a contract successfully

- A service could be improved and/or savings made by integrating it with another service
- 2.5 The Institute for Government indicates that “switching back to in-house delivery after decades of outsourcing will be hard: people, systems, culture and ways of working will be deeply embedded and difficult to uproot. ...Without careful planning and the right management and staff capability, efforts will founder.” It goes on to say that “Bringing services back in-house requires a huge amount of work, from analysing costs through to workforce planning and preparation. It is unlikely that small organisations will be able to successfully insource multiple large services at once – nor would it be desirable to try to do so..... instead, government bodies should prioritise insourcing projects based on a pragmatic assessment of their capacity to deliver them and where they will have most benefit”.

### **3. HR Administration and Payroll**

#### *Recommended Approach*

- 3.1 The preferred option is to enter into a shared service arrangement with Hoople Limited (“Hoople”) providing the HR Administration and Payroll functions.

#### *HR Administration and Payroll Background*

- 3.2 In overview the services are as set out below and have been outsourced since 2000.
- Administers and delivers all the Council’s HR Administration and Payroll Services including pensions, processes and procedures.
  - Records, reports and retains people management information related to these services.
- 3.3 The Council has invested in Business World (BW) both at the outset of the Serco contract and more recently through the Council’s intended move to the BW Hoople build. Any payroll provider would therefore need to adopt and be familiar with BW.
- 3.4 The Council is one of 3 shareholders of Hoople which is a Teckal company employing circa 500 staff across a range of services including circa 30FTE on HR Admin and Payroll based in Herefordshire. A Teckal company is owned by one or more public bodies and can deliver services to their owning authorities without the need for a tender process. The major shareholders are Herefordshire and the Wye Valley NHS Trust who buy a range of services from Hoople. Lincolnshire County Council has a much smaller interest commensurate with its limited relationship with Hoople but due to the structuring of the decision-making of the company still exercises sufficient joint control for Hoople to be a Teckal company of the Council.
- 3.5 NHS payrolls are considered to be the most complex in the UK, closely followed by local authority payrolls both of which are more complex than private sector payrolls.

Not all local authority payrolls are the same. Hoople are experienced in delivering Council, schools and NHS payroll but not Fire and Rescue.

- 3.6 In total Serco employ circa 32 FTE in HR Admin, Payroll and Pensions. Of these staff circa 12 FTE are deployed on schools' work. Additionally, the Serco team work regular overtime equivalent to 2 additional FTE.
- 3.7 There is a close alignment between Payroll and HR Administration including pensions and separating them is likely to result in duplication of work, increased contract management and a lack of resilience as staff and managers across the services currently work closely together supporting each other. For these reasons HR Administration and Payroll should be treated as a single service for recommissioning.
- 3.8 Key Performance Indicators cover most of the contracted activity. They have all been met or exceeded. There are no concerns about inaccurate payroll but going forward there are areas for improvement to focus on: -
- Continued data inaccuracy including late, incorrect and incomplete input of changes by Council managers/schools and Serco HR Admin.
  - Inconsistent processes applied.
  - Limited resilience.
  - With no interface between BW and other Council systems, processes are inefficient.

#### *What Other Authorities Do, Market Review and Competitive Tendering*

- 3.9 Most Councils deliver their own payrolls and have always done so. In 2018 we looked at the CIPFA nearest neighbour dataset, plus another 7 Councils. 78% of councils ran payroll and HR Admin in-house with 22% (or 3 councils) outsourcing, as part of much larger contracts. We were unable to find any private sector provider (save as a small part of much bigger contracts) who provided local authority payroll services. We have checked and can confirm that the position has not changed since 2018. As a result, we are satisfied therefore that there is no commercial provider who would deliver the Payroll and HR Admin services on their own. This is particularly the case when the Provider would be required to use BW a system which they may not be familiar with. As a consequence, any procurement that proceeded on this basis would be likely to fail.
- 3.10 This means that we would have to find other corporate support services to bundle with Payroll and HR Admin but with the proposed insourcing of the Finance Exchequer and Adult Care Finance Services and some IMT services with the rest of IMT going to specialist providers that leaves only the CSC. It is difficult to see any real synergy between the 2 services and it is likely that including Payroll and HR Administration would reduce the competition for the CSC. A re-procurement of this sort would take up to a year and cause uncertainty. It would also lead to a greater fragmentation of the function with Hoople providing the system, another provider providing the services and the Council being involved in numerous hand-offs - e.g., recruitment

administration and learning management - to deliver the end-to-end processes. For these reasons a competitive tendering process for the HR Admin and Payroll Service is not recommended.

*Other Options – in sourcing*

- 3.11 Insourcing Payroll and HR Admin maximises the degree of control, flexibility and integration that can be achieved across the services (and other Council services). It would allow the Council to own and review the end-to-end processes involved in HR Administration and Payroll alongside Professional HR Services and better align process change with digital innovation. There would be a single point of accountability for the service and more control of data quality processes better aligned to the roles and responsibilities within the BW system critical to the effective delivery of Payroll and HR Administration.
- 3.12 Whilst initial costings demonstrate that savings are unlikely to be made by insourcing there would be the potential for longer term efficiencies particularly as the model would enable the integration of related services already in the Council. Insourcing would provide flexibility to deal with uncertainties regarding the future organisational arrangements for the Fire and Rescue services but also devolution more generally.
- 3.13 However, as referred to in paragraph 3.5 local authorities' payrolls are specialist and complex. Not all local authority payrolls are the same. Lincolnshire is a large shire county and delivers schools and Fire Payroll as well as corporate, making it more complex than a District Council payroll.
- 3.14 As experienced in 2015 and 2016 errors in payroll of any scale cause significant disruption and upset. The circumstances are different than in 2015 when the service and system change were simultaneous and when Mouchel retained many of the staff to work on other contracts. However, the fact remains that the Council has not delivered its payroll and HR Admin function for 22 years and the new BW system has not yet been implemented.
- 3.15 It is very much hoped that all of the experienced and very well-regarded Payroll and HR Admin staff and managers would TUPE across to the new provider. If that were not the case then it's likely that the Council would have to spend considerable time securing the hard to recruit experienced specialist public sector payroll staff and managers required, a management burden best avoided see paragraph 2.2 bullet one, above.
- 3.16 Insourcing is unlikely to make any material savings as the element of Serco profit would be broadly matched by the extra pension contributions required to put staff into the Local Government Pension Scheme.
- 3.17 Further, and more importantly the advice from the Institute for Government included at paragraph 2.5 above must be considered in the context of this overall re-commissioning exercise and the other demands on the Council. In 2014 we moved

broadly from a single prime provider (Mouchel) to another single prime provider (Serco) though the bundle of services did change with property being contracted out separately and the CSC, additional IMT services and transformation being included in the outsourced bundle.

- 3.18 This time from April 2024 we will be contracting for a multi-provider IMT service delivery model involving external providers who are specialists in specific areas of IMT service delivery, supplemented by increasing IMT in-house delivery; and the proposals are that we outsource the CSC operations see section 4 below, manage transformation in house and procure the skills and capacity to support that transformation see paragraph 4.17 below and insource Finance Adult Care and Exchequer see section 5 below. This is alongside all those other changes facing the Council at that time.
- 3.19 Given the extent of change the view is that the Council cannot be confident it can successfully manage and deliver the insourcing and operation of Payroll and HR Admin without detriment to other activity. Consequently because of this and for the reasons set out in paragraphs 3.15-3.21 and set out in the pros and cons summary in Appendix A, an insourcing of Payroll and HR Administration is not recommended.

#### *Other options-Shared Services*

- 3.20 The other option is the Council entering into a shared service arrangement where we receive services from another local authority or its Teckal company. In 2018 after extensive research, we identified two possible shared service providers but only one, Hoople has showed interest in supplying HR Administration and Payroll services to the Council and its schools from 2024. Assurance can be taken from the fact that Hoople already covers complex payroll for health and local authorities.
- 3.21 Hoople employs c500 people is financially stable and has been providing services essential to Herefordshire Council and the Wye Valley NHS Trust since April 2011. Currently Hoople delivers c7600 monthly pay slips plus 80-90 weekly pay slips (compared to Serco delivering c 5,959 monthly payslips and HR Admin services each month to 4,495 employees). Hoople has 122 clients including another local authority, 42 maintained schools and 24 academy schools and commercial customers. Their performance is reviewed monthly and almost always achieves the 100% target and never falls below 99%. In 2018 the Council's expert Payroll adviser (contractor), advised that Hoople were an effective payroll provider whom the Council could have confidence in to provide our payroll and HR Admin service.
- 3.22 Hoople is experienced in BW and their business processes are fully aligned with it. Hoople has a good and thorough understanding of our payrolls through the BW Redesign Project. Prior to 2024 and the transfer of the operational service to a new provider, Hoople would hold the Council's data and host our payroll solution on their BW template as part of the move to the Hoople build. This would de-risk the transfer of the service to a new provider. As a minority shareholder the Council can exert some influence around system and service development.

- 3.23 However, Hoople has no experience of operating a fire services payroll. We did look at commissioning a separate payroll provider to deliver the Fire and Rescue payroll, but no Fire Authority uses BW for payroll. If a different system was used to run the Fire and Rescue payroll it would be necessary to remodel LFR processes which would complicate transition significantly and would impact adversely on transferring the existing Serco staff to the new provider. For these reasons it is not viable to have a separate Fire and Rescue payroll provider.
- 3.24 Through the BW redesign project, Hoople have gained a detailed understanding of the Fire Payroll and this knowledge and building it into the BW template mitigates the risk of their lack of experience on Fire payroll along with the TUPE transfer of Serco staff who currently deliver the service. Hoople would share the Serco staff knowledge with colleagues in Hereford to provide resilience over time and would set up a Service Level Agreement arrangement with another Fire payroll provider to build their knowledge base.
- 3.25 We have had positive preliminary discussions with Hoople. Both Hoople and the Council recognise the importance of the existing staff transferring under TUPE and with this in mind we have both agreed that under the new arrangements all of the staff currently providing the service must remain located in Lincoln. The intention is to accommodate those staff alongside Council staff to continually improve services, to work in partnership and over time to remove any duplication. Property colleagues have confirmed that this is possible within the Council's existing accommodation so long as a smarter working approach is adopted. It is likely that the accommodation would be with Council HR staff but further work needs to be done before the location can be confirmed
- 3.26 This will mean that the senior management function would be located in Herefordshire and the staff and line managers in Lincoln. Hoople would manage this through a combination of engagement, remote and onsite presence and a jointly agreed team structure. Hoople will ensure that;
- all team members have the same tools and opportunities for training and development
  - the same process and systems will be used at both sites
  - communication will be regular
  - the senior manager in Lincoln will have management support in Herefordshire to support when needed
- 3.27 As the Council is a shareholder of Hoople we simply pay the staff costs deployed on the services plus a fair share of the Hoople service and corporate overheads. There is no profit element. This straightforward approach to charging adopted by Hoople provides flexibility to take into account future uncertainties.
- 3.28 Entering into a shared service arrangement with Hoople for Payroll and HR Administration services would provide a "one stop shop" where the system and

service are provided by a single provider reducing the complexity of the arrangements and clarifying lines of accountability.

- 3.29 As a Hoople shareholder the Council will have some influence on how the services and system are delivered without the Council having to take on the responsibility of service delivery after so many years of the service being outsourced. The Council knows that it can work in partnership with Hoople and not having to deliver payroll and HR administration itself will give the Council more capacity to influence managers and schools to engage with improved ways of working particularly around maintaining data quality.
- 3.30 Whilst the costs of a shared service arrangements are not yet known they are likely to be less than insourcing (assuming the same number of staff are employed) due to most if not all staff not being in the LGPS pension scheme and because no profit is charged.
- 3.31 For the above reasons set out in paragraphs 3.24, 3.27-3.30 and set out in the pros and cons in Appendix A the recommendation is that the shared service model is adopted in April 2024 and that continuing discussions take place with Hoople to work up a detailed proposal.

#### *CIPP report*

- 3.32 An independent report was commissioned from the Chartered Institute of Payroll Professionals (CIPP) to identify (i) whether CIPP was confident that the Council had the capability to deliver Payroll and HR Admin and (ii) what service delivery model was the lowest risk option for the Council. The author of the report had 45 years of experience in payroll. The report identifies that the risks are largely the same for the insource and Hoople options (e.g., fire payroll, and securing payroll staff) and are the same as those previously identified by the Council.
- 3.33 The report author is confident that the Council can deliver the service based on his conversations with key individuals and because of his experience elsewhere. He believes that this is the least risky option of the 3 service models.
- 3.34 The report author's advice is that the outsourcing model carries most risk because the outsourced payroll model generally works better in the private sector within a single industry (manufacturing, pharmaceutical, hospitality, etc). The outsourced model works (primarily) on a large, shared service centre basis with multiple clients.
- 3.35 In terms of the shared service Hoople option the report points out that taking on the Council's payroll will almost double the size of the Hoople payrolls and staff and points to Hoople's lack of experience on the Fire Service payroll. The mitigations for the latter are dealt with in paragraph 3.24 above. The Assistant Director Human Resources and Organisational Support has considered the doubling point but is not concerned by this given the overall stability of Hoople set out in paragraph 3.21. Whilst the risks are acknowledged they are not particular to the shared service delivery model but also



apply to the insourcing. In both cases it will be important to encourage the current staff employed by Serco to transfer to the new provider.

#### **4. Future Customer Service Centre (CSC) and Transformation Commissioning**

##### *Recommended Approach*

- 4.1 To outsource the CSC as a single operational service where the key technology (telephony and Customer Relationship Management system (CRM)) will be selected and owned by the Council and where the responsibility for reducing the calls into the CSC will also sit with the Council.

##### *Background – CSC Operations*

- 4.2 The CSC is the front line for most Council telephone calls and operates 24/7 365 days a year. It handles routine incoming transactional activity and lengthy, complex, high-risk activity such as social care referrals and assessments. Serco has a strong management team and employs between 110-120 FTE. There is high staff turnover consistent within the customer service industry. There are 30+service lines and 300+ calls queues to manage. Since Covid Serco have had staff working from home and in the office.
- 4.3 The majority of call volumes relate to straightforward transactional activity some of which could be managed more efficiently through self-serve. There is also high-risk activity such as social care referrals and assessments which must be handled with care to protect vulnerable service users and the Council's reputation. Whilst there are far fewer social care calls, capacity is split roughly 60/40 weighted towards Social Care work making it clear that whatever service delivery model is selected quality must be protected.
- 4.4 The Council's existing telephony is old and unstable and cannot support digital transformation which would reduce the number of calls into the CSC. The Council is carrying out an options appraisal to choose a new web- based telephony platform to be used across the Council including in the CSC. This will be in place along with the selected CRM well before the 1 April 2024.
- 4.5 In spite of the limited use of technology to date the chargeable calls answered volumes have fallen from 405,189 in 2015/16 to 254,097 in 2020/21 a 37.29% reduction. Call volumes for 21/22 are expected to be similar to 20/21. Calls offered have also fallen in a very similar profile. Once the new telephony is in place the Council and Serco will work together to digitise and optimise all customer facing processes via standard digital platforms in the CSC which will further reduce the number of contacts in the CSC before April 2024.
- 4.6 In terms of the operation of the CSC the main responsibility is ensuring that there are the right levels of staff in the right place, at the right time, with the right level of

training to deliver the right level of quality of interaction. The required resourcing levels change depending on the time of the day, the day of the week and the month of the year, and what other events or incidents are in play e.g. flooding. Too many staff is costly, too few result in high abandoned rates and wait times, low customer satisfaction and increases the risk of high staff turnover.

4.7 Effective forecasting and staff roster scheduling is therefore essential including understanding the different types of contacts (telephone, email & e-form, webchat, text messaging, social media, etc) and having the ability to know when to schedule staff fulfilment activity.

4.8 The biggest challenges are:

- Recruiting and retaining staff given pay levels and high vacancy rates elsewhere.
- Maintaining effective technology, CRM and telephony as a minimum.
- Maintaining communications with service areas so the CSC knows what is going on across the Council.

4.9 The existing performance of the Serco team is good. Serco has recently been awarded the Customer Service Excellence award, the Government's national standard for excellence in customer service. Serco deliver customer contact/service centres for the European Commission and Council, for Hertfordshire (which is being reprocured) for the Department of Health and Social Care and for a number of charities. They have about 2000 FTE with c115 FTE deployed on our contract.

4.10 The Council benefits from the scale of Serco's customer contact/service centres through the strong support services the Lincolnshire account receives from a central provision including a Knowledge Manager, Scheduling Assistants, Trainer and Performance Analyst giving access to best in class capacity planning, forecasting and Management Information capabilities.

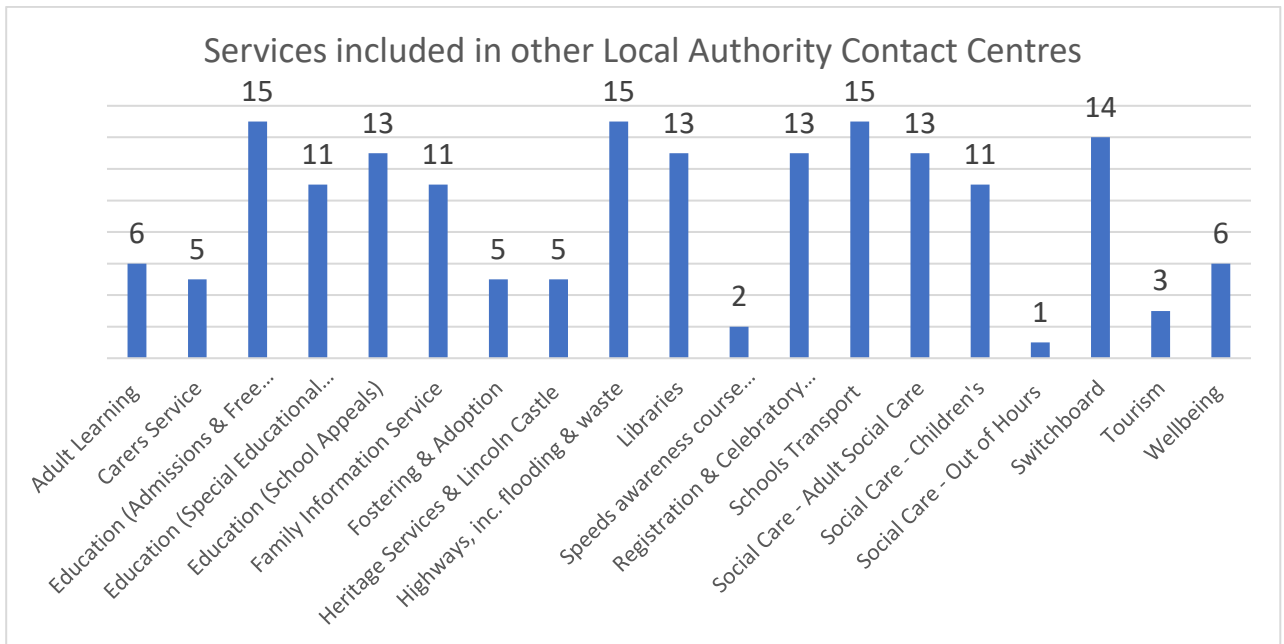
4.11 During Covid the Council's positive relationship and existing contract with Serco allowed us to put in place additional services in the CSC very quickly and also gave us ready access to their national testing centre activities. There were also times when with our consent Serco diverted calls to their customer contact centres in Liverpool.

#### *Other Authorities*

4.12 A benchmarking exercise took place in January 2022 to see what services other Councils deliver through their CSCs. The sample pool of 15 focused on shire counties, with some unitary and close CIPFA matches to ensure applicable comparisons. It demonstrated that most Councils deliver their own Customer Service Centres. Three Councils' CSCs were externally commissioned, with the rest of the CSCs delivered in-house. Those commissioned externally were Hertfordshire (Serco), Kent (Agilisys) &

West Sussex (Capita). West Sussex and Hertfordshire are in the process of recommissioning their CSC, Kent recently extended their contract to 2025.

4.13 The services commissioned in Lincolnshire are set out along the bottom axis in the bar chart below with the number of other authorities who also deliver those services through the CSC. This demonstrates that the Council is in line with other Councils and has a well developed and mature CSC.



### Structure

4.14 It is critical that the Council retains a single contact centre as part of the One Council strategy. This is the model seen across local government and operated in Lincolnshire since 2005. It provides resilience, the ability to manage peaks and flows across the various service streams efficiently and transparency. Fragmenting the CSC would have a detrimental impact on a consistent approach to delivering a good value customer experience, implementing the Customer and Digital Strategies and gathering Insight.

### Relationship between Digital Transformation and CSC Service Operations

4.15 The proposal is that whatever service model is adopted for the CSC the Council should retain responsibility for digital transformation and the technology that supports it. This is because the CSC is only one element of customer interaction. The aim will be to move many customer interactions across the Council to digital solutions with much more information, guidance and self-service being put in place taking a One Council approach.

4.16 Doing so will bring benefits across the Council in terms of improved processes leading to reduced cost and improved customer experience. It is what customers and staff

expect and is a political priority. To be confident that it can be achieved the Council needs to maintain control of what is transformed when, the rate and cost of transformation and the tools necessary to delivery it. Earlier attempts to outsource transformation to Mouchel and Serco were disappointing.

- 4.17 Realistically though the Council will not be able to recruit or afford all the transformation skills and capacity required which will fluctuate over time. Therefore, a mixed model for resourcing transformation would be best with a combination of in-house resource and external expertise secured as and when required. External expertise would bring knowledge of innovation and work elsewhere. This is the approach being taken by other local authorities who are generally sourcing this work through the Crown Commercial Service Digital Outcomes and Specialist Framework which is designed to help the public sector design, build and deliver bespoke digital solutions and services.
- 4.18 More pragmatically the Council's existing telephony needs to be replaced now and cannot wait. This will involve the Council in detailed selection and implementation work and cost. Once the work is completed the intention would be to maximise use of the system beyond April 2024 along an extended period to amortize the cost.
- 4.19 At the same time a further options appraisal will be carried out to see if the Verint Customer Relationship Management system (CRM) recently implemented by Serco is the best value for money option which meets the Council's needs going forward. There is an overlap between the two systems (telephony and CRM) capabilities and the dual options appraisal will prevent us from over specifying. It will also simplify the procurement so that we can rely on those things that matter most such as the quality of the social care delivery. Requiring external providers to use Council specified telephony and CRM systems will also reduce the need for data transfer and system implementation at the end of the contract.

#### *CSC Service Delivery*

- 4.20 There remain two options for CSC operational service delivery – in-house or external.

#### *Service Delivery Options – External*

- 4.21 An outsourcing brings in specialist service expertise covering resourcing /staff allocation know how and the design of scripts, including efficient design of call queues. It passes the risk of resourcing and operation including recruitment and retention of staff to another organisation and avoids high pension costs. It provides a scalable service and resilience where the provider has other contact centres. It also opens up the ability to leverage common contact centre toolsets (e.g., Forecasting and Workforce Management Software) where the provider operates other contact centres providing better value. Significantly it reduces the amount of Council change in 2024 by avoiding a reasonably complex in-sourcing as advised by the Institute of Government in paragraph 2.5 above.

- 4.22 As providers will be required to use the Council's technology their scope for creating efficiencies which they would benefit from through the deployment of technology will be limited. This along with the fact that it is a single service that is being put out to tender means that an outsourcing needs to be put together carefully so that it is attractive to the market.

#### *Service Delivery Options – In-house*

- 4.23 In-house delivery should be more agile with no need to negotiate operational change through a contract. However, against this, in-house provision clearly requires in-house expertise in CSC operation and the Council will retain the risk of resourcing (recruitment and retention of staff) and operation. It would lose the ability to leverage a third- party provider's resource and resilience as happened under Covid. Costs of operation would increase as a result of pension contributions but there would be no provider profit to pay. In addition in-sourcing would add to the amount of change in 2024.

#### *Overall Conclusion*

- 4.24 Whilst running the CSC in-house would give a greater degree of control which would support the transformation of the customer journey, the current experience of an outsourced CSC has been positive. The operation of the CSC is itself a reasonably complex logistical operation and not one that the Council has very recent experience of. Turnover is high and so therefore is recruitment and retention activity. The CSC currently benefits from Serco's wider CSC expertise and external providers are likely to offer more resilience where they run more than one CSC.
- 4.25 The Government's Commercial Function guidance referred to in paragraph 2.2 points out that an advantage of outsourcing is that it gives management space to focus on core priorities and free up resources. It also references the ability to draw on innovation and new approaches and expertise. Both factors are at play here when the Council's management capacity has higher value things to do than continually resourcing the CSC and where innovation is more likely to be had from an organisation who operates at scale.
- 4.26 The advice from the Institute for Government at paragraph 2.5 above also must be considered in the context of this overall re-commissioning exercise and the other demands on the Council. Given the extent of change the view is that the Council cannot be confident it can successfully manage and deliver the insourcing and operation of the CSC without detriment to other activity. Consequently because of this, and for the reasons set out in paragraphs 4.21, 4.24-4.26 and set out in pros and cons summary in Appendix A, an insourcing of the CSC is not recommended.

## *Procurement*

4.27 The proposal is to build an attractive procurement on the basis set out below which will then be subject to market engagement to see if it can be improved upon to make sure that we put out an optimum package of activity;

- All the existing services will remain within the contract. The procurement will be set up to provide flexibility so the scope can change throughout the contract duration.
- As much of the activity will be social care we require experienced resilient call operatives and will focus on quality through the procurement.
- Maintain the existing operating hours for the core CSC service, 8am to 6pm Monday – Friday a 50 hour week which has worked well since 2015.
- The Council to specify and provide the CSC telephony and the CRM system. This will ensure we get what we want at a value for money price and enable providers to work efficiently and reflect this efficiency in their price.
- The provider will be a source of expertise on new and evolving technologies and integrations which could help improve the CSC and can make investment proposals concerning the CSC technology in return for an agreed share of any savings. With the Council's permission it will also be able to carry out transformation work on behalf of the Council.
- The initial duration will be 5 years with additional extensions of 2 plus 2 years exercisable with the agreement of both parties.
- Providers will be encouraged to adopt a smarter working approach as in the Council to save cost and benefit staff. The Council will provide the accommodation probably on the Lincoln campus though this is yet to be confirmed.
- Retain KPIs but review to see if they can be improved.
- Adopt a volume variable approach to pricing so as volume falls so does payment whilst enabling a Provider to cover their fixed costs.

## **5. Adult Care Finance (ACF) and Exchequer**

### *Recommended approach*

5.1 Insource the Adult Care Finance and Exchequer Services as from the 1 April 2024.

### *Background*

5.2 In total there are c68 Serco FTE deployed on the finance services 43FTE on ACF and 25FTE on Exchequer. The staff are well regarded and some are very experienced. There is a clear synergy between Adult Care Financial Services and Corporate Exchequer Services, in particular credit control. It is important therefore to ensure the

same commissioning option is chosen for both. Also separating the two out without a detailed knowledge of how the services are delivered would present a significant risk.

- 5.3 The contract with Serco is a contract for services. The Council has not delegated the delivery of its ACF function to Serco. Consequently, the Council has retained responsibilities for the financial charging framework through the Adult Charging Policy and the interpretation of legislative changes and identifying required system and process changes. Further the introduction of the money laundering rules when dealing with service user assets means the Council must now give the necessary authorisations. As a consequence there is already shared ownership of the services.
- 5.4 Key Performance Indicators cover the contracted activity and have been consistently delivered throughout the life of the contract. Serco has agreed to revise the performance measures in ACF so that the Council has clarity about the extent of debt and the customer experience which the existing measures do not provide.
- 5.5 Serco have recruitment challenges and sometimes carry vacancies across the teams despite recruitment activity.
- 5.6 Collection of the income generated from ACF forms part of the Council's legal responsibilities defined in the Care Act 2014 and the collection of service user contributions is critical to support the Council's financial position. Under a change in national legislation the Council's ACF responsibilities will shortly be increasing potentially exposing the Council to more debt. In anticipation of this over the last 18 months the Council has led a Debt Review Programme working with Serco to improve income collection and to manage debt down. This work continues.
- 5.7 The Debt Review Programme illustrates that actions need to be taken earlier on in the charging pathway to ensure prompt payment of providers, complex financial assessments are not delayed and the income due to support service delivery is received. To do this ASC charging needs an infrastructure which promotes the following: -
- Increased visibility of the service user's income, expenditure and any associated risks to its collection integrating the financial assessment and income collection process to recoup income before it becomes a debt.
  - The issue of clear, concise financial information to service users at the start of their care.
  - Greater efficiency in service delivery with reduced hand offs to reduce duplication in contact.
- 5.8 On occasion advice issued by Serco is challenged by Council Managers as Serco are unable to direct these managers actions e.g., not using purchase orders, and taking a tougher stance on debt repayments.

## *Market Review*

- 5.9 In 2018 we established that there was no identifiable commercial dedicated marketplace for exchequer and/or social care financial services as standalone services.
- 5.10 In the summer of 2021, we checked all the Contract Notices since 2018 to see if any finance services contracts had been let on their own and none had been, re-affirming that most authorities deliver their own services though Bromley and Barnet London Boroughs and Sheffield City Council had outsourced some of their financial services as part of much bigger contracts.

## *ACF and Exchequer Service Delivery Options*

- 5.11 There remain two options for ACF and Exchequer Service operational service delivery – in-house or external.

### *Option A - Insource the Adult Care Finance and Exchequer Services to the Council from 01 April 2024*

- 5.12 Work undertaken by the Council with Serco through the Financial Assessment Improvement Programme (FAIP) over the last 18 months confirms the need for greater visibility, accountability and control across the end-to-end AC charging and income recovery pathways and the need for greater proactivity.
- 5.13 Insourcing maximises the opportunity to deliver an efficient and effective credit control function. Existing arrangements will need to change as a result of the government announcements for paying for care in both public and private markets and the intended move to paying our social care providers gross with the Council collecting service users contributions. It is of critical importance that the Council has the flexibility to react quickly to these and other changes.
- 5.14 Insourcing ACF into the Council will create the ability to build one team around the service user. This will encourage ownership and provide the ability to build resilience in the team. Closer working with AC front line staff is necessary as it is these staff that are ideally placed to know the service user's needs and their financial situation. Wrapping the charging infrastructure around front line workers will improve the customer experience, efficiency, income recovery and help meet the recently announced AC reforms.
- 5.15 The intention would be to transfer like for like services with no new recruitments save for the recruitment of an additional 4 FTE posts graded G5 in Exchequer to ensure the Council's debt is chased quickly. The quicker the debt is collected the less is written off.



5.16 For the Serco FTE deployed on ACF post 2024 the intention would be for the 'traditional' finance functions e.g., debt collection, income allocation / matching, payments to transfer into the Resources Directorate with those service user based roles i.e. ensuring service users understand their financial obligations transferring into the Adult Care and Community Wellbeing Directorate to work with the front-line teams.

*Option B - Outsource the Services to a third-party from 01 April 2024*

5.17 The market review confirms no realistic outsourcing options for ACF and Exchequer services on their own. If a decision is taken to outsource the CSC then there would be scope to bundle ACF and exchequer with it but this would not be a good match and would not be attractive to the market likely damaging competition for the CSC.

*Recommended Option*

5.18 The recommended option is Option A to insource. The Council would then have full control of the services and the ability to restructure to make and sustain service improvements. It would be better able to respond to the anticipated additional demands arising from the government announcements to introduce a care cap and change the charging arrangements potentially doubling the number of financial assessments the Council will need to complete. It is likely that income recovery would improve.

5.19 All Finance staff would be working to a single strategy and a common set of objectives with clarity over who has responsibility for delivery and the Council would have more income visibility which is critical given the findings to date and the move to gross payment to social care providers.

5.20 The Council would be better able to deliver a proactive service with no surprises for service users or the Council. It would increase our flexibility to respond quickly to any new service changes/ demands and to quickly re-prioritise instead of needing to go via a third party and negotiate under a contract.

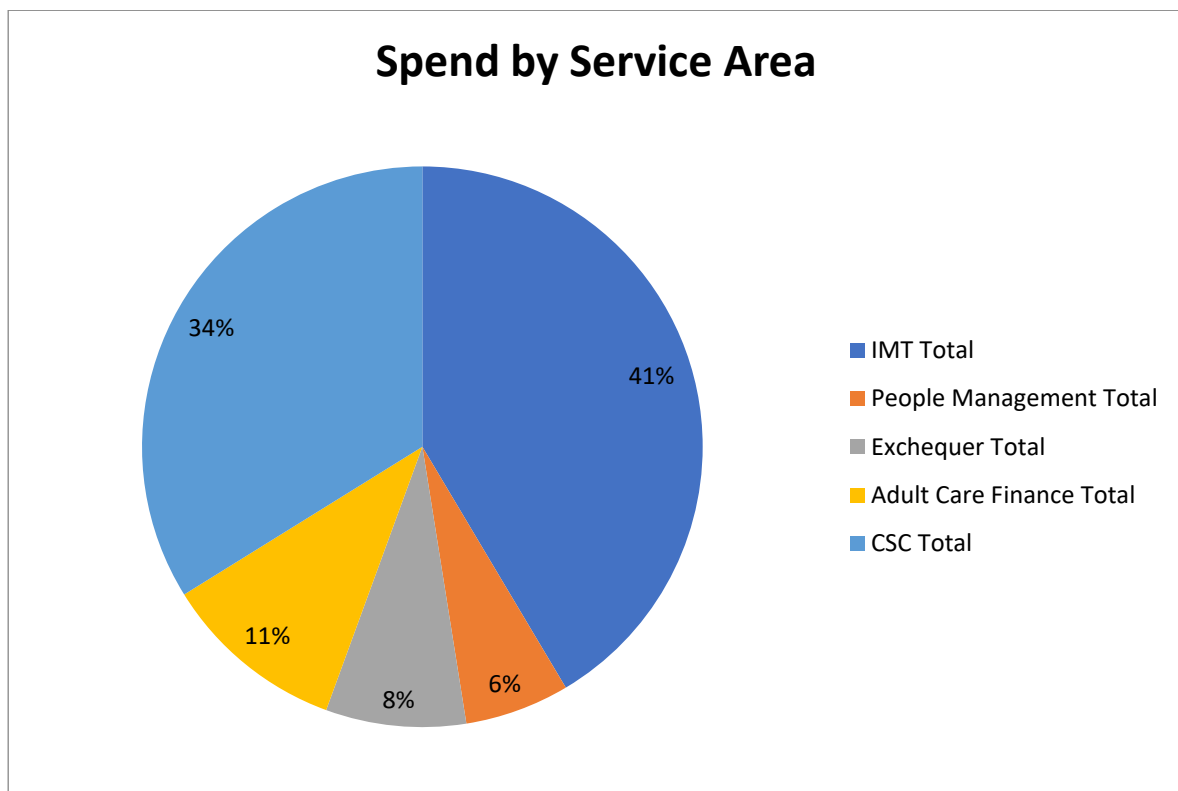
5.21 It would reduce the fragmentation of the services and provide the potential for efficiencies through integration, reduced hand offs / duplication of work and looking at processes from an end-to-end perspective which will improve productivity and effectiveness. It would encourage closer working between the Exchequer and Adult Care Financial Services teams and between the Adult Care Financial Services Team and Adult Care Practitioners which is important given the scale of the AC debt.

5.22 The Government Commercial Function report sets out in paragraph 2.3 above the circumstances in which in-sourcing works and, in this case all 4 criteria are met as are most of the criteria set out in the Institute for Government report in paragraph 2.4. The advice goes onto say that "government bodies should prioritise insourcing projects based on a pragmatic assessment of their capacity to deliver them and where they will have most benefit". It is clear from the last 18 months that the Council has

the capability to deliver the services and because of the extent of the debt and the likely speed of change will get the most benefit from insourcing these services. Consequently because of this, and for the reasons set out in paragraphs 5.12-5.14 and 5.17 -5.22 and set out in pros and cons summary in Appendix A, an insourcing of the Adult Care Finance and Exchequer Services to the Council from 01 April 2024 is recommended.

## 6. Budget

- 6.1 In 21/22 the Council spent in the order of £14,850, 000 on the Serco contract for the services including IMT and it is predicted that the 21/22 spend will be in the order of £14.8 million that covers the staff costs, Serco central services charges, profit and non-staffing costs including software charges support contracts and accommodation. The allocation of 21/22 charges against service areas are set out below.



- 6.2 The expectation is that the proposed new commissioning arrangements of themselves will be delivered without causing a step change in the overall cost though it is not clear what impact the current inflationary pressures may have. The reasons for this are set out below.

- 6.3 Whilst the specification will be reviewed for the externally provided services to see if it can be improved upon the services required are essentially the same as currently delivered. For the external services we will take a pragmatic approach to the commercial basis of the arrangements and listen to the market engagement feedback

so that the offer is attractive in the procurement to generate competition which will help drive price down. The Serco staffing levels are understood by service leads for Adult Care Finance and Exchequer and no changes are expected in the short term save for a small increase in the debt collection team which should be self-funding as written off debt is reduced. The insourcing of finance staff over the longer term will enable a wider view of the services to be taken and provide the potential for working more efficiently through improved process and internal synergies.

- 6.4 For the Hoople option, the costs will be on a cost recovery approach so that Hoople would recover the costs in delivering the services including the running costs of the team, management oversight and a proportion of overheads. The expectation is that digital transformation will reduce the contacts into the CSC reducing charges. Preliminary work that has been done in Adult Care Finance and Exchequer and HR Administration and Payroll indicates that the cost of the services will not change materially in the short term.

## **7. Risks**

- 7.1 The key risks identified in the corporate support services review work has been a lack of capacity to deliver the project so that the decision making can take place as planned. Another risk identified is a concern regarding a possible lack of providers for schools who receive finance and HR Payroll and Admin services from Serco. The other substantive risks is that there might be insufficient transition time and capacity to move the Council from the old into the new arrangements and that there may be limited interest in the CSC procurement.
- 7.2 The risk of delay around decision making has been managed effectively with the decision for the IMT options paper going to Executive as planned in May 2022 and the scheduling of this report dealing with the non-IMT services taking place earlier than intended to provide for additional transition time into the new arrangements. Discussion has confirmed that there will be a schools' provider whatever options are chosen. In addition to creating more time for transition a dedicated programme director has been brought in to manage the transition risk and project management resource has been allocated and its sufficiency will be kept under review. The key risks and how they have been managed are set out in Appendix B.

## **2. Legal Issues:**

### Procurement

Given the value of the proposed outsourcing the Council will be required to comply with the Public Contracts Regulations 2015. Two options for procurement of the CSC operations in accordance with the Regulations are being considered.

The first is a full tender process with the ability to negotiate the Council's requirements, with that part of the market which is experienced in the delivery of CSC services. This approach, the Competitive Procedure with Negotiation, is useful where the Council is keen

to ensure the right balance of risk transfer in the contract and to pre-select those bidders best suited to deliver the services.

The second is through a Crown Commercial Service framework where some of the bidders are experienced in providing CSC services to local government and some are not. Whilst there are bidders on the framework who could deliver our services some organisations who could also do so are not on it. The framework is attractive as it also allows discussion with bidders during the procurement procedure and does allow us to down-select bidders based upon their experience. It is likely to be the quickest approach. However, before we decide which route to go down we intend to do some market engagement to see which procurement route is likely to result in the most competition. Either approach will give us a sufficient transition period.

For the skills and capacity necessary to support digital transformation this work is likely to be sourced through the Crown Commercial Service Digital Outcomes and Specialist Framework which is designed to help the public sector design, build and deliver bespoke digital solutions and services.

#### 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.

An Equality Impact Analysis has been carried out and is attached to this report as Appendix C.

There are not considered to be any Equality Act implications arising out of the choice of delivery model for future services for HR Administration and Payroll, Finance Exchequer and Adult Care Finance.

There are however potential impacts on those staff with protected characteristics resulting from any change in the delivery model and the transition to that change. The impacts are considered in Appendix C along with the mitigations which include effective staff engagement and consultation, the requirement for any new providers to comply with TUPE regulations and the Equality Act, and the availability of local Council accommodation and Smarter Working for any services insourced and depending on the decisions made for any services externalised reducing any requirement to relocate.

The ongoing and future operation of the CSC is customer facing and has ongoing Equality Act implications which need to be addressed so that as many customers with protected characteristics can communicate with the Council as possible. Consideration also needs to be given to the impact of increasing digitalisation in the way the Council interacts with citizens. The Equality Impact Analysis at Appendix C covers discusses these matters and sets out the mitigations currently in place which include the use of Relay UK a service provided by BT for the deaf and hard of hearing, a translation service for non -English speakers and the use of plain English within the CSC. In terms of increased digitalisation, it has been agreed in principle that the telephone channel will remain available to those who because of their protected characteristics or otherwise cannot carry out digital transactions.

As part of the implementation process all those steps taken to maintain effective communication for all will be reviewed to see if they can be improved upon and an impact assessment will be conducted separately on this.

The proposals put forward in this Report are the best way of ensuring the ongoing availability, performance and development of services that fully support the Council in supporting its residents and communities in a way which meets the Equality Act requirements.

#### Joint Strategic Needs Assessment (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 and Wellbeing Strategy (JHWS) in coming to a decision.

There are not considered to be any direct JSNA or JHWS impacts of the decisions required by this Report. Indirectly, the Council's support services underpin the work of the Council and the way it interacts with its customers and communities. The proposals put forward in this Report are considered to be the best way of ensuring the ongoing availability, performance and development of services that fully support the aspirations of the Corporate Plan which directly contribute to the achievement of JHWS 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.

There are not considered to be any direct impacts of the decisions required by this Report on the section 17 considerations. Indirectly, the Council's support services underpin the work of the Council in fulfilling its crime and disorder functions. The proposals put forward in this Report are considered to be the best way of ensuring the ongoing availability, performance and development of services that fully supports the Council and its partners in that work.

### **3. Conclusion**

The report has considered all of the main insourcing and outsourcing options for each service area and has set out in detail the pros and cons of each option in Appendix A before coming to clear recommendations.

Taken together the recommendations as advised by the Institute for Government at paragraph 2.5 are realistic about the amount of insourcing that can be done at one time and recognise the advantages that outsourcing can offer as set out by the Government Commercial Function at paragraph 2.2 above. A pragmatic approach has been taken.

#### **4. Legal Comments:**

The Council has the power to adopt the models of service delivery for Finance, CSC and HR Admin and Payroll and to adopt the approach to Transformation support set out in the Report.

The proposed procurement processes for the Customer services operations are consistent with the Council's legal duties.

Future procurement of digital transformation support will also need to follow procurement rules and the suggested Crown Commercial Service Digital Outcomes and Specialist Framework would do so.

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

#### **5. Resource Comments:**

As the report sets out, there are no step changes in the expected costs of delivering these services from the options which have recommended for each area of service delivery.

As part of our future budget setting exercises, inflationary uplifts will be built into the budgets recommended for approval by the council for the delivery of these services. Accepting the recommendation within the report should offer best value for money and be deliverable within the approved budget of the council.

#### **6. Consultation**

##### **a) Has Local Member Been Consulted?**

n/a

##### **b) Has Executive Councillor Been Consulted?**

Yes

### **c) Scrutiny Comments**

This Report will be considered further by the Overview and Scrutiny Management Board at its meeting on the 26 May 2022 and the comments of the Board will be reported to the Executive.

### **d) Risks and Impact Analysis**

See the body of the Report and Appendix B and Appendix C

## **7. Appendices**

These are listed below and attached at the back of the report	
Appendix A	Pros and Cons of the 3 different service delivery models
Appendix B	Corporate Support Services Review Risk Log
Appendix C	Equality Impact Analysis

## **8. Background Papers**

The no background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.

This report was written by Sophie Reeve who can be contacted at [Sophie.reeve@lincolnshire.gov.uk](mailto:Sophie.reeve@lincolnshire.gov.uk) on or on 07931 715366.



**Pros and Cons of the 3 different service delivery models-Insourcing, Shared Service and outsourcing.**

<b>Insourcing</b>	
<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• Returns full control of the service to the Council under a single point of accountability to achieve improved performance</li> <li>• Provides the potential for Council efficiencies over time through the integration with other services such as HR Professional and Recruitment and Finance Services and through the deployment of technology.</li> <li>• All HR and Finance staff would be working to a single strategy and a common set of objectives.</li> <li>• Maximises career progression opportunities within the Council to improve recruitment and retention of staff.</li> <li>• Flexibility to respond to change quickly.</li> <li>• More opportunity to influence behaviour through direction and support .</li> <li>• Removes any commercial conflict of interest where a supplier is unwilling to invest in the service where it would increase cost.</li> <li>• No provider profit to pay.</li> <li>• No contract management resource required.</li> </ul>	<ul style="list-style-type: none"> <li>• Increased Council pension liabilities</li> <li>• Insourcing may result in less commercial rigour which could result in FTE costs increasing and a reduction in performance monitoring.</li> <li>• Passes the cost and operational performance risk to the Council who has no recent experience or track record of delivering some of the services.</li> <li>• The Council must now take full responsibility for the services at a time when there is a labour shortage.</li> <li>• Where things go wrong the Council will no longer have a provider to share the reputational risk.</li> <li>• Places a management burden on the Council which will consume management capacity which could have been focused elsewhere.</li> <li>• Any improvements/change would need to be driven by the Council.</li> <li>• Lose the opportunity of having a Payroll and HR admin provider that also provides the HR System where they have a vested interest to resolve any system issues arising quickly to ensure payroll is not disrupted.</li> <li>• Introduces a big change into the Council at a time when the level of existing change is already great and where there is no partner to share the work required to deliver.</li> </ul>

<b>Shared Service Model Payroll and HR Administration</b>	
<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• Hoople have a detailed knowledge of the Council's new BW system having built it, putting them in a better position than others to run payroll from day one.</li> </ul>	<ul style="list-style-type: none"> <li>• The Council would have less control of the services as the shared service governance would have to consider the interests of other organisations in addition to LCC.</li> </ul>

<ul style="list-style-type: none"> <li>• The Council would not have the management and staffing burden of operating the services.</li> <li>• Increased assurance might be had from a provider with a proven record of delivery.</li> <li>• Hoople will base the existing staff and managers in Lincoln.</li> <li>• Hoople would provide the system and service so there would only be one provider to go to if things go wrong.</li> <li>• There would be reduced hand-offs between the system team and the HR and Payroll Teams.</li> <li>• As a shareholder we will have some influence in the way the services are developed.</li> <li>• As a shareholder we will not pay profit to Hoople.</li> <li>• As we will be paying the service cost whatever is agreed, Hoople won't be including risk contingency in their pricing.</li> <li>• No need for a tender process saving time and resource and Serco staff assured to improve TUPE outcomes.</li> <li>• We know Hoople and know we can work with them.</li> <li>• Transition risk would be less as the data and Payroll solution would already sit with Hoople.</li> <li>• Hoople has consistently high-performance levels.</li> <li>• Hoople is used to working with schools</li> <li>• Pension costs would be lower for Serco staff transferring into Hoople's pension scheme rather than LGPS.</li> </ul>	<ul style="list-style-type: none"> <li>• Hoople has no direct experience of delivering Fire payroll but paragraph 3.24 of the report sets out mitigations.</li> <li>• We will not be able to pass the risk around the operating cost to Hoople as we could in a commercial outsourcing.</li> <li>• We will not be able to pass commercial charges or service credits onto Hoople should there be a lack of performance</li> <li>• There may be challenges as the senior management structure would be geographically remote with the delivery staff based locally. Paragraph 3.26 of the report sets out mitigations.</li> <li>• The Council will have less control of the quality of staff recruitment.</li> <li>• The resources needed for LCC to manage the shared service.</li> <li>• Continued fragmentation between HR Professional services and HR Administration and Payroll.</li> </ul>
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<b>Competitive Tender</b>	
<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• Current model works reasonably well.</li> <li>• The operational risk and all that entails including the management burden and financial risk transfers to a third party.</li> </ul>	<ul style="list-style-type: none"> <li>• The indications are that there is no market for public sector Payroll and HR Administration and Finance services on their own.</li> </ul>

- Pension costs would be lower for Serco staff transferring into a new provider's pension scheme.
- Serco has consistent high performance levels but the provider could change.
- Increased assurance might be had from a provider with a proven record of delivery in the CSC.

- The Council will have less control and influence over how the service is delivered and developed.
- The uncertainty of a tender exercise may impact on current service delivery.
- A commercial profit would be charged.
- The model would be profit driven which could get in the way of service development.
- For HR Admin and Payroll Hoople would provide the system and another third party the services increasing the hand offs and decreasing accountability.
- There would be less flexibility and agility as changes would need to be negotiated through a contract.
- Resources would be needed to manage the contract.

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## Appendix B

### Corporate Support Services Review Risk Log

#### Open Risks

Summary of key Corporate Support Services Project Risks March 2022			Current Risk Score			Actions, Activities, Controls	Current Status
ID No.	Risk Description / Details	Consequences	Likelihood	Impact	Severity		
CSS R01	Lack of capacity or capability of project team and workstream/ service areas and support services areas such as procurement / finance / HR / IMT	Unable to produce outputs required in line with project plan, this delays the Executives decision and reduces the options available to the Council or results in sub optimal solutions for the Council because of the lack of suitable expertise.	1	3	3	Throughout the project service leads undertake ongoing review of capacity requirements with monthly reporting to the Project Board on capacity issues supplemented by weekly monitoring by project officer and Sponsor via delivery against project plan. If there is any variation against the plan, an escalation process is in place to the Sponsor and the CLT Strategic Lead on a monthly basis with a change control procedure in place to assess the impact if required. The workstream and support service leads are all subject matter experts within their area and generally operating at head of service or assistant director level. The scope of the CSSR project covers the options appraisal only.	Ongoing
CSS R02	Executive /CLT approval not gained for recommended options in option appraisal paper in line with proposed timeline.	This reduces the range of options available to the Council and implementation timeframes are reduced	1	3	3	Key meetings through our Sounding Boards, OSMB and Informal Executive commenced September 2020 for IMT and September 2021 for all other services, in line with the engagement plan. Regular updates and proposals have gone to CLT for direction. A review of the feedback from members and delivery against the project plan takes place following each session by the Sponsor and project team and is considered at the next project Board. The steer is recorded and used to inform the development of the options for each service area.	Ongoing

**Summary of key Corporate Support Services  
Project Risks March 2022**

**Current Risk Score**

ID No.	Risk Description / Details	Consequences	Current Risk Score			Actions, Activities, Controls	Current Status
			Likelihood	Impact	Severity		
CSS R03	Significant subsequent wave(s) of Covid 19	Delay in work project and potentially means a decision is not possible in time to keep all options for future delivery models open to the Council.	1	3	3	This risk has not materialised, arrangements for working from home have meant no interruption to the project. Throughout the project there is monthly monitoring of any slippage of outputs due to conflicting demands through assessing progress against the plan. Should a request to pause/reduce the CSSR project be raised, the Sponsor would be notified within 2 days and any need for escalation to the Strategic Lead considered. Highlight reports are provided to the project Board and Programme Office on a monthly basis and include any likely variation against the plan.	Ongoing
CSS R04	Insufficient transition arrangements (time and or quality)	Disruptions to services, staff and citizens along with reputational damage to the council.	1	3	3	Decision making has been scheduled to ensure sufficient implementation time for all options being considered. The IMT decision has been scheduled earlier than the non IMT services as that potentially required the most complex transition however the non IMT services review decision has been brought forward by 3 months to extend the transition time available. Decision making is on schedule and progress against the project plan continues to be monitored by the Sponsor weekly as well as by the Project Board and Programme Office monthly. Additionally quarterly progress reports have been presented to OSMB from August 2021. A dedicated corporate support services implementation Programme Director has been secured.	Ongoing
CSS R05	Slippage against the project plan	Unable to delivery outputs and benefits on time	1	3	3	A detailed project plan was prepared at the start of the project and has been maintained throughout with resources identified to deliver tasks on time. Weekly monitoring of progress is undertaken by the project officer and Sponsor along with fortnightly monitoring by the Programme Office and monthly review by the Project Board and Transformation Programme. A change control procedure is in place and enacted before any variation to the plan is implemented. The project remains on plan.	Ongoing

Summary of key Corporate Support Services Project Risks March 2022			Current Risk Score			Actions, Activities, Controls	Current Status
ID No.	Risk Description / Details	Consequences	Likelihood	Impact	Severity		
CSS R07	Insufficient interest in competitive procurements	The procurement might fail or competition might be very limited impacting adversely on the value for money achievable	2	3	6	For the IMT services the bundle of services along with the underpinning commercial terms and service requirements have been subject to two rounds of market engagement establishing high levels of interest in the procurement. For the CSC we have researched what other outsourcing Councils are doing to learn from their experience and have put together an offer to the market which we believe is attractive both in terms of the wide scope of the services and the contractual risk share. Market engagement has commenced and we can make adjustments if necessary.	Ongoing

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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.AP

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.

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**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.**

<b>Title of the policy / project / service being considered</b>	Corporate Support Services Review (CSSR) Project – CSC, HR Admin and Payroll, Exchequer and ASC Finance Workstreams	<b>Person / people completing analysis</b>	Gail Macdonald (Senior Project Officer) with review and input from i) the CSSR Sponsor Sophie Reeve ii) Workstream Leads for the CSC – Andrew Hancy, HR – Vicki Sharpe, Fiona Tuck, Fiona Thompson, Exchequer – Tony Warnock and ASC Finance – Pam Clipson; iii) the CSC Senior Project Officer Lucy Robertson; iv) the Corporate Support Services Implementation Programme (CSSI) Director Mike Hedges and Project Officer Sheralee Lunn.
<b>Service Area</b>	CSC, HR Admin and Payroll, Exchequer and ASC Finance – As part of the Corporate Support Services Review Project.	<b>Lead Officer</b>	Gail Macdonald – Project Officer undertaking EIA
<b>Who is the decision maker?</b>	Executive	<b>How was the Equality Impact Analysis undertaken?</b>	Initial desk exercise supplemented with review and input from Sponsor, Workstream Leads for CSC, HR Admin and Payroll, Exchequer and ASC Finance, CSC Senior Project Officer and the CSSI Programme Director and Project Officer.
<b>Date of meeting when decision will be made</b>	07/06/2022	<b>Version control</b>	V1 15 <sup>th</sup> March 2022
<b>Is this proposed change to an existing policy/service/project or is it new?</b>	Existing policy/service/project	<b>LCC directly delivered, commissioned, re-commissioned or de-commissioned?</b>	Commissioned – Currently the services are externally commissioned; the review has considered the most appropriate delivery method for future services.
<b>Describe the proposed change</b>	<p>This Corporate Support Services Review (CSSR) Project has been established to:</p> <ul style="list-style-type: none"> <li>Review the Council's requirements for the services within the current CSS contract which will expire in March 2024.</li> <li>Investigate commissioning options (procurement, in-house delivery, partnerships/shared services) for IMT, Payroll, HR Administration, the Customer Service Centre, ASC Finance and Exchequer services beyond March 2024</li> <li>Develop a commissioning strategy for the services in scope and facilitate informed strategic decision making to secure the Council's agreement for the preferred strategy.</li> </ul>		

Once a decision has been taken by the Council, the Corporate Support Services Implementation (CSSI) Programme will oversee the delivery of the preferred commissioning strategy for each service. Implementation is beyond the scope of this project and is not covered within the EIA, which is intended to support the Council make an informed decision as to which option for future delivery will best meet the Council's needs. The Implementation Programme will undertake further EIA's for each service in scope.

As the Executive is being asked to decide on the future delivery of IMT services separately to the other services currently within the Serco contract, this EIA does not cover IMT.

## Background Information

### Workforce profile – Non-IMT Services

As the current contract for Corporate Support Services cannot legally be extended beyond March 2024, alternative arrangements need to be put in place for all services currently covered by the contract. This will have an impact on the staff currently delivering the services and employed by Serco.

Workforce profiles have been obtained from Serco for the purposes of this EIA. They are a snapshot in time and do not reflect the actual staffing figures which will be used for TUPE purposes in 2024.

Serco Non- IMT staff by service

Staffing	CSC	HR & Finance
<b>Summary</b>		
Headcount	136.0	104.0
FTE	117.2	98.9

## February 2022, the workforce profile for NON- IMT staff shows:

Headcount by ethnic origin	CSC		HR & Finance	
	Female	Male	Female	Male
White: British	72	23	42	25
White: English	11	8	8	9
Not assigned	7		9	1
08/Not assigned	3	4	2	2
Mixed/Multiple: White and Black	3			
White: Other	2		2	1
White Irish	1			
Mixed/Multiple: Other	1			
I choose not to self-identify	1			
Asian/Asian British: Other			1	
Asian/Asian British: Indian				1
Arab			1	
<b>Total</b>	<b>101</b>	<b>35</b>	<b>65</b>	<b>39</b>

Nationality (top 10)	CSC		HR & Finance	
	Headcount	%	Headcount	%
British	133	98%	99	95%
American	2	1%		
Czech	1	1%		
Brazilian			1	1%
Bulgarian			1	1%
Haitian			1	1%
Italian			1	1%
Polish			1	1%
<b>Top 10</b>	<b>136</b>	<b>100</b>	<b>104</b>	<b>100%</b>
Remainder				
<b>Total</b>	<b>136</b>	<b>100</b>	<b>104</b>	<b>100%</b>

Gender by Age Range	CSC		HR & Finance	
	Female	Male	Female	Male
Age 16-25	14	4	4	9
Age 25-40	34	15	28	17
Age 40-45	31	12	19	10
Age 55-65	18	4	13	3
Age 65+	4	0	1	0
Total	101	35	65	39
	74%	26%	63%	38%

Any impacts of potential changes will be considered in relation to this profile.

HR and Finance services provided within the Corporate Support Service contract are back-office functions and the service delivery approach has no impact on the community.

Whilst the CSC is customer facing, the proposals under consideration largely relate to whether this service is provided directly by the Council, by a third-party provider or a partner and in that sense little change is anticipated to the services delivered. However the Council is embarking on a wider digital transformation programme which is likely to affect the CSC and how customers engage with the Council. Primarily this will mean that additional channels of communication will be made available to citizens enabling some Council transactions to be delivered 24 hours a day, 7 days a week and 52 weeks a year unlike the current arrangements when most transactions have to be completed between 8am -6pm.

Currently the CSC provide services to enable communication for all. That includes making the CSC telephony service accessible to deaf, speech impaired and the hard of hearing through the promotion and use of Relay UK a free service provided by BT. A translation service is used by the CSC for non -English speakers to use the CSC. Training is provided to the CSC agents to ensure that plain English is spoken and communication is straightforward to aid understanding. The CSC provide support to adult care users who are predominately elderly or disabled to help maximise their independence and if a caller is very distressed the CSC are trained to risk assess and refer any concerns about the individuals safety to an appropriate body as necessary e.g, the police

There is likely therefore to be an increase in the number of digital notifications and transactions for the more straightforward exchanges. That will increase choice for all and should therefore also benefit those who have protected characteristics. For some people with protected characteristics such as the hard of hearing, and non -English speakers digital services are easier to navigate than telephony services. In principle it has been agreed that whilst digital transactions will be promoted the telephone channel will still be available to those who do not have access to the equipment necessary to carry out digital transactions. Further the CSC will be available to support those who struggle to use the digital channels as they become available.

## Background Information

As part of the implementation process all those steps taken to maintain effective communication for all will be reviewed to see if they can be improved upon. This review is not within the scope of this project and an impact assessment will be conducted separately on this and will include mitigating any adverse impact of increasing digitalisation on people with protected characteristics.

### 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 1<sup>st</sup> 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'.

<b>ALL</b>	<p>We anticipate positive impacts for all as recommissioning corporate support services provides the opportunity to deliver improved value for money ultimately protecting front line services.</p> <p>Staff currently employed by Serco will benefit from guarantees that any change will be subject to TUPE regulations and the Council's commitment that third party providers adhere to the same equalities legislation as the Council.</p> <p>Citizens will benefit from increasing channels of communication being available making it easier and more convenient to engage with the Council.</p> <p>Provision in the CSC to aid those with communication difficulties will be maintained and improved upon if possible.</p>
<b>Age</b>	In addition to the general positive impacts outlined above, the increased digitalisation of standard transactions is expected to lead to an increased focus in the CSC on richer contacts especially with more vulnerable users of Council services including older people.
<b>Disability</b>	In addition to the general positive impacts outlined above, the increased digitalisation of standard transactions is expected to lead to an increased focus in the CSC on richer contacts especially with more vulnerable users of Council services including people with a disability.
<b>Gender reassignment</b>	Other than the general positive impacts outlined above, no additional positive impacts are anticipated specifically in relation to gender reassignment.
<b>Marriage and civil partnership</b>	In addition to the general positive impacts outlined above, additional positive impacts are anticipated specifically in relation to marriage and civil partnership as digital transformation will provide additional marriage and civil partnership services on- line improving accessibility.
<b>Pregnancy and maternity</b>	Other than the general positive impacts outlined above, no additional positive impacts are anticipated specifically in relation to pregnancy and maternity.
<b>Race</b>	Other than the general positive impacts outline above, no additional positive impacts are anticipated specifically in relation to race.
<b>Religion or belief</b>	Other than the general positive impacts outline above, no additional positive impacts are anticipated specifically in relation to religion or belief.
<b>Sex</b>	Other than the general positive impacts outline above, no additional positive impacts are anticipated specifically in relation to sex.
<b>Sexual orientation</b>	Other than the general positive impacts outline above, no additional positive impacts are anticipated specifically in relation to sexual orientation

**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.**

Other than the general positive impacts outline above, no additional positive impacts are anticipated in relation to other groups not specifically covered by the Equality Act. ]

**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

Age profiles of the staff working at Serco indicate 19% of staff working within the CSC and 16% of staff working on HR and Finance services are aged 55 or above. As people in this age bracket may find the employment market more challenging, it is important that any potential negative impact on this group is considered.

To mitigate any potential negative impacts the Council will support and work with Serco, in so far as possible, to undertake effective staff engagement and consultation processes and will ensure any transfers comply fully with TUPE regulations and the Equality Act.

Depending on the decisions made, some aspects of the current services may be delivered in-house in future. In these cases, we will follow LCC's HR policies and practices in full and seek support from the HR team to lead on any transfer arrangements for staff moving into the Council which will ensure no adverse consequences in relation to the age of staff transferring.

Depending on the decisions made, some aspects of the current services may be delivered from Council owned accommodation in future which would benefit those who by reason of age would find it more difficult to relocate than a person who did not share that characteristic.

Older people may struggle more with accessing digital channels and may struggle even with the telephony. The Background Information section of this EIA sets out the steps currently taken to mitigate these impacts through the operation of the CSC and these will remain in place and may be enhanced. ]

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<p><b>Disability</b></p>	<p>Changes to the way services are delivered may have an impact on the locality from which they are provided. Should this be the case, the Council will ensure that any new providers and the in-house teams undertake workplace assessments and make reasonable adjustments required for each member of staff.</p> <p>Depending on the decisions made, some aspects of the current services may be delivered from Council owned accommodation in future which would benefit those who by reason of disability would find it more difficult to relocate than a person who did not share that characteristic.</p> <p>As people with a disability may find the employment market more challenging, it is important that any potential negative impact on this group is considered.</p> <p>To mitigate any potential negative impacts the Council will work with and support Serco, in so far as possible, to undertake effective staff engagement and consultation processes and will ensure any transfers comply fully with TUPE regulations and the Equality Act.</p> <p>Existing LCC flexible working practices will also be extended to any staff transferring into the Council and smarter working will be encouraged where applicable for external services.</p> <p>Whilst the number of staff with a disclosed disability are not recorded by Serco, this approach will be applied to all staff regardless of disclosure to ensure needs are met.</p> <p>People with a disability may struggle more with accessing digital channels and may struggle even with the telephony. The Background Information section of this EIA sets out the steps currently taken to mitigate these impacts through the operation of the CSC and these will remain in place and may be enhanced.</p>
<p><b>Gender reassignment</b></p>	<p>No negative impact is anticipated in relation to gender reassignment and therefore no mitigating action has been identified.</p> <p>Any new delivery arrangements will be covered by the Equalities Act to ensure no discrimination occurs.  </p>
<p><b>Marriage and civil partnership</b></p>	<p>No negative impact is anticipated in relation to marriage or civil partnership and therefore no mitigating action has been identified.</p> <p>Any new delivery arrangements will be covered by the Equalities Act to ensure no discrimination occurs.  </p>

<p><b>Pregnancy and maternity</b></p>	<p>Any staff moving to the Council will be covered by the LCC processes for staff that are on maternity or parental leave. During any consultation this will ensure they are not negatively impacted through their absence. HR direction will be sought and followed to ensure the established process is implemented appropriately.</p> <p>The Council will seek to ensure as far as possible that Serco and any potential new providers follow similar processes.</p> <p>Any new delivery arrangements will be covered by the Equalities Act to ensure no discrimination occurs.</p> <p>Depending on the decisions made, some aspects of the current services may be delivered from Council owned accommodation in future which would benefit those who by reason of pregnancy and maternity would find it more difficult to relocate than a person who did not share that characteristic.  </p>
<p><b>Race</b></p>	<p>Any new delivery arrangements will be covered by the Equalities Act to ensure no discrimination occurs.</p> <p>People whose first language is not English may struggle more with accessing the CSC through telephony. The Background Information section of this EIA sets out the steps currently taken to mitigate these impacts through the operation of the CSC and these will remain in place and may be enhanced.  </p>
<p><b>Religion or belief</b></p>	<p>No negative impact is anticipated in relation to religion or belief and therefore no mitigating action has been identified.</p> <p>Any new delivery arrangements will be covered by the Equalities Act to ensure no discrimination occurs.  </p>
<p><b>Sex</b></p>	<p>Data shows a predominance of female employees working at Serco. 74% of the staff working at the CSC and 63% of staff working on HR and Finance services are women.</p> <p>Changes to the way services are delivered may have an impact on the locality from which they are provided and given women tend to take on primary carer responsibilities, the Council will seek to ensure, in so far as possible, that flexible working practices are in place and smarter working will be encouraged where applicable for external services.</p> <p>Depending on the decisions made, some aspects of the current services may be delivered from Council owned accommodation in future which would benefit those who by reason of primary carer responsibilities would find it more difficult to relocate than a person who does not have carer responsibilities.  </p>

**Sexual orientation**

No negative impact is anticipated in relation to sexual orientation and therefore no mitigating action has been identified.

Any new delivery arrangements will be covered by the Equalities Act to ensure no discrimination occurs.

**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.**

No negative impacts have been identified for other groups not specifically covered by the Equality Act which would assist the Council with informed decision making.

## 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](mailto: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.

## Objective(s) of the EIA consultation/engagement activity

At this stage consultation is not regarded as appropriate or proportionate.

The Project Sponsor, CSC, HR and Finance workstream leads, along with the CSC Senior Project Officer and CSSI Programme Director and Project Officer have reviewed this Impact Analysis and their contributions have been incorporated into it.

Once a decision is made and the implementation stage for each workstream begins, requirements for appropriate and proportionate consultation will be considered and implemented.

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

<b>Age</b>	Consultation not required at this stage – this will be covered by the Corporate Support Services Implementation Programme.
<b>Disability</b>	Consultation not required at this stage – this will be covered by the Corporate Support Services Implementation Programme.
<b>Gender reassignment</b>	Consultation not required at this stage – this will be covered by the Corporate Support Services Implementation Programme.
<b>Marriage and civil partnership</b>	Consultation not required at this stage – this will be covered by the Corporate Support Services Implementation Programme.
<b>Pregnancy and maternity</b>	Consultation not required at this stage – this will be covered by the Corporate Support Services Implementation Programme.
<b>Race</b>	Consultation not required at this stage – this will be covered by the Corporate Support Services Implementation Programme.
<b>Religion or belief</b>	Consultation not required at this stage – this will be covered by the Corporate Support Services Implementation Programme.



<b>Sex</b>	Consultation not required at this stage – this will be covered by the Corporate Support Services Implementation Programme.
<b>Sexual orientation</b>	Consultation not required at this stage – this will be covered by the Corporate Support Services Implementation Programme.
<b>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?</b> The purpose is to make sure you have got the perspective of all the protected characteristics.	<p>Given the nature of the review and back-office functions within the scope of the project I do not believe external consultation is required and I am confident that appropriate and proportionate desk research has been undertaken.</p> <p>Once the Corporate Support Services Implementation Programme is established, a further EIA will be completed, and consideration will be given to the appropriate time to engage with staff from Serco.</p>
<b>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?</b>	<p>Once the options appraisal has been completed and recommendations are made to the Council for the Executive to make a decision, this project will close and the Corporate Support Services Implementation Programme will be initiated.</p> <p>Each implementation project will undertake a new EIA to identify any potential impacts and the mitigation required. They will test the effectiveness of the mitigation in line with feedback from any consultations and staff engagement.</p>

## Further Details

<b>Are you handling personal data?</b>	<p>No</p> <p>Generic workforce profile data only has been used.</p> <p>If yes, please give details. NA</p>
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Actions required	Action	Lead officer	Timescale
Include any actions identified in this analysis for on-going monitoring of impacts.	CSC, HR and Finance implementation EIAs to be completed once the CSSI Programme is initiated	CSC, HR and Finance service leads working with the CSSI Programme Director.	Commence post decision making – June 2022.
	Appropriate staff consultation and engagement activity will be identified and implemented by the CSSI Programme.	CSC, HR and Finance service leads working with the CSSI Programme Director.	Commence post decision making – June 2022.

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Version	Description	Created/amended by	Date created/amended	Approved by	Date approved
1	First draft updated following review by CSSR Project Sponsor, CSC, HR and Finance workstream leads, the CSC Senior Project Officer and the CSSI Programme Director and Project Office. Formal sign off provided by full project board. Covered at Board meeting on 25/02/2022 with follow up to 15/03/22.	Gail Macdonald	15/03/2022	Fill CSSR Project Board	15/03/22
01	First draft initial impact analysis prior to decision making for the CSC, HR and Finance services.	Gail Macdonald	9/02/2022	Not yet approved - to be reviewed by the CSSR Project Sponsor, CSC, HR and Finance workstream leads, the CSC	

				Senior Project Officer and the CSSI Programme Director and Project Office.	
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**Open Report on behalf of Andrew Crookham, Executive Director - Resources**

Report to:	<b>Overview and Scrutiny Management Board</b>
Date:	<b>26 May 2022</b>
Subject:	<b>Business World ERP System Re-design Update</b>

**Summary:**

This report provides an update to the Overview and Scrutiny Management Board on the progress of the re-design of the Council's Business World ERP system following approval from the Executive on 17 December 2019 to move to the Hoople Limited platform.

**Actions Required:**

The Overview and Scrutiny Management Board (OSMB) is invited to:

- 1) Consider the report and provide feedback on the points raised.
- 2) Review and agree future reporting requirements into the Board to monitor the progress of the re-design.

## **1. Background**

1.1 Business World (BW) is the Council's Enterprise Resource Planning (ERP) system, first implemented in April 2015. An ERP system is a type of software that the Council uses to manage its day-to-day business activities such as accounting, budget management, procurement, project management, risk management and compliance, and supply chain operations.

1.2 At that time of original implementation, an assisted build approach was adopted (professional consultants supporting our own staff to build the system), with a high level of flexibility to accommodate local requirements, resulting in a bespoke configuration for the specific needs of the Council.

1.3 Since the original implementation, the Council has encountered a range of issues across the system which it has endeavoured to resolve. Following several reviews of the system configuration, there was a recognition that the current set-up of the system was contributing to the inability to address a number of ongoing issues and

was limiting the ability to take advantage of the full functionality of the system and as such, a system re-design was required.

1.4 The Executive considered a report on the re-design of the Council's Business World ERP system at its meeting on 17 December 2019. The following recommendations were approved:

- i. That the Business World enterprise resource planning system be re-designed, to rectify the issues that the Council and Schools are facing.
- ii. That the re-design be effected by moving to the existing Business World platform operated by Hoople Limited.
- iii. That approval be given to the Council becoming a member of Hoople Limited, by the acquisition of shares in the company.

1.5 The Business World Re-design project was duly initiated to start mobilisation phase in January 2020.

## **2. Project Update**

### **2.1 Project Status Update**

2.2 Hoople Ltd – In September 2021, the shareholder agreement with Hoople Ltd was agreed and formally signed; as a result Lincolnshire County Council (LCC) are now shareholders in Hoople alongside Herefordshire Council and Wye Valley NHS Trust. The Council has a nominated representative as a Director on the Hoople board and has been representing the Council since October 2021.

2.3 Implementation – Following the decision of the Executive on 17 December 2019 it was expected the system would be ready to go live in April 2021. This implementation has been impacted by both internal and external factors and as a result the current expected go live will be April 2023.

2.4 Throughout the project timeline there have been two significant shifts in the expected go live date.

- i. In July 2020 the delivery of the project was reviewed considering the extensive impact of Covid-19. Having mobilised the project in January 2020 the shift to remote working and issues with access and infrastructure had an early impact. As resources were redeployed, and focus was placed on keeping those front-line services functional, the progress in those earlier stages was much slower than expected. This was the first re-baselining of the wider plan and collaboratively a go live date of November 2021 was agreed. A mid-financial year implementation did bring its own challenges, but it was felt these could be overcome.

- ii. Early into the Payroll Parallel Run (PPR) exercise (commenced January 2021), it was identified that it was taking much longer than anticipated. For the PPR you replicate three months' worth of payroll activity in the Hoople system. As these have already happened in our live system it is important to check the calculations, payments, and deductions meticulously. It is here where the project identified significant challenges in the complexity and data of our existing system, specifically around absence and pension.

Coupled with ongoing resource constraints to free up experienced and skilled payroll professionals, this took significantly longer to reconcile in PPR1, finally taking nine months longer to be completed than originally planned. As this is a critical area of the plan and it was imperative three parallel runs were completed, the project committed to a further re-baseline of the plan when there was confidence that the PPR2 activity could be completed accurately and was nearing completion.

2.5 With PPR2 set to complete in May 2022 the project re-baselined the plan and refined the approach. Key workstream leads responsible for the solution, the data, the technical infrastructure, the future service delivery and change management developed detailed plans and resource modelling to ensure all known impact are drawn out, reviewed, and challenged. This has resulted in the revised go-live of April 2023.

2.6 The remaining plan has been broken down into 14 key milestones. These milestones are reported on each week and approved by the accountable Assistant Director leads (Tony Kavanagh (HR), Michelle Grady (Finance) and Andrew McLean (Systems)), and then further approval is sought from the project's Executive Sponsor, Andrew Crookham, Executive Director for Resources. The project has now completed milestones 1-3 and milestone 4 is in progress and on track.

<b>Milestone</b>	<b>Headline Activity</b>	<b>Planned Completion Date</b>
1	Complete UAT and Data Cleanse	31 March 2022 (Complete)
2	Complete PPR2	15 April 2022 (Complete)
3	Data Refresh and Mapping	22 April 2022 (Complete)
4	Payroll Parallel Run	10 June 2022
5	Data Migration 4	30 June 2022
6	Regression with UAT Exceptions (Version 7.8)	30 September 2022
7	Data Migration 5	14 October 2022
8	Hoople version update to 7.10	4 November 2022
9	Production of all Training and Guidance	18 November 2022
10	Data Cleanse (Final)	31 December 2022
11	Delivery of all Change Management Plans	6 January 2023
12	All Client Regression (Version 7.10)	20 January 2023
13	Data Migration 6	10 February 2023
14	Go live	31 March 2023

## 2.7 Project Phases

2.8 The project itself is broken down into six key phases:

- i. Mobilisation (Complete) – the first phase in the project, key in setting out governance arrangements and decision making. Shared and agreed scope from the outset to ensure all stakeholders know what is to be delivered and when. For the BW (Business World) Redesign Project this phase started in January 2020 and was completed in March 2020. During this phase, the project intended to review and update the Chart of Accounts, however due to Covid-19 this was not able to be delivered as it was at this time schools started to close, and it was felt the change could not be effectively implemented. Although the project progressed into the next phase it was known this would add complexity into the build phase of the plan.
- ii. Design (Complete) – The design phase included the production of Solution Design Documents (SDD) for each module of Business World in line with the Hoople standard. It was important the services understood the impact of adapting to this solution therefore detailed on-site workshops were planned with all affected to walk through each SDD. Most of these workshops were conducted on site but following the Covid related instruction to work from home the remaining workshops were re-arranged and held remotely. The project responded to the change, but workshops did need to be shorter, and due to the issues with access and resource constraints were conducted over a much longer period. The output of this phase of the plan was to have an agreed set of requirements for Hoople to build and for the Council to understand impacts to processes, policy and resources which would form the basis of the future change management plan.
- iii. Build (Complete) – Following the approval of the SDD's and associated reports and alerts catalogues Hoople went on to build the 'to be' system. As with any implementation it was expected some impacts would result in formal change requests to the system build. The project agreed a framework in which these changes would be raised, reviewed and either accepted or rejected in line with the 'adapt and adopt' approach. This process has meant all changes are approved at a senior level to avoid high-level bespoke requirements, and introducing complexity into the system, therefore avoiding some of the issues experienced in 2015. The build continues to adapt as approved change requests are put forward following testing activities.
- iv. Test (In progress) – the test phase of the plan includes a methodical approach to checking the system performs as expected.
  - a. This starts with Functional Tests; this was conducted by Hoople and is checking that element of the system works in isolation. This was shown to have no critical issues and was accepted into the next step of the process.



- b. Integrated Systems Testing was conducted by the Council's BW Systems Team and tests that each of the functional elements then work together. This includes end to end checks on forms, workflow, processing starters and leavers, financial forecasting and budgets. Again, no critical issues were identified in the solution itself and it was agreed to move into the next step.
- c. User Acceptance Testing (UAT) is focussed on the end-user who will use the system for a specific purpose. In total over 200 people within the Council carried out these tests. The greatest challenge faced throughout UAT was resourcing as colleagues were required to do this on top of their normal activities.

Schools posed a significant challenge as they were still being severely affected by Covid-19 through high absence and school closures. As a result, the project understandably found engagement and commitment difficult, and not all school tests were completed by schools themselves, although had been tested by Council colleagues.

The introduction of a council wide, back dated pay award impacted resources during the later stages of UAT. UAT was completed on the 31 March 2022 with some known exceptions. For transparency, these exceptions were reported at board level and any risks highlighted and mitigating actions put in place to avoid key issues in the future.

- d. The test phase of the plan also includes the Payroll Parallel Run (PPR) activity as described earlier in this report. This activity is conducted over the Council's four payrolls - Corporate, Schools, Retained Fire and Teachers Top Up. The approach to each PPR has been organised and meticulous in nature, investigating differences down to the penny. This activity has been impacted by resource constraints and the complexity of our existing system, including several bespoke features which were not documented during the previous implementation. Focus has been placed on absence and pensions and this is where most of the effort has been required. Payroll Parallel Run activity is due to conclude in June 2022 where all findings and output will be thoroughly documented ahead of implementation.
- v. Implementation – the implementation phase of the plan focuses on the three months prior to go live and the specific activity around the migration of data, the delivery of training and both service and solution readiness. This is a critical phase in the plan and as such detailed planning will take place well in advance. Early conversations on what is known as cutover planning are already underway and involvement from all parties (Hoople, LCC and Serco) will be required to ensure this is a success.
- vi. Post Implementation – the final phase of the plan looks at the stabilisation of the system once it is live. In this phase there will be mop up training sessions before

the planning and coordination of these are handed over to business-as-usual (BAU) activity. It is here where the first payroll will be run in the new system, and the testing of documented processes and procedures are used for the first time. The 'to be' service model will be tested in terms of support from LCC, Hoople and Serco and will be closely monitored.

## 2.9 Change Management, Communication and Training

2.10 Change Management Plans have been created for certain roles within the organisation and are led by key service leads. Progress is reported through regular Change Management Seminars and activity planned for the remainder of the project. Key roles in this case are Line Managers, Budget Managers and Requisitioners. The project also has a Change Management Plan for the wider Strategic Finance Team, Schools, and all Employees.

2.11 Communication - throughout the project there have been detailed communication and engagement plans to ensure all relevant stakeholders have been kept updated on process and engaged with the plan and deliverables. Plans are in place to share greater detail on the operational system changes, along with how the Council needs to adapt our approach to get the most out of the system. This will commence with a focussed session with the Corporate Leadership Team and then more widely through staff briefings in the next few months. During the implementation phase of the plan, the level of communication and engagement will increase significantly utilising a range of tools at the project's disposal.

2.12 Training - a detailed training strategy has been produced, considering all roles in the Council and schools. Approaches to training and guidance will vary according to the frequency of use of the system and complexity of the tasks involved. Guidance material will be produced and will be clear and consistent across all guidance notes; important to this is the formal sign off of these materials with end users to ensure usability. Training sessions will vary; they will be no longer than 2.5 hours and will follow a consistent theme throughout. Attendance will be planned and monitored through LCC's Lincs2Learn portal. Where required, training sessions will be run collaboratively with the BW Systems Team Support and Training Officers and the service experts, for example, financial forecasting and budgets will include members of strategic finance to provide the knowledge behind why we do something.

## 2.13 Additional Developments

2.14 Further to the complexities set out in this report, a number of system related issues have impacted on the delivery of the project.

2.15 Move to Azure – The SunGard server was due to be decommissioned by the end of December 2021. Within the original timescale this was considered a low-level risk as the new system would have been live and the existing system would not have

been accessible. The delay in implementation meant that all existing Business World environments needed to be moved from SunGard to Azure by the end of December 2021, impacting on the Systems teams availability to support the project.

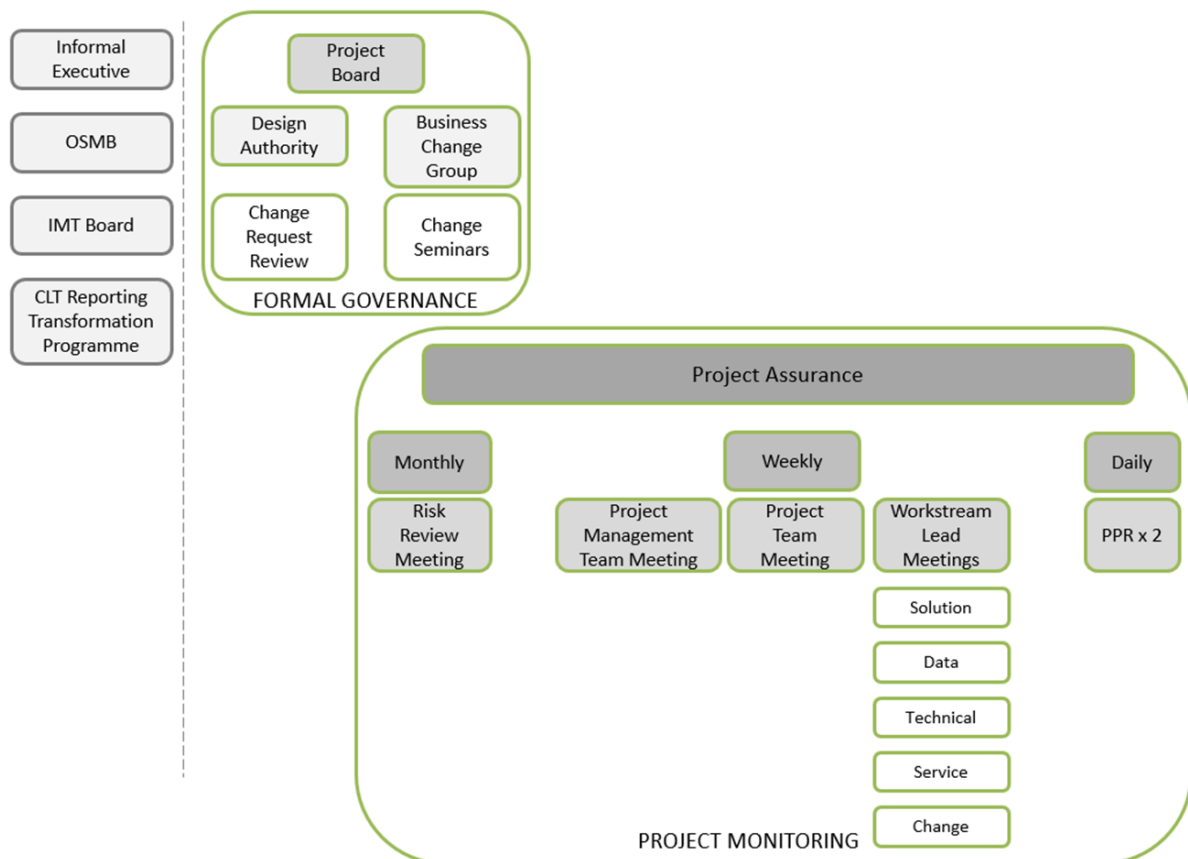
- 2.16 Cash and Income Manager – This is a module within the Business World system which manages the receipt of payments from a wide-range of sources. Due to the extended timeline of the project, additional work around Cash and Income Manager has been brought into scope. Firstly, a critical upgrade of the module which was completed in March 2022. Secondly, Cash and Income Manager must be replaced by October 2022. Options are being considered with colleagues in IMT, Finance and Serco and from a project perspective must be implemented and live by the end of August 2022. This is to allow for the changes to be made in the Hoople system and adequately tested before going live.
- 2.17 Strategic Reports Review - this is being undertaken in collaboration with Hoople and existing Hoople clients to review the standard suite of reports and how this could be enhanced to meet current and future business needs. By utilising the knowledge and experience of the Council and other clients, it is hoped the standard suite of reports would provide more range and is mutually beneficial to all Hoople clients.
- 2.18 Overview of Benefits
- 2.19 A detailed record of individual benefits has been identified against those high-level benefits set out in the December 2019 Executive report, as detailed below:
- i. To minimise expense and complexity in keeping the system versions up to date, and to have the latest developments available to the Council.
  - ii. To avoid the operational problems the Council has experienced which have been traced to the customisation of the system configuration to Lincolnshire ways of doing things.
  - iii. To provide an integrated finance and people management platform that allows the Council to operate more effectively and efficiently in a modern way of working, making full use of technology to support operational delivery of services.
  - iv. To provide up-to-date financial and people management reporting to better inform day-to-day management decisions and provide improved access to relevant business intelligence.
  - v. To allow support staff to provide greater professional support to managers through the release from day-to-day routine tasks.

- vi. To provide a primary source of information on financial and HR records for statutory and management reporting. To be enabled by built-in validation to enforce business rules, with direct input to the system wherever possible.
- vii. To provide a flexible system that will allow for future development, to meet future business requirements using an iterative process building on existing functionality.
- viii. To provide a platform for improved efficiencies in working practices through maximising the use of the technology available (e.g., electronic workflow) by maintaining management information systems and through the rationalisation of processing activities.

2.20 The detailed plan of identified benefits continues to be monitored and will be fully assessed and evaluated following go-live to ensure the Council is realising the potential of the re-design.

2.21 Governance Arrangements

2.22 The following diagram illustrates the governance arrangements in place to provide ongoing steer and assurance on the project.



### 3. Conclusion

3.1 The project has experienced a number of issues and delays since commencing in January 2020, but in doing so has vastly improved the data quality and understanding of the existing system in readiness for cutover to the new Hoople BW platform in April 2023.

3.2 The new system build is standing up well to the variety of testing against it, with no major issues identified. There remains a number of critical milestones to achieve over the coming months, but at present the project is on track for a go-live date of April 2023.

3.3 The Board is requested to review how it would like further progress of the re-design to be reported into OSMB. The successful completion of this project will be dependent upon the achievement of several milestones, and it is recommended that future reporting into OSMB is aligned to the completion of key milestones, set out as follows:

Milestone	Target Date of Completion	Report into OSMB
Milestones 4 – 6, Specifically: Payroll Parallel Runs, Data Migration 4, implementation of new payments system, Regression testing and Delivery of Change Management Plan	October 2022	November 2022
Milestone 14 – Go Live	March 2023	June 2023

### 4. Consultation

#### a) Risks and Impact Analysis

A full project risk and issue register is maintained and regularly reviewed. The current Key Risks and Issues to the project are:

**Payroll Testing** – The project has four open key risks in relation to Payroll Testing, three of which have a target closure date of June 2022, leaving Service Readiness as open:

Data Entry Inaccuracies - Risk that colleagues within the payroll testing team do not have the detailed knowledge or experience of the Council payroll therefore could enter information inaccurately impacting the ability to complete investigations in the Payroll Parallel Runs (PPR).

To mitigate, daily PPR meetings are held with colleagues in LCC, Hoople and Serco to review progress and any risks, issues, or concerns. In addition, each PPR is reviewed in full, and lessons learned documented allowing the team to evolve

plans going along.

PPR Schedule – There is an issue that the payroll testing has taken significantly longer than originally forecasted impacting the ability to commit to a ‘go live’ date.

To mitigate, resources are reviewed on a regular basis and where efficiencies can be realised, these are factored into the detailed day by day level planning. With the nature of payroll this is limited as a number of activities must happen concurrently to ensure a replication of the existing payroll.

Payroll Service Readiness – There is risk that by not having the expertise from the existing payroll team carrying out the detailed payroll investigation, that when the system is live, they are unable to deliver the service as effectively as they would if they had been engaged throughout.

To mitigate, the Payroll Manager has been involved in some investigation work. Colleagues from the existing payroll team have also been identified and skillsets reviewed to see where they could add benefit. Due to the existing payroll processing and resource constraints, this support has not yet been applied.

Payroll Investigation Experience - Risk that colleagues within the payroll testing team do not have the knowledge or experience of the Council payroll therefore could review, reconcile, or investigate information inaccurately impacting the ability to complete investigations in a timely manner during the Payroll Parallel Runs (PPR).

To mitigate, daily PPR meetings are held with colleagues in LCC, Hoople and Serco to review progress and any risks, issues, or concerns. In addition, each PPR is reviewed in full, and lessons learned documented allowing the team to evolve plans going along.

**Data Quality and Cleansing** – There is a risk that if the quality of the HR data held in our existing system is not improved in line with the Hoople standard, that key functions, including payroll, will not work effectively and key benefits identified in the Executive Report will not be realised.

To mitigate, an extensive data cleanse exercise has now been completed over a number of sets of data. The shift in focus is now on defining and hardening the BAU processes to ensure the quality of the data remains at a high level through to implementation and beyond. Monthly monitoring will be in place from May 2022 and additional performance measures in place to review any cleanse activity undertaken.

**Cash and Income Manager Replacement** – There is a risk a solution to replace Cash and Income Manager is not found or the implementation takes longer than expected. If this is not implemented by the end of August 2022 there is a risk to the go live date.

To mitigate, the project’s systems lead is working closely with colleagues in IMT, Finance and Serco to develop the scope, requirements, and implementation plan.

**5. Background Papers**

The following background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.

Document title	Where the document can be viewed
Executive Decision Notices - 17 December 2019	<a href="https://lincolnshire.moderngov.co.uk/documents/g5277/Decisions%2017th-Dec-2019%2010.30%20Executive.pdf?T=2">https://lincolnshire.moderngov.co.uk/documents/g5277/Decisions%2017th-Dec-2019%2010.30%20Executive.pdf?T=2</a>

This report was written by Sadie Rossington, who can be contacted on [sadie.rossington@lincolnshire.gov.uk](mailto:sadie.rossington@lincolnshire.gov.uk).

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**Open Report on behalf of Andrew Crookham, Executive Director - Resources**

Report to:	<b>Overview and Scrutiny Management Board</b>
Date:	<b>26 May 2022</b>
Subject:	<b>Approval to Procure Contracts for Temporary Agency Staff</b>

**Summary:**

This report invites the Overview and Scrutiny Management Board to consider a report on the Approval to Procure Contracts for Temporary Agency Staff, which is being presented to the Executive on 07 June 2022. 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 recommendations to the Executive as set out in the report.
- 2) Agree any additional comments to be passed on to the Executive in relation to this item.

**1. Background**

The Executive is due to consider a report on the Approval to Procure Contracts for Temporary Agency Staff at its meeting on 07 June 2022.

**2. Conclusion**

Following consideration of the attached report, the Board is requested to consider whether it supports the recommendations 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

The Board is being consulted on the proposed decision of the Executive on 07 June 2022.

### 4. Appendices

These are listed below and attached at the back of the report	
Appendix 1	Approval to Procure Contracts for Temporary Agency Staff to be presented to the Executive on 07 June 2022

### 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 Clare Vickers and Leanne Fotherby, who can be contacted on 07798 503508 or [leanne.fotherby@lincolnshire.gov.uk](mailto:leanne.fotherby@lincolnshire.gov.uk).

**Open Report on behalf of Andrew Crookham, Executive Director - Resources**

Report to:	<b>Executive</b>
Date:	<b>07 June 2022</b>
Subject:	<b>Approval to procure contracts for temporary agency staff</b>
Decision Reference:	<b>I026023</b>
Key decision?	<b>Yes</b>

**Summary:**

The Council's Temporary Agency Staff contracts are due to expire on the 4 September 2022. This report sets out a proposed course of action including a short extension to the existing contracts, procurement of a new contract and delegation of the necessary decisions.

**Recommendation(s):**

That the Executive:

1. Approves the recommendation to procure new contracts for the provision of (i) general and (ii) social care temporary agency staffing requirements through the ESPO MSTAR3 Framework Agreement with effect from 5 December 2022.
2. Approves extensions of 3 months to the current contracts.
3. Delegates to the Executive Director – Resources in consultation with the Executive Councillor for People Management, Legal and Corporate Property authority to give effect to the extensions and to determine the final form of the new contracts and to approve the entering into of the new contracts.

**Alternatives Considered:**

**1. Not Awarding the Contract**

The council is obligated to procure services of the value of these services according to the Public Contract Regulations 2015.

The council relies on contingent workers across a number of hard to recruit roles for example, social care, educational psychology and legal. This is currently due to national shortages and difficulties within the job market following Brexit and Covid.

Failing to award a corporate contract would see an increase in off contract spend, multiple individual contracts managed locally across the Council in each Director area, creating additional work for managers, potentially higher rates, and a reduced corporate understanding of spend and loss of the 1 pence per pound rebate, shown below. Without a central or corporate contract there is a risk that the costs will increase, and we will risk not being compliant with the Agency Worker Regulations, Working Time Directive and IR35.

## **2. Invitation to Tender**

Due to the number of providers within the market the open tender was rejected and the restricted procedure was considered. This was rejected due to the additional timescales involved to complete the selection stage and the likelihood that we would have the same providers that are already on the ESPO framework. It is also likely that we would not achieve the same rates as the framework due to economies of scale and we would not benefit from the 1% rebate.

### **Reasons for Recommendation:**

The course of action proposed is compliant with the Public Contract Regulations and offers a tried and tested and efficient route to procurement. The Council needs security of supply of these vital services along with the flexibility to increase or decrease agency staffing levels as per demand and at short notice. The Council also needs to ensure a seamless transition with no disruption to vital services should new providers be awarded the contracts.

### **Background**

1. The Council's current contracts for temporary agency staff with Comensura (for general staffing requirements) and Retinue (for social care staffing requirements) expire on 4th September 2022 with no further options to extend.
2. These contracts were procured in 2017 utilising the ESPO Managed Services for Temporary Agency Resources ('MSTAR') 2 framework agreement which has now expired and been superseded by the ESPO MSTAR3 framework agreement which it is proposed will be used for procurement of replacement contracts.
3. Between 1 April 2021 and 13 March 2022 the Council has spent c.£5 million on temporary agency staff through its contracts with Comensura and Retinue. The majority of this spend is through the Retinue contract for Social Workers with 70% of the total spend in relation to qualified and unqualified Social Workers. It is widely recognised that there is a national shortage of social workers and other key roles within the council. The council's ability to recruit and retain staff in these high-risk areas appears as risk no 7 on the strategic risk register. The Office for National Statistics (ONS) reported that in October to December 2021, the total number of vacancies increased by 127,800 (11.4%) on the quarter, with the largest increase seen in human health and social work which was up 26,800 (14.9%) to a new record of 206,000. Similarly, Brexit has meant there are less EU citizens within the U.K.

With the number of job vacancies between October to December 2021 rising to a new record of 1,247,000 in the UK, recruiting and retaining staff is becoming more challenging as salaries in the private sector rise. It is now seen as a candidate market with many skilled workers choosing to work for agencies which attract a higher rate of pay.

New and developing controls to mitigate this risk include the launch of Our People Strategy 2021 to 2024 which includes a focus on recruiting and retaining skill to enable current and future delivery of services within Lincolnshire.

4. This is a reduction of approximately £1m for 2021/22 from the previous contract spend due to the unprecedented circumstances and a reduction in agency staffing levels during the Covid pandemic, however this reduction is unlikely to continue for the reasons outlined in point 3 above.
5. During 2021/22 we used on average 116 agency staff which was 2.18% of the Council's employed staff. During this period there has been a significant migration of qualified care staff away from the Council with 79 leavers and only 54 starters. The Council has recruited more unqualified staff, but this still resulted in a shortfall of 50 staff, therefore agency staff was required.
6. In general these contracts have performed well and the return to a neutral vendor model in the current contract has addressed some issues with the recruitment of specialist posts required through the Council such as Social and Care workers, Legal staff, and Business Support staff and where staff are required at short notice.
7. It is proposed that the Council utilises the current MSTAR3 framework agreement, conducting a further competition for two new contracts with initial periods of 2 years with options to extend for a further three periods of 1 year to a maximum period of 5 years. The Contract period is in line with previous Agency Staffing contract terms and it allows the Council to review the contract requirements and ensure the contract remains aligned to the Council's People Strategy whilst ensuring security of supply.
8. The MSTAR3 framework has 14 providers under the Lot 1 Managed Service Provision including our incumbents Comensura and Retinue, along with other market leaders such as Hays, Manpower, Matrix, Pertemps and Reed. The scale of the Council's requirements are such that the Council needs to engage with a significant market provider most of whom are listed on the MSTAR3 framework. Further, due to the Council's membership of ESPO, the Council will receive a rebate of 1 pence per hours worked through the framework. Based on current spend this will result in a rebate of approximately £7,390 over the 5-year contract period.
9. The Council spent c£5 million between 2021/22 across both contracts with c£3.56 million of this spend attributed to the Retinue Contract. Most agency workers are paid at the same rate per hour as the equivalent employee of the Council except for social care, lawyers/senior lawyers and family learning tutors. Family learning tutors are not paid at LCC equivalent rates as we do not have a comparator within the Council and 86 people are currently paid above the equivalent Council employee rate. We have lost a number of qualified staff that have moved to

agency due to the attraction of agency pay rates and also that other Local Authorities around our borders are paying a grade higher than LCC. It has become increasingly difficult to engage staff in the care qualified category as working for agency is a much more attractive option financially. Whilst work is being undertaken to work with neighbouring Local Authorities with the East Midlands Memorandum of Co-operation, for example, to ensure pay rates for Social Workers is at an agreed rate it is still difficult for the Council to compete with the Agency pay rates within the Social Worker and Lawyer roles. A Level 2 Social Worker's starting pay is £17 per hour with LCC whereas they can achieve £35 per hour through an agency which is a variance of £18 per hour. A Senior Lawyer's starting pay with LCC is £21.03 per hour whereas they can achieve £51.51 per hour through an agency which is a variance of £30.48.

10. We currently pay booking and agency fees which vary depending on the job category and is a rate per hour. The rates range from £0.57 per hour for Admin and Clerical staff to a maximum of £3.21 per hour for qualified care staff. In 2021/22 we paid £349,529, which is 7% of the annual contract cost, on agency fees.
11. It is proposed that the Council's service requirements will remain largely the same, but for a small number of significant changes. These include the inclusion of a 'statement of works' option to enable the Council to onboard suppliers of specialist professional services, such as Audit Services. The benefit of this change will be a reduction in the number of off-contract appointments.
12. We are proposing a 70% quality and 30% price split as resourcing good quality agency staff with public sector experience with minimal notice is important to the Council.
13. We will also be taking a collaborative approach with Rutland County Council and South Kesteven District Council expressing an interest to join the procurement. As Lincolnshire County Council has the largest spend in this contract it will be LCC's requirements that we will be contracting with, each council will have their own contract and will be responsible for the contract management of their contract.
14. Pre-market engagement has shown that framework providers welcome this approach and there are no drawbacks in doing so; providers have confirmed that contracting authorities involved will not be in competition for the same provider market. Rutland and South Kesteven will benefit from improved rates and the Council will benefit from an estimated £1,500 of additional rebate over the 5 year contract period.
15. It is also proposed that the Council extends its current contracts with Comensura and Retinue for three months beyond their current expiry date. This is permissible under Regulation 72(1)(e) of the Public Contract Regulations 2015 which allows variations which are not substantial within the terms of the Regulations. A three-month extension will lengthen the implementation period from 6 weeks to 18 weeks which will make the Council's requirement more attractive to providers – as indicated by pre-market engagement - and enable a new provider to on-board local agencies in the event the incumbent providers are not successful.

16. Given the value of the proposed extensions the Council's Contract Regulations would normally have required a competitive process. Where an Executive Director is proposing an approach different to that set out in the Contract Regulations this must be approved. Approval of an alternative to a competitive process can be given by the Executive.

## **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.

A separate Equality Impact Assessment has not been undertaken. However, the procurement supports the Council to enable front line services to be more responsive including services that support individuals who may have a protected characteristic such as people with a disability and younger and older people. Agencies are required to comply with Equality Act duties when they engage workers in the way the Council does when it engages workers. For example, the Agencies are required to have processes in place to enable the Council to continue to make its commitment to the "Disability Confident" scheme in that disabled applicants are guaranteed an interview if they meet the minimum requirements of the job description and person specification.

#### Joint Strategic Needs Assessment (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 and Wellbeing Strategy (JHWS) in coming to a decision.

The procurement supports the Council to ensure front line services are able to maintain contact and provide support, therefore maximising independence and wellbeing which is consistent with the principles underpinning the JSNA and the JHWS.

#### 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 decision is not considered to have any implications for the section 17 matters.

### **3. Conclusion**

A further competition through the ESPO MSTAR3 framework will provide a compliant procurement process and an extension beyond the initial term of the contract until 4 December 2022 will enable a detailed and seamless implementation from the current contracts onto the new contracts in the even of a new Provider(s) being awarded the contracts. Utilising the ESPO framework and collaboration with South Kesteven District



Council and Rutland County Council will result in a rebate of up to £9,000 over the contract period.

**4. Legal Comments:**

The Council has the power to enter into the contracts proposed.

The procurement of new contracts and the extension of existing contracts are compliant with the Council's procurement obligations.

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

**5. Resource Comments:**

Expenditure arising from the proposed contract is funded by service's staffing costs budgets allowed for within the Council's approved revenue budget.

**6. Consultation**

**a) Has Local Member Been Consulted?**

N/A

**b) Has Executive Councillor Been Consulted?**

Yes

**c) Scrutiny Comments**

The decision will be considered the Overview and Scrutiny Management Board on 26 May 2022 and the comments of the Committee will be reported to the Executive.

**d) Risks and Impact Analysis**

See the body of the Report

## **7. 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 Clare Vickers and Leanne Fotherby, who can be contacted on 07798 503508 or [leanne.fotherby@lincolnshire.gov.uk](mailto:leanne.fotherby@lincolnshire.gov.uk).



**Open Report on behalf of Andrew Crookham, Executive Director - Resources**

Report to:	<b>Overview and Scrutiny Management Board</b>
Date:	<b>26 May 2022</b>
Subject:	<b>People Management Update – Quarter 4</b>

**Summary:**

The purpose of this report is to provide an update on the HR Management Information (HRMI) and on corporate People Strategy projects.

**Actions Required:**

The Overview and Scrutiny Management Board is asked to seek assurance on HR Management Information and review the progress on the 2021-24 People Strategy projects.

## **1. Background**

This report provides a summary of the HR management information data from 2021 Quarter 4 which can be seen in the summary data dashboard in Appendix A.

The report also includes a high-level summary of the 2021-24 people strategy projects.

## **2. HR Management Information**

### **a. Employments**

The number of employments decreased by 43 (-0.8%) in Quarter 4 (5542) with all Directorates other than Resources having a reduction.

Overall, 2021/22 has seen the number of employments in Adult Care and Community Wellbeing (-2.2%), Children's Services (-0.8%), Commercial (-4.9%) and Lincolnshire Fire and Rescue (-4.0%) reduce. Corporate (7.1%), Place (3.5%) and Resources (9.6%) has however increased.

## **b. Voluntary turnover**

Current figures are returning to pre-pandemic levels and are increasing quarter on quarter reaching 10.01% at the end of Quarter 4. This is causing concern particularly where the national competition for recruiting skilled professionals is greater such as social work and care, legal, IMT and procurement. This has led to a need to increase agency usage and relief contracts in some areas. Alternative methods to increase capacity are being employed such as increasing the number of posts at a lower level where recruitment is less competitive.

## **c. Agency spend**

Based on the information available to date, in 2021/22, the total agency spend was £6m, £2m more than 2020/21 but slightly less than 2019/20. Not surprisingly due to issues with turnover and sickness absence, there has been an increase in spend each quarter to maintain staffing levels. This is particularly evident in Adult Care and Community Wellbeing, Children's Services and Legal Services (Resources). As part of the People Strategy, specifically attraction and retention, we are exploring longer-term solutions in significantly investing and growing apprenticeships and looking at alternative models.

## **d. Sickness absence**

At the end of Quarter 4, the Lincolnshire County Council (LCC) days lost per FTE figure for Directorates stands at 8.47.

The number of absences attributed to cold, flu and viruses continued to rise steeply up to January 2022 where the seasonal illnesses were further increased by Covid-19 cases and chest infections. This dipped in February, rising again in March 2022.

All absence over the previous 12 months has been affected by the number of Covid-19 cases over the summer months in 2021 when absences due to colds and viruses would usually be low. The previously reported high level of mental health related absence since the summer months has been reducing in the last quarter.

In Quarter 4 the highest levels of absence have been in Adult Care and Community Wellbeing and Children's Services. Most absences are for cold and flu viruses (including Covid-19).

## **e. Council performance**

As part of the Local Government Association (LGA) benchmarking, key Council HR metrics can be compared to other councils. The latest LGA benchmarking figures available are for Quarter 3. The benchmarking covers labour turnover and sickness absence rates. In comparison to the average (mean) of English county local authorities reporting their data, Lincolnshire's figures for Quarter 3 were lower for both labour turnover and sickness absence. Further detail can be seen in Appendix B.

### 3. People Strategy

The People Strategy was launched in June 2021 to meet the Corporate Plan ambition on being an ‘employer of choice’. There is a focus on nine core areas for development over the next three years:



#### a) Attracting and Retaining Talent

- Attraction and Retention Framework

The main area of focus at the present time is the County Council’s ability to manage the challenges around attraction and retention.

In discussion with the Corporate Leadership Team (CLT), a new Attraction and Retention framework has been developed to support the Executive priority on Organisational Resilience.

The framework has been agreed with CLT and Directorates. It offers services different interventions that they can consider on a short, medium and long term basis to aid attraction and retention. Discussions are now in place on what options services desire, enabling the flexibility of Directorate decisions rather than any ‘corporate centre’ approval.

Children’s Services, Legal Services and Adult Care and Community Wellbeing are implementing new offers, with some longer-term objectives being pursued also.

- Apprenticeships

As of 1 April 2022, the total number of apprentices was 313 (up from 269 on roll from 1 January 2022, with a levy allocation of £2.7m). 71% of apprenticeship training provision is being delivered by local providers. The Council continues to support apprenticeships through the levy transfer scheme, through which we support 25 apprentices.

- Re-Procurement of Temporary Agency Staffing Contract

We will be undertaking a re-procurement of the Council's current contracts for temporary agency staff with Comensura (for general staffing requirements) and Retinue (for social care staffing requirements) which expire on 4 September 2022.

## **b) Health and Wellbeing**

Support for employee mental health remains a priority. We are monitoring the use of the new mental health first aider provision which launched in October 2021. There have been 18 contacts to the service with 83% of cases due to personal and 17% due to work issues. We are continuing to run resilience workshops and mindfulness sessions for staff to attend.

In addition to its usual service, the Employee Support and Counselling Team is providing 'wellbeing check ins' for staff and is developing peer support groups to help colleagues experiencing grief and loss. There is a new offer of assessment, priority referral to mainstream services and trauma support in development by specialist mental health practitioners.

Almost 400 employees took part in a recent fitness challenge with One You Lincolnshire where individuals and teams signed up to increase their activity levels. Employees now can sign up with One You Lincolnshire for a Health MOT to access advice and support to help them develop healthy habits and make positive lifestyle changes.

## **c) Communication and Engagement**

- Employee Survey 2021

The employee survey was completed in November and December 2021 and had a response rate of 44%. The detailed results have been discussed with Director Area Leadership Teams and actions taken to address the areas for development.

Building on the employee survey, we will be undertaking further engagement with our workforce to better understand culture and leadership practice and behaviours across the Council. Please see 3(e) below.

#### **d) Equality, Diversity, and Inclusion**

- Gender Pay Gap

Under the Equality Act 2020 (specific duties and Public Authorities) regulations 2017 the Council is required to publish statutory gender pay gap information on an annual basis. The last report was published in March 2022 and covers the year up to 31 March 2021.

We had 5,091 employees in scope for the 2021 gender pay gap exercise. Of these 1690 (33%) are men and 3401 (67%) are women. The calculations are based on a comparison of the mean and median hourly rates for men and women.

The 2021 gender pay gap report shows:

- LCC mean gender pay gap: 5.4% (0.5% improvement from 2020)
- National mean gender pay gap: 14.9%
  
- LCC median gender pay gap: 3.3% (0.3% improvement from 2020)
- National median gender pay gap: 15.4%

Although the pay gap figures are low, the Council continues to apply and develop approaches to be an inclusive employer. This includes:

- Unconscious bias e-learning training available for all staff, specific modules as part of our 'Inspired to Lead' and mandatory training for new managers
- New health and wellbeing initiatives including a menopause support group
- Commitment as part of 'Employers for Carers' providing support to members of our Carer's staff network
- Improved work life balance through a hybrid approach between working at home and in the office.

#### **e) Culture and Leadership**

- Diagnostic / Stocktake

As mentioned above, preparations have commenced on the Council's programme of a culture and leadership diagnostic to assess the views of leaders and the workforce on the 'how we do things around here' test.

As part of the diagnostic over 70 employees have volunteered to form part of the Culture Change Team and individuals will assist with four workstreams:

- i. Interviews with senior leaders (including the Corporate Leadership Team)
- ii. Focus groups with members of the workforce
- iii. Leadership survey open to the whole workforce
- iv. Information dashboard

The work will take place from June to September 2022 with a report published by November 2022. The report will be shared with CLT and then the whole workforce.

This overall work will enable us to understand, for example, whether we are a learning organisation; how empowering are our leaders and how well they demonstrate distributed leadership to improve our agility and performance. This will inform what action we need to take as an organisation.

**4. Conclusion**

The Board is invited to review the HRMI data from 2020 Quarter 4 to 2021 Quarter 4 and seek assurance on HR Management Information and the progress on People Strategy projects.

**5. Consultation**

**a) Risks and Impact Analysis**

Not Applicable

**6. Appendices**

These are listed below and attached at the back of the report	
Appendix A	Quarterly HRMI Data 2020 Quarter 4 to 2021 Quarter 4
Appendix B	LGA Benchmarking Data 2021 Quarter 3

**7. Background Papers**

The following background papers as defined in section 100D of the Local Government Act 1972 were relied upon in the writing of this report.

Document title	Where the document can be viewed
People Strategy 2021-2024	Copy can be requested via <a href="mailto:tony.kavanagh@lincolnshire.gov.uk">tony.kavanagh@lincolnshire.gov.uk</a>

This report was written by Tony Kavanagh (Assistant Director – HR and Organisational Support) and Lucy Shevill (Strategic HR Business Partner) both of whom can be contacted via e-mail at [tony.kavanagh@lincolnshire.gov.uk](mailto:tony.kavanagh@lincolnshire.gov.uk) and [lucyk.shevill@lincolnshire.gov.uk](mailto:lucyk.shevill@lincolnshire.gov.uk).



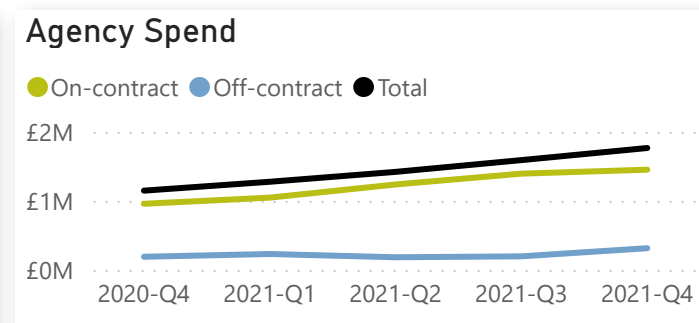
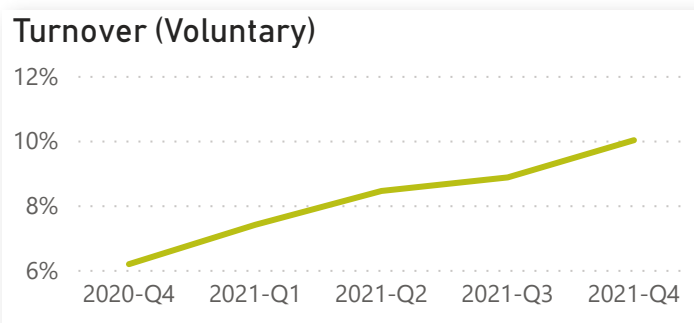
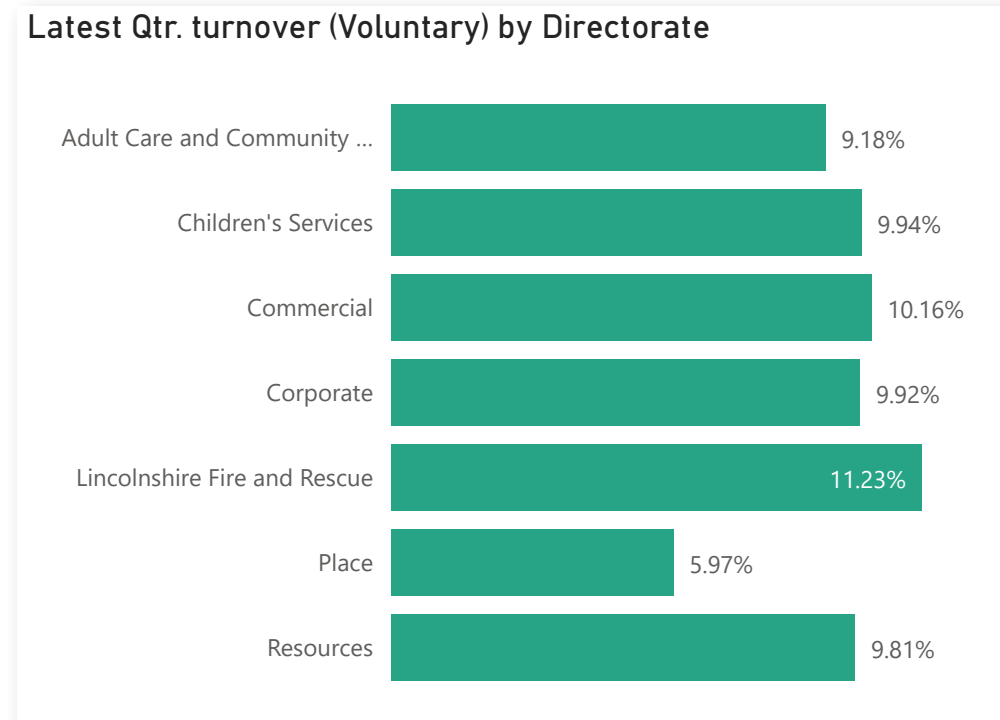
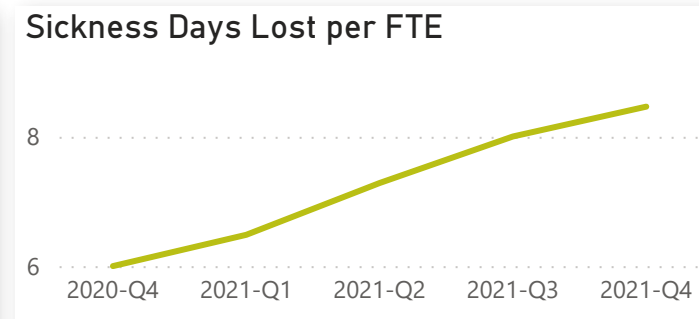
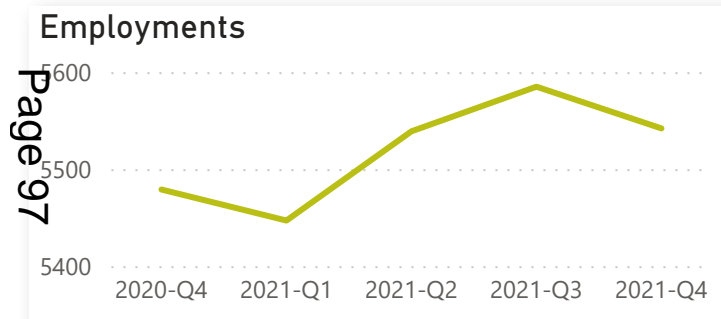
# HRMI for LCC by quarter from 2020-Q4

Financial Year - Quarter	Employments
2020-Q4	5479
2021-Q1	5447
2021-Q2	5539
2021-Q3	5585
2021-Q4	5542

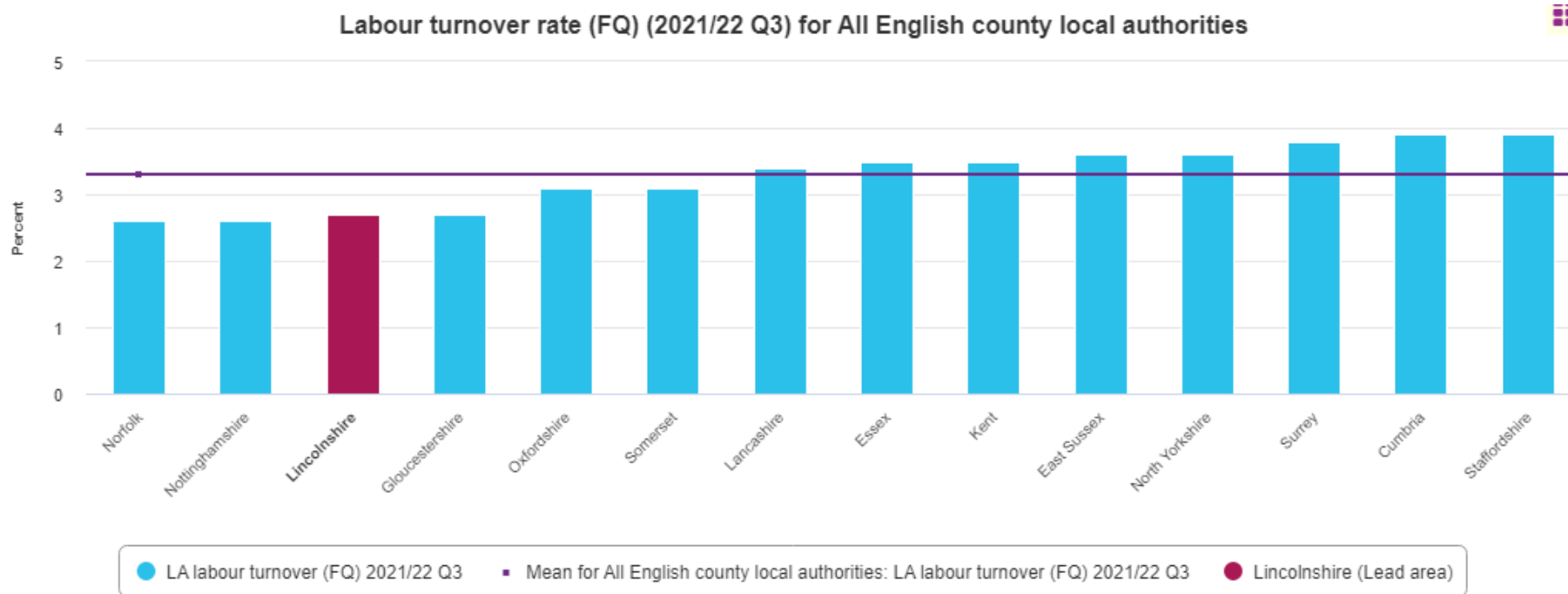
Financial Year - Quarter	Sickness Days Lost per FTE
2020-Q4	6.00
2021-Q1	6.48
2021-Q2	7.29
2021-Q3	8.01
2021-Q4	8.47

Financial Year - Quarter	Turnover (Voluntary)
2020-Q4	6.18%
2021-Q1	7.39%
2021-Q2	8.44%
2021-Q3	8.86%
2021-Q4	10.01%

Financial Year - Quarter	On-contract Agency Spend	Off-contract Agency Spend	Total Agency Spend
2020-Q4	£958,030	£190,229.0	£1,148,259
2021-Q1	£1,047,092	£229,914.2	£1,277,006
2021-Q2	£1,237,652	£182,698.3	£1,420,351
2021-Q3	£1,394,639	£196,219.6	£1,590,858
2021-Q4	£1,452,053	£314,246.8	£1,766,300



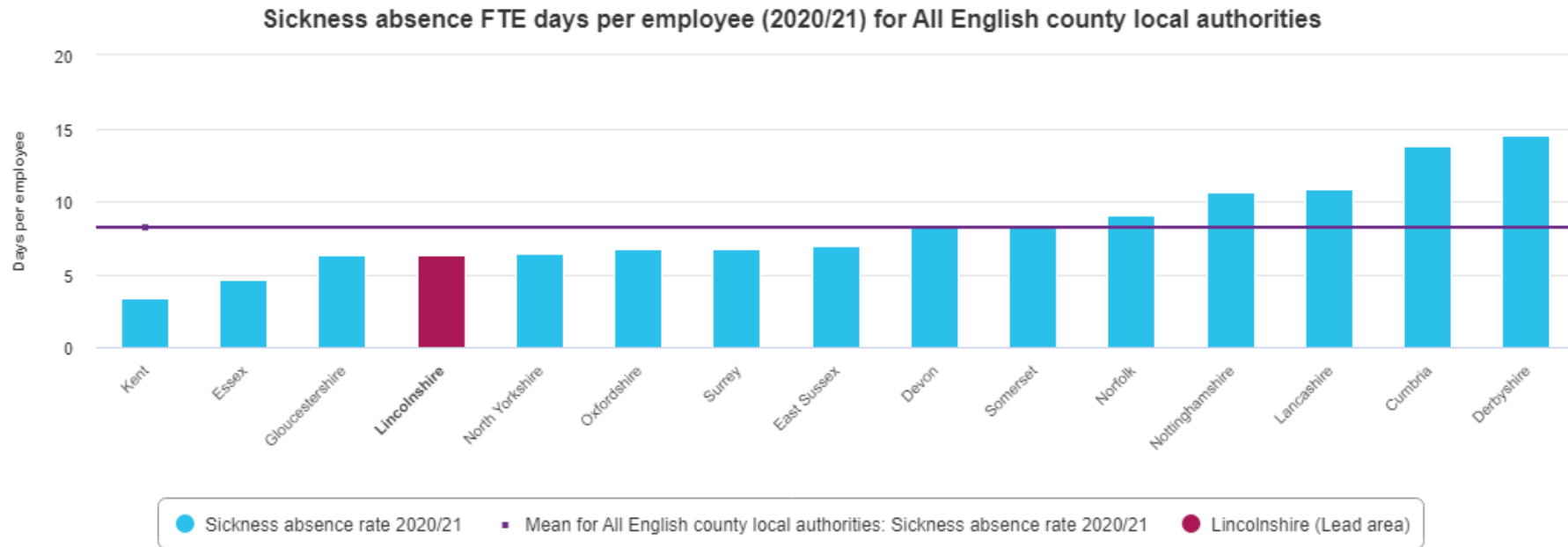
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Labour turnover rate: Voluntary and involuntary leavers as a proportion of employees.

Please note, this method of calculation is different from how Lincolnshire data is reported internally.

This excludes Fire and Rescue employees and any temporary or fixed term employees with less than one year service. It also reports data within the quarter rather from the previous 12 months. The Council figures are reported internally using the last 12 months so that the figures are not affected by seasonal variations.



### Sickness absence FTE days

Please note, this method of calculation is different from how Lincolnshire data is reported internally.

This excludes Fire and Rescue employees and any temporary or fixed term employees with less than one year service. It also reports data within the quarter rather than the previous 12 months. The Council figures are reported internally using the last 12 months so that the figures are not affected by seasonal variations.



**Open Report on behalf of Andy Gutherson, Executive Director - Place**

Report to:	<b>Overview and Scrutiny Management Board</b>
Date:	<b>26 May 2022</b>
Subject:	<b>Developer Contributions Scrutiny Review – Second Monitoring Update of Action Plan</b>

**Summary:**

This report sets out the second monitoring update on the recommendations from Scrutiny Panel A's review on Developer Contributions.

It demonstrates that the Scrutiny Panel's recommendations can be broken down into three headings:

- Involving local councillors more closely in formulating the Council's response to planning applications.
- Providing a "whole council" Developer Contribution response to planning applications, which outlines both the Council's statutory and non-statutory opinions on planning applications, notably to ask for developer contributions to strategic and local priorities.
- Demonstrating to the public that the Council has commented on planning applications.

The report shows that progress in involving councillors more closely in formulating the Council's response has improved since the Scrutiny Panel's review. The Development Management team now send a notification email for every application to local councillors for their comment and the team regularly meets local councillors on site before the Council's comments on applications are made.

It shows that all county council responses to planning applications are published on the Council's website, and that an annual Infrastructure Funding Statement is agreed by the Executive before also being published on the website.

Officers are now working to establish a process which collates Developer Contribution requests on planning applications from teams across the Council; this will augment the comments of local councillors and will enable a full council response to be made. It should, however, be noted that this approach is unusual across the country; an analysis has shown that no other councils produce a whole council response in this

way. Therefore, this new departure may be difficult to communicate successfully to and be received by Local Planning Authorities.

Finally, the report explains that the government is likely to introduce a new set of regulations concerning planning and in particular Developer Contributions which it is suggested could be combined into a single Infrastructure Levy.

**Actions Required:**

The Board is invited to review and comment on the progress made on implementing the recommendations from the Developer Contributions review.

It is recommended that the Board:

1. Welcomes the progress that has been made in involving local councillors in the Council's comments on all planning applications.
2. Comments on any improvements which could be made to make councillor comments on applications more effective.
3. Supports the continuing publication of the Council's comments on all planning applications on the Council's website.
4. Tasks officers with providing detailed briefings on the government's new planning regulations to the Planning and Regulation Committee and the Environment and Economy Scrutiny Committee.
5. Supports the implementation of the Developer Contributions – Strategic Approach (Appendix B) so that the Council establishes a strategic approach to requesting, co-ordinating and monitoring Developer Contributions, and provides a “whole council” position to Developer Contribution requests. Any changes that come from central government will be analysed at that time and changes to established processes will be considered. The timeframe for implementation will not be immediate due to volume (est 6000 planning applications pa). However, officers will work with the Executive Councillor for Economic Development, Environment and Planning to implement as soon as is practicably possible.

**1. Background**

In September 2020, the Executive Councillor for Economy and Place, Councillor C J Davie, with the backing of Group Leaders, asked Scrutiny Panel A to carry out an urgent short review of Developer Contributions to see how the County Council can maximise the benefits for local communities from such contributions.

The report on Developer Contributions was approved by the Overview and Scrutiny Management Board at its meeting on 17 December 2020.

There were six recommendations contained in the report for the Executive's consideration. On 05 January 2021 the Executive was invited to consider the report and assign responsibility to the relevant Executive Councillor(s) for responding to the report.

The recommendations which were accepted (which included an action plan), are included at Appendix A. Also included against each of the recommendations is an update which has been provided by the assigned lead officer.

The recommendations and action plan indicate the practical steps that will be taken, but the Executive Councillors were keen to ensure that the Council performs the role that it has in planning in a leading, directive, and proactive way.

## 2. Conclusion

This report meets the obligation to scrutinise the progress on the Developer Contributions recommendations and provides an update since the first monitoring report was presented to the Board on 16 December 2021.

## 3. Consultation

### a) Risks and Impact Analysis

See the body of the report.

## 4. Appendices

These are listed below and attached at the back of the report:	
Appendix A	Action Plan Arising from Recommendations
Appendix B	Developer Contributions – Strategic Approach v2

## 5. Background Papers

Document title	Where the document can be viewed
Developer Contributions Scrutiny Review - Executive Response and Action Plan – Overview and Scrutiny Management Board 17 March 2021	<a href="https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=553&amp;MId=6067&amp;Ver=4">https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=553&amp;MId=6067&amp;Ver=4</a>
Final Report from the Developer Contributions Scrutiny Review – Executive 5 January 2021	<a href="https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=121&amp;MId=5750&amp;Ver=4">https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=121&amp;MId=5750&amp;Ver=4</a>

This report was written by Warren Peppard, Head of Development Management, who can be contacted on [warren.peppard@lincolnshire.gov.uk](mailto:warren.peppard@lincolnshire.gov.uk) or 01522 554637.

## APPENDIX A - ACTION PLAN ARISING FROM RECOMMENDATIONS

Recommendation	Initial Response	Action	Timescale	Lead Officer
<p><u>Recommendation 1</u> That Lincolnshire County Council continues to oppose those aspects of the 'Planning for the future' White Paper which will limit the Council's ability to ensure that new developments have as little negative impact as possible on existing residents, communities, and businesses.</p>	<p>It is imperative that national planning frameworks do not contradict our ambitions for the future of Lincolnshire.</p> <p>Therefore, strong responses will be made to future consultations.</p>	<p>To produce a response to planning consultations – all responses to be signed off by the Executive Councillors for Place and for the Environment.</p>	<p>To be determined by Government consultation timetables</p>	<p>Vanessa Strange – Head of Infrastructure Investment</p>

### Update –

#### LEVELLING UP AND REGENERATION BILL

##### Infrastructure Levy

The government wants to make sure that more of the money accrued by landowners and developers goes towards funding the local infrastructure – affordable housing, schools, GP surgeries, and roads – that new development creates the need for. To do this, the Bill will replace the current system of developer contributions with a simple, mandatory, and locally determined Infrastructure Levy. The Bill sets out the framework for the new Levy, and the **detailed design will be delivered through regulations.**

The Levy will be charged on the value of property when it is sold and applied above a minimum threshold. Levy rates and minimum thresholds will be set and collected locally, and local authorities will be able to set different rates within their area. **The rates will be set as a percentage of gross development value rather than based on floorspace,** as with the Community Infrastructure Levy at present.



This will allow developers to price in the value of contributions into the value of the land, allow liabilities to respond to market conditions and removes the need for obligations to be renegotiated if the gross development value is lower than expected; while allowing local authorities to share in the uplift if gross development values are higher than anticipated. The government is committed to the Levy securing at least as much affordable housing as developer contributions do now. The Bill will set out the framework to enable this approach, with some of the details set out in regulations.

To strengthen infrastructure delivery further, the **Bill will require local authorities to prepare infrastructure delivery strategies**. These will set out a strategy for delivering local infrastructure and spending Levy proceeds. The Bill will also enable local authorities to require the assistance of infrastructure providers and other bodies in devising these strategies, and their development plans.

Much of the detail of different elements of the new Infrastructure Levy will need to be set in regulations, following consultation. Specifically, the government will:

- Require developers to deliver infrastructure integral to the operation and physical design of a site – such as an internal play area or flood risk mitigation. **Planning conditions and narrowly targeted section 106 agreements** will be used to make sure this type of infrastructure is delivered.
- Detail the **retained role for section 106 agreements** to support delivery of the largest sites. In these instances, infrastructure will be able to be provided in-kind and negotiated, but with the guarantee that the value of what is agreed will be no less than will be paid through the Levy.
- Retain the neighbourhood share and administrative portion as currently occurs under the Community Infrastructure Levy.
- Introduce the Levy through a ‘test and learn’ approach. This means it will be **rolled out nationally over several years**, allowing for careful monitoring and evaluation, in order to design the most effective system possible.

Sites permitted before the introduction of the new Levy will continue to be subject to their CIL and section 106 requirements.

Recommendation	Initial Response	Action	Timescale	Lead Officer
<p><u>Recommendation 2</u> That officers continue to work with developers, building a strong relationship so that developers continue to see Lincolnshire County Council as a partner with whom to engage and whose priorities should be adhered to, whatever the recommendations that are made through new legislation next year.</p>	<p>The Council's relationship with developers is critical so that they understand the type of communities that we expect Lincolnshire to have in the future.</p> <p>Providing clear guidance to developers, but being proactive and accessible to them, is essential.</p>	<p>A leadership statement will be produced, setting out the Council's ambitions for the county's future.</p> <p>Regular meetings will be held of a developers forum to provide clarity to developers of the Council's expectations.</p>	Continual	Warren Peppard – Head of Development Management

**Update** – Development Management officers continue to work directly with developers, building strong relationships. In addition to the 'business as usual' day-to-day contact, notable improvements since approval of these recommendations include: direct meetings are now taking place quarterly with a number of key local developers (Chestnut Homes, Lindum Construction and Ashwood Homes). Direct engagement with developers, local planning authorities, and other risk management authorities also take place at regular Planning and Drainage (PAD) meetings [East Lindsey District Council and Boston Borough Council combined monthly PAD, and South Kesteven District Council monthly PAD]. Developer/S38/Drainage (DSD) meetings with developers also take place and are offered to all developers on submission of technical approvals. These DSD meetings have been in operation since 2019 but are now more regularly advertised and offered to the development industry via the Development Management Newsletter. The Guidance for Developers area on the County Council's website has also been refreshed and now includes links to our main guidance documents, and the new search function to our planning responses to major applications. As and when key updates are made to any of our guidance documents, developers now receive a notification via our newsletter. Two updates have been made since March which have included invites to webinar sessions which have been delivered by Development Management officers. Due to strengthened working relationships with the development industry, over the past year notable reductions have been made in the time that it takes to grant technical approval (4 week reduction), and for sealing of the legal agreements (12 week reduction).

Recommendation	Initial Response	Action	Timescale	Lead Officer
<p><u>Recommendation 3</u> That the Council establishes a strategic approach to requesting, co-ordinating, and monitoring Developer Contributions. The Executive Councillor for Commercial and Environmental Management and the Executive Councillor for Economy and Place should work with the Head of Development Management in its establishment.</p>	<p>Alternative version.</p> <p>The Council's relationship with local planning authorities is as critical as its relationship with developers.</p> <p>Local planning authorities need to understand in advance the impact of developments on the community and on the services that the County Council provides to those communities.</p> <p>During the next electoral term we will be much clearer in the way that we articulate these.</p>	<p>Alternative version.</p> <p>A leadership statement will be produced and communicated to all local planning authorities.</p> <p>Services within the Council will be supported in analysing the impact of proposed developments, and they – and input from ward members - will be used to advise Executive Councillors of the contribution that is to be sought from developers.</p> <p>The Council's comments on planning applications will be posted in full on the Council's website.</p>	Mar 2022	Warren Peppard – Head of Development Management

**Update** – The highway and lead local flood authority statutory responses to major planning applications have been posted on the county council’s website since March 2021. Officers have held several internal service meetings, have been analysing existing processes (to understand the existing service areas working practices), and are currently evaluating the existing software systems available to us. Draft workflows and processes have now been developed and are presented at Appendix B. Given the uncertainty around timescales for the introduction of national changes to Developer Contributions (as reported under update to recommendation 1) I believe that the Council should proceed with the implementation of Developer Contributions – Strategic Approach (Appendix B) so that the Council establishes a strategic approach to requesting,

co-ordinating and monitoring Developer Contributions. Any changes that come from central government will be analysed at that time and changes to established processes will be considered.

Should the Board support the implementation of the Strategic Approach, protocols for all affected service areas will be established. Those protocols will form the basis of the officer and member training as identified in recommendation 6 - objectives 1, 3 and 4.

Recommendation	Initial Response	Action	Timescale	Lead Officer
<p><u>Recommendation 4</u> On those occasions where a scheme cannot viably fulfil all requests for Developer Contributions, the Executive should decide which schemes should be prioritised using a published escalation process. The Executive Councillor for Commercial and Environmental Management and the Executive Councillor for Economy and Place should work with the Head of Development Management in its establishment.</p>	<p>Executive Councillors and senior officers to agree a corporate strategic vision of what LCC want from major developments (as above).</p> <p>Strategic scheme prioritisation is also to be established, to facilitate future decision making.</p>	<p>A Developer Contributions Escalation Process to be established and approved by the Executive.</p>	<p>Mar 2022</p>	<p>Warren Peppard – Head of Development Management</p>

**Update** – Recommendation 4 will follow the completion of Recommendation 3.

Recommendation	Initial Response	Action	Timescale	Lead Officer
<p><u>Recommendation 5</u> An Infrastructure Funding Statement (IFS) should be produced annually by the Executive in line with the requirements in the Community Infrastructure Levy Regulations 2019.</p>	<p>The IFS is a procedural requirement. However, if it is only seen as a procedural requirement then its purpose is missed.</p> <p>LCC has a leading role in the planning process and in supporting communities for the future. Therefore, it is essential that the audience for the IFS is the wider public – it should be readily available and written in plain English to show the public how LCC has sought to represent their interests in seeking developer contributions from planning applications.</p>	<p>The IFS to be produced for the approval by the Executive.</p>	<p>Annually</p>	<p>Vanessa Strange – Head of Infrastructure Investment</p>

**Update** – On 25 November 2021 the Overview and Scrutiny Management Board was consulted on the Infrastructure Funding Statement 2020/21 and provided feedback to the Executive prior to a decision on 7 December 2021. The Infrastructure Funding Statement for 2021/22 will be presented to the Overview and Scrutiny Management Board towards the end of year 2022.

Objective	Evidence	Action	Completion	Lead Officer
<p><u>Recommendation 6 - Objective 1</u> Ensure all councillors are aware of the Developer Contributions process and their role in the process.</p>	<p>A date is being identified for an induction session after the May local elections.</p>	<p>Democratic Services will arrange training for councillors as part of their induction after the May elections and on-going Councillor Development sessions to be arranged by Local Plan areas. Training to include:</p> <ul style="list-style-type: none"> <li>• Overview of the planning process;</li> <li>• What are Developer Contributions?</li> <li>• The Developer Contributions process;</li> <li>• LCC role vs District Council role;</li> <li>• The role of the local member in the Developer Contributions process.</li> </ul> <p>Short guide for councillors including a flow chart of the planning process.</p>	<p>To be agreed by Democratic Services</p>	<p>Nigel West – Head of Democratic Services David Hair – Member Services Manager Warren Peppard – Head of Development Management</p>

**Update** – Democratic Services sent an invitation to all county councillors on 13 August 2021. The invitation was for the training session on Development Contributions which was presented by the Development Management Team to members on 24 September 2021. Of the 70 invitations, 18 members attended the event. Positive feedback was received from members during the training event. The presentation and the recording have also been uploaded to the Councillor Hub, for viewing by those members who were unable to attend, and to allow future reference for all members.

Additional training sessions centred around local plan areas will be arranged with members following the completion of recommendation 3.

Objective	Evidence	Action	Completion	Lead Officer
<u>Recommendation 6 - Objective 2</u> Improve the process for councillor notification of planning applications in their divisions and their engagement in identifying potential uses for Developer Contributions.		<p>Councillors will receive emails with notification of any planning applications in their divisions. Emails will outline a process that is accessible to all councillors, explain what is expected of councillors in their response and cover all areas of the council.</p> <p>Councillors will input into the development of a list of potential local schemes in their area to fund through Developer Contributions, via the on-going councillor development sessions to be arranged by Local Plan areas.</p>	To follow objective 1	Warren Peppard – Head of Development Management

**Update** – As part of the member training session on Developer Contributions (Recommendation 6 - Objective 1), members were offered face-to-face engagement with Development Management officers to enhance awareness of planned growth within their divisions. Following implementation of Recommendation 3, the email notification, that is currently sent to county councillors, will be amended to reflect the new established strategic approach.

Since the member training sessions, there has been a positive response regarding member/officer engagement. Notably we have seen an increase in member/officer engagement, which has provided opportunity for better awareness of planned growth, and enabled members to input into dialogue regarding community benefit of potential local mitigation schemes.




Objective	Evidence	Action	Completion	Lead Officer
<u>Recommendation 6 - Objective 3</u> Training for officers in the relevant service areas to raise awareness of the role of the councillors and provide them with the knowledge and skills to answer queries from their constituents, parish councillors and general public concerning Developer Contributions.		The Development Management Team will develop a training package for relevant officers to raise awareness of the role of county councillors and provide them with the knowledge and skills to answer queries from parish councillors and the general public regarding Developer Contributions.	To follow objective 1	Warren Peppard – Head of Development Management

**Update** – Officer training will follow the implementation of Recommendation 3.

Objective	Evidence	Action	Completion	Lead Officer
<u>Recommendation 6 - Objective 4</u> To improve awareness of the County Council's role in the Development Contributions process to the public, and parish/district councils.		The Communications Team will develop a Communications Strategy to provide podcasts and guidance to parish/town councils and district councils, and to place on the County Council's website and in libraries to provide clarity of the County Council's role in the Developer Contributions process.	To follow objective 1	Communications Team

**Update** – To follow implementation of Recommendations 3 and 4.



***Developer  
Contributions –  
Strategic Approach***

*Version 2*

## **Background:**

*The Developer Contributions review has identified the importance of Lincolnshire County Council (LCC) setting a clear vision for the future of the county and of communicating that view to government, local planning authorities, developers, and the public.*

*This paper intends to address recommendation 3 of the Action Plan, which is that **the council establishes a strategic approach to requesting, co-ordinating, and monitoring Developer Contributions.***

*Currently a number of LCC service areas review planning applications in different ways. The highway and lead local flood authority receives planning applications direct from the local planning authorities (LPA), due its statutory function. Education, Public Health and Fire & Rescue rely on reviewing the weekly whitelists published by the LPA, to consider any response that they would wish to make to a planning application. Due to separate service area requests, any subsequent discussions and decisions are not made in a co-ordinated way. Therefore, LCC as a corporate entity does not have full oversight and/or control of its 'one-council' position with the LPA.*

*Evidently the current working arrangements do not allow the council to have a co-ordinated management of Developer Contributions. Therefore, as recognised by the review there is a need to improve the internal working arrangements of the council, and to identify responsibilities to meet the outcome of recommendation 3.*

*By improving both internal and external working arrangements, the following benefits will be achieved, enabling the outcomes of recommendation 3 to be met:*

- Improved Developer Contribution knowledge (through officer training, establishing service area protocols, and regular review meetings) will be imbedded in affected service areas.*
- Creation of a 'one council' approach to co-ordinating Developer Contribution requests and by prioritising those council's requests.*
- Better oversight and input (through member training and an improved notification process) from local members.*
- Establishing regular communication and partnership working with the LPA's.*
- Transparency of the council's requests will be achieved by posting Developer Contribution requests on LCC's website.*
- Establish a council lead in Developer Contribution negotiations with the LPA's.*
- Form a council lead in monitoring income via monitoring development triggers.*
- Initiate regular meetings with finance teams to ensure Developer Contributions get transferred to affected service areas in a timely manner.*
- Create regular meetings with affected service areas to ensure Developer Contributions get spent.*
- Annual reporting to the council will be delivered via the Infrastructure Funding Statement.*

*The proposed process which follows provides a commitment to improve and strengthen the way that departments across the whole of the council advise on the corporate ambitions of the council.*

*As part of the process local ward members will continue to be notified and supported in demonstrating how developments might impact their area. It will also ensure that LCC establish a clear position on the Developer Contributions it would require from any development. This will be a whole council position and it will be clearly and proactively communicated to LPA's and to developers.*

*In addition, once implemented a Leadership Statement will be produced which will provide a clear statement which will be communicated to partners.*

*The following process proposal plans to co-ordinate LCC requests, and the monitoring of developer contributions required by LCC.*

***Process Proposal (see Appendix 1 for flow chart):***

*As the highway and lead local flood authority currently receives planning applications direct from the LPA, the intention is that the existing DEF Software system (DEF) will be modified to allow internal consultation with affected service areas (notification to local members will continue and will be improved). Upon receipt of a planning application DEF will notify affected service areas of the planning application, which will include links to the planning application documentation on the LPA's websites. Once the affected service area has reviewed a planning application, fields will be available in DEF for the affected service area to upload any developer contribution request that they would wish to make. At 21 days following receipt of a planning application the statutory highway & lead local authority response will be sent to LPA which will include all LCC asks in relation to developer contributions. This formal statutory response will then be posted on LCC's website, so that the local planning authority, developers, and the community can understand LCC's position on that application.*

*LCC Development Management Team (DMT) will then be the lead contact for the LPA regarding any developer contribution request. Should concerns be raised prior to determination of the planning application, the DMT will lead and co-ordinate internal discussions/decisions prior to responding to the LPA (this will follow an escalation process once agreed).*

*If all LCC developer contributions have been accepted by the LPA, the DMT will continue its lead role in co-ordinating input from service areas and Legal Services up to the signing of the S106 legal agreement.*

*Once the S106 legal agreement has been signed, it shall be recorded on LCC systems to enable monitoring and reporting by the DMT.*

*The DMT alongside the LPA will monitor development activity until agreed triggers points are met. This monitoring will include regular review meetings with the LPA's. Once the triggers points have been met the DMT will liaise with the LPA and LCC Finance Team (FT) to ensure the necessary funds are transferred to LCC.*

*The DMT will establish quarterly monitoring meetings with FT, to ensure that funds are transferred to the relevant service areas, to allow the delivery of projects. Following transfer of funds to service areas, the DMT will meet regularly with service areas in order to monitor project progress.*

*Upon completion of projects any unspent/surplus funds will be returned to the developer by the DMT, as per the terms of the S106 legal agreement.*

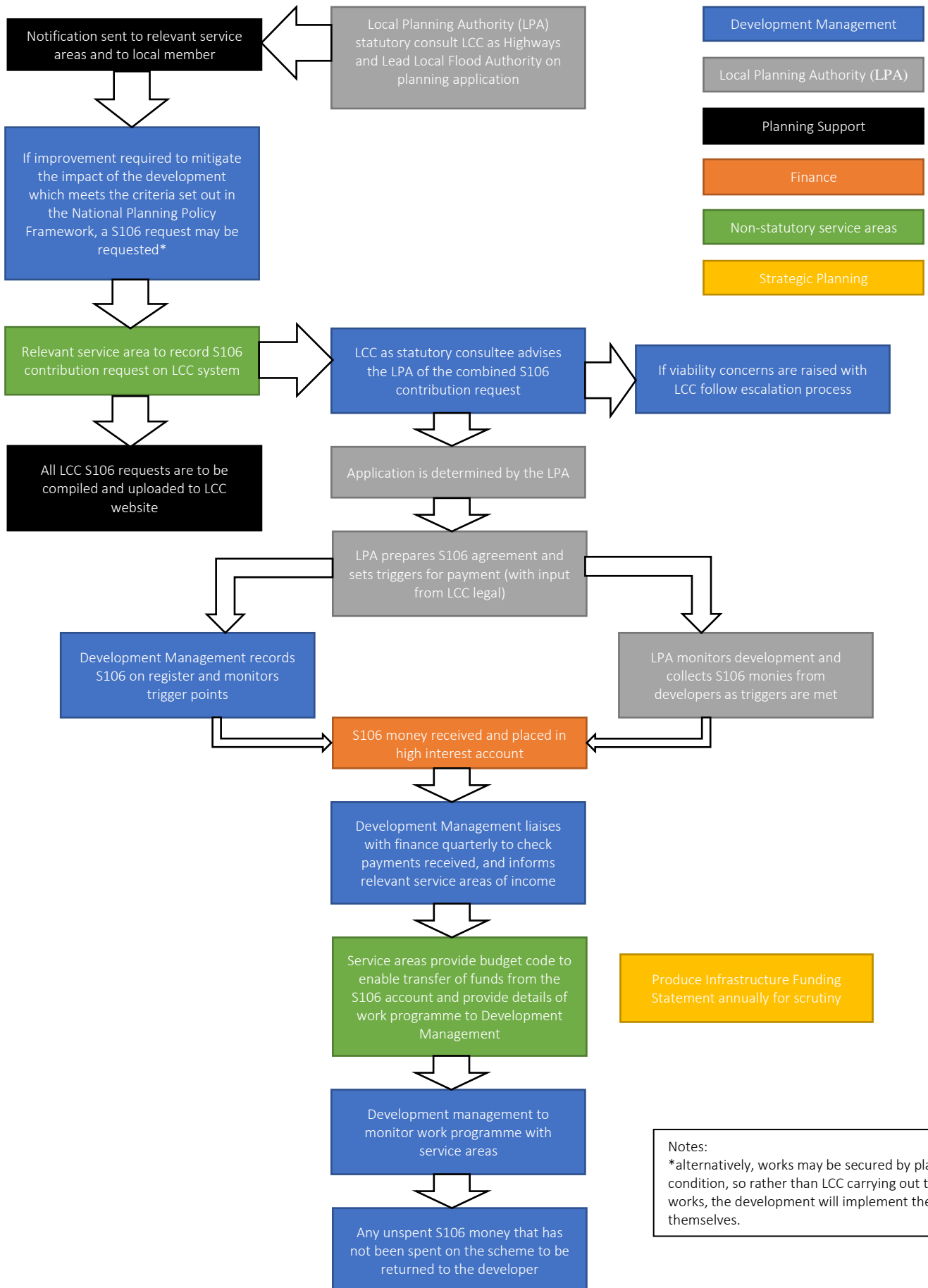
*As part of the annual Infrastructure Funding Statement to scrutiny committee, a progress report on developer contribution activity will be included.*

**Next Steps:**

*If agreed, and following implementation of the proposed process, service area protocols will be established. These protocols will form the basis of the officer and member training as identified in objectives 1, 3 & 4. An example of a typical protocol is shown in Appendix 2.*

*In addition to which, resource and financial implications will also be considered.*

# APPENDIX 1



## APPENDIX 2

### PROTOCOL EXAMPLE

#### Highways:

*All but the most modest of developments will predictably have some impact on the highway or transport network around them as a consequence of the construction itself or its subsequent use. New developments usually generate additional travel journeys. To minimise impacts on highway safety, help mitigate this increase in demand, and to provide for a sustainable development the response to a planning consultation may include requirements for general highway infrastructure improvements, and may extend to Travel Plan measures, off-site public transport, and cycling and walking interventions.*

*As the Highway Authority, LCC must be consulted as a statutory consultee on any matters, affecting the public highway, this includes Public Rights of Way in addition to more traditional carriageways and footways.*

*Highways and Transport infrastructure requirements will be funded by a range of different mechanisms which will vary depending on site specific circumstances. The vast majority of highways improvements and modifications are secured by planning conditions. These are recommendations made to the LPA, requiring highway and transport works to be carried out as part of the development process, usually in advance of development or prior to part of the development being taken into use.*

*Transport Assessment - In addition to the assessment of safe and satisfactory access and design by the DMT, developments of a sufficient size also require assessment of the local highway and transport network in terms of capacity and sustainable operation. This is usually carried out by means of a Transport Assessment or Statement. The contents of these documents help inform the need for and nature of off-site Highway and Transportation mitigation works of all kinds. Transport Assessments often include a Travel Plan which identifies how the developer intends to reduce reliance upon the private car use and introduce sustainable travel initiatives to limit trip generation. The Transport Assessment can also include the developer's proposals to improve pedestrian and cycle connectivity and manage private car use by the introduction or enhancement of public transport services.*

*Section 106 - Where appropriate developer contributions through a Section 106 agreement may be sought to allow the Highway Authority to use developer funding to carry out improvements to the highway network to accommodate the development. This mechanism can also allow the Highway Authority to seek contributions towards Travel Planning, Public Transport services, sustainable travel and pedestrian and cycle infrastructure.*

*Section 278 - As mentioned above, most highway and transport infrastructure improvement is secured by planning conditions. These require the developer to commission or carry out specified highway works. Where highway objections to proposals can be overcome by improvements to the existing highway, a Section 278 agreement enables the developer to*



*enter into an agreement with the Highway Authority to pay for or undertake such works. These works may include minor highway realignments, provision of footways, roundabouts, traffic signals, right-turning lanes, passing bays and cycle lanes, together with signage, lighting, drainage and other works. Prior to the commencement of construction, developers are requested to submit full construction drawings for approval and enter into a Section 278 Agreement with a Bond to cover the full road construction. Developers are advised that without such an agreement in place they may not commence any works within the public highway. The ongoing design and construction works are inspected by LCC officers and fees are recovered from the developer to offset this activity.*

*Section 38 - Where planning applications for residential development involve the creation of new streets, these should be designed to meet the recommendations contained in the current edition of the Development Road and Sustainable Drainage Design Approach, and the Development Road and Sustainable Drainage Specification. The DMT seeks to ensure that designs and planning conditions secure the provision of suitable streets by developers. Where new streets meet the Highway Authority's criteria for adoption as publicly maintainable highway (in terms of layout and construction), LCC can enter into a voluntary agreement under Section 38 with developers to accept the completed streets as highway assets maintainable by LCC.*

*Prior to the commencement of construction, developers are requested to submit full construction drawings for approval and enter into a Section 38 Agreement with a bond to cover the full road construction costs. The ongoing design and construction works are inspected by LCC officers and fees are recovered from the developer to offset this activity. Without such an agreement in place developers can be required to deposit monies with LCC under the Advance Payments Code to cover the cost of making up the street at some point in the future. Developers are advised that without such an agreement in place they should not commence any works and any construction undertaken is carried out at their own risk and may prejudice the future adoption of the estate roads concerned.*

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**Open Report on behalf of Andrew Crookham, Executive Director - Resources**

Report to:	<b>Overview and Scrutiny Management Board</b>
Date:	<b>26 May 2022</b>
Subject:	<b>Scrutiny Committee Work Programmes: -</b> <ul style="list-style-type: none"><li>• <b>Environment and Economy Scrutiny Committee</b></li><li>• <b>Highways and Transport Scrutiny Committee</b></li><li>• <b>Flood and Water Management Scrutiny Committee</b></li></ul>

**Summary:**

As set out in the Council's constitution, a key role for this Board is monitoring the future work programmes of the other scrutiny committees. The role of the Board is to satisfy itself that it is content with each committee's work programme, rather than to discuss the detail of particular items listed in the work programme, as these discussions are appropriately held at the relevant meeting of the scrutiny committee.

This report focuses on the Environment and Economy Scrutiny Committee and the Highways and Transport Scrutiny Committee and includes information on activity since 24 February 2022, when reports on these two committees were last considered by the Board; and on the Flood and Water Management Scrutiny Committee with information on activity since 25 November 2021 when a report for this committee was last considered.

**Actions Required:**

- (1) The Board is requested to determine whether it is satisfied with the activity undertaken since 24 February 2022 (a & b) and 25 November 2021 (c) by:
  - (a) the Environment and Economy Scrutiny Committee;
  - (b) the Highways and Transport Scrutiny Committee; and
  - (c) the Flood and Water Management Scrutiny Committee.
- (2) The Board is requested to determine whether it is satisfied with the planned work programme of:
  - (a) the Environment and Economy Scrutiny Committee;
  - (b) the Highways and Transport Scrutiny Committee; and
  - (c) the Flood and Water Management Scrutiny Committee.

## 1. Background

The Council's constitution includes in this Board's terms of reference the following two clauses: -

- To agree and monitor the ongoing overview and scrutiny work programme, in particular holding the chairmen and/or vice chairmen to account for their committee's work programme on a quarterly basis.
- To monitor and guide the activities of the other overview and scrutiny committees.

### Environment and Economy Scrutiny Committee, Highways and Transport Scrutiny Committee and Flood and Water Management Scrutiny Committee

Since 24 February 2022, when a report was last submitted, the Environment and Economy Scrutiny Committee has met on 12 April 2022 and is due to meet on 24 May 2022. The Highways and Transport Scrutiny Committee has met on 7 March 2022, on 25 April 2022 and is due to meet on 30 May 2022. The Flood and Water Management Scrutiny Committee has, since the last report was submitted on 25 November 2021, met on 21 February 2022 and is due to meet on 23 May 2022. The key activities since the above dates and the planned work programme of each committee are set out in Appendices A, B and C respectively. If members of the Board require further details on any item of previous activity, the full reports can be found on the County Council's website.

### Committee Reporting Timetable

The table below sets out the planned reporting timetable until December 2022: -

Scrutiny Committee	Monitoring Date	Monitoring Date	Monitoring Date
Adults and Community Wellbeing	24 Mar 22	30 Jun 22	27 Oct 22
Health			
Children and Young People	28 Apr 22	25 Aug 22	24 Nov 22
Public Protection and Communities			
Environment and Economy	26 May 22	29 Sept 22	15 Dec 22
Highways and Transport			
Flood and Water Management			

## 2. Conclusion

The Board is asked to consider whether it is satisfied with the previous activity and the planned work programmes of the Environment and Economy Scrutiny Committee, the Highways and Transport Scrutiny Committee and the Flood and Water Management Scrutiny Committee.

## 3. Appendices – These are listed below: -

Appendix A	Environment and Economy Scrutiny Committee – Activity and Planned Work
Appendix B	Highways and Transport Scrutiny Committee – Activity and Planned Work
Appendix C	Flood and Water Management Scrutiny Committee – Activity and Planned Work

## 4. 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 Kiara Chatziioannou, Scrutiny Officer, who can be contacted on 07500 571868, or via [kiara.chatziioannou@lincolnshire.gov.uk](mailto:kiara.chatziioannou@lincolnshire.gov.uk).

## ENVIRONMENT AND ECONOMY SCRUTINY COMMITTEE

### ACTIVITY REPORT

Since its last report to the Board, the Committee has met on 12 April 2022 with a second meeting due on 24 May 2022. Full details on all the items considered at these meetings are available on the County Council's website:

<https://lincolnshire.moderngov.co.uk/mgCommitteeDetails.aspx?ID=548>

Set out below is a summary of the outcomes since the last update in February 2022:

<b>12 APRIL 2022</b>		
<i>Item</i>		<i>Summary of Outcomes</i>
<b>1</b>	Flood and Coastal Resilience Project - The Greater Lincolnshire Groundwater Project, submission of Outline Business Case	<p>The Committee received and unanimously supported a report for the Greater Lincolnshire Groundwater Project outline business case that was due to be submitted to the Environment Agency.</p> <p>Members' views expressed during the debate were recorded and agreed to be passed on to the Executive Councillor for Economic Development, Environment and Planning, for their decision between the 15- 29 April 2022.</p>
<b>2</b>	Lincolnshire Minerals and Waste Local Plan: Issues and Options for Updating the Plan	<p>The Committee recorded its support to the Lincolnshire Minerals and Waste Local Plan and approved its recommendations.</p> <p>Members' views expressed during the debate were recorded and agreed to be passed on to the Executive for its decision on 4 May 2022.</p>

<b>24 MAY 2022</b>		
<i>Item</i>		<i>Summary of Outcomes</i>
<b>1</b>	Local Transport Plan V – Zero Carbon Target	To be advised.
<b>2</b>	Greater Lincolnshire Internationalisation Strategy and Action Plan 2022-24	To be advised.

## PLANNED WORK

Set out below are the items planned for future meetings of the Committee, up to December 2022.

<b>12 JULY 2022</b>			
<i>Item</i>	<i>Contributor</i>	<i>Notes</i>	
<b>1</b>	<p>Service Level Performance Reporting Against the Performance Framework 2021 - 2022 – Quarter 4:</p> <ul style="list-style-type: none"> <li>• Economy</li> <li>• Flooding</li> <li>• Waste</li> </ul>	<p>Samantha Harrison, Head of Economic Development</p> <p>Chris Miller, Deputy Head of Environment</p> <p>Mike Reed, Head of Waste</p>	<p>This is a quarterly report on performance for the Economy, Flooding and Waste Services.</p>
<b>2</b>	<p>Adult Education and Community Engagement and Development</p>	<p>Justin Brown, Assistant Director Growth</p> <p>Thea Croxall, Adult Learning &amp; Skills Manager - Economic Development</p>	<p>The Committee will receive a report in relation to adult education and updates on relevant community engagement activities.</p>

<b>13 SEPTEMBER 2022</b>			
<i>Item</i>	<i>Contributor</i>	<i>Notes</i>	
<b>1</b>	<p>Household Waste Recycling Centres Operational Contract Procurement</p>	<p>Mike Reed, Head of Waste</p>	<p>The views of the Committee will be sought ahead of the item being considered by the Executive Councillor for Waste and Trading Standards for a decision between 1 - 4 November 2022.</p>
<b>2</b>	<p>Service Level Performance Reporting Against the Performance Framework 2022 - 2023 – Quarter 1:</p> <ul style="list-style-type: none"> <li>• Economy</li> <li>• Flooding</li> <li>• Waste</li> </ul>	<p>Samantha Harrison, Head of Economic Development</p> <p>Chris Miller, Deputy Head of Environment</p> <p>Mike Reed, Head of Waste</p>	<p>This is a quarterly report on performance for the Economy, Flooding and Waste Services.</p>
<b>3</b>	<p>Lincolnshire Tourism</p>	<p>Mary Powell, Place &amp; Investment Manager</p>	<p>The Committee will receive a report in relation to Tourism in Lincolnshire.</p>

<b>13 SEPTEMBER 2022</b>			
<i>Item</i>	<i>Contributor</i>	<i>Notes</i>	
<b>4</b>	Theddlethorpe Geological Disposal Facility Working Group - Update	Justin Brown, Assistant Director Growth	This is a regular update report on the activities undertaken by the Working Group.

<b>29 NOVEMBER 2022</b>			
<i>Item</i>	<i>Contributor</i>	<i>Notes</i>	
<b>1</b>	Service Level Performance Reporting Against the Performance Framework 2022 - 2023 – Quarter 2: <ul style="list-style-type: none"> <li>• Economy</li> <li>• Flooding</li> <li>• Waste</li> </ul>	Samantha Harrison, Head of Economic Development  Chris Miller, Deputy Head of Environment  Mike Reed, Head of Waste	This is a quarterly report on performance for the Economy, Flooding and Waste Services.

**Items to be Programmed**

- Alternative Fuels
- Climate Change Impact
- Coastal Car Park Strategy
- Developer Contributions
- Environment Act
- Greater Lincolnshire Nature Partnership Presentation
- Green Technology Grant
- Historic Places Team Strategy
- Infrastructure Planning –Progress Update
- Planning White Paper
- Property Green Agenda – potential guest presentation facilitated by Sustainability
- Recycling and Food Waste Collection
- Review of Land Sales Policy – Regeneration (County Farms)
- Skegness Business Park
- Tenant Survey
- The Levelling Up Agenda and Regeneration funding update
- The role of LEPs and the relationship with LCC following government guidance
- Update to Paper and Card Waste Collection Project
- Verge Biomass



## HIGHWAYS AND TRANSPORT SCRUTINY COMMITTEE

### ACTIVITY

Since its last report to the Board, the Committee has met on 7 March 2022, on 25 April 2022 with a third meeting due on 30 May 2022. Full details on all the items considered at these meetings are available on the County Council's website:

<https://lincolnshire.moderngov.co.uk/ieListMeetings.aspx?CommitteeId=492>

Set out below is a summary of the outcomes since the last update in February 2022:

<b>7 MARCH 2022</b>	
<i>Item</i>	<i>Summary of Outcomes</i>
<b>1</b> North Hykeham Relief Road – Design and Build Contract Procurement	<p>The Committee received and unanimously supported a report that sought approval to enter a two-stage design and build contract for the purpose of delivering the North Hykeham Relief Road.</p> <p>Members' views expressed during the debate were recorded and agreed to be passed on to the Executive, for its decision on 05 April 2022.</p>
<b>2</b> Adoption and Implementation of the Advanced Payment Code Exemptions Policy	<p>The Committee received and unanimously supported a report that sought approval to adopt and implement an Advanced Payment Code exemptions policy where a development site meets specified criteria.</p> <p>Members' views expressed during the debate were recorded and agreed to be passed on to the Executive Councillor for Highways, Transport and IT, for their decision between 14 March - 18 March 2022.</p>
<b>3</b> Road Safety Partnership Annual Report	<p>The Committee received an annual report from Lincolnshire Road Safety Partnership (LRSP).</p> <p>The following points were discussed:</p> <ul style="list-style-type: none"> <li>• Most incidents occurred during periods of fine weather mid-day.</li> <li>• Dangerous driving reporting to the Police by residents.</li> <li>• The human cost factor relating to collisions (nationally agreed measure) was discussed.</li> </ul>

<b>7 MARCH 2022</b>		
		<ul style="list-style-type: none"> <li>• Digital recording methods of incidents introduced by Police post 2019, recorded injuries more accurately as reflected in statistics.</li> <li>• Speeding and packages/solutions availed to residents.</li> </ul>
<b>4</b>	Highways - Gully Cleansing, Drainage Repair Schemes and Surface Water Flooding	<p>The Committee received a regular report which set out the reactive, cyclic, and planned aspects of highways drainage maintenance including low-level flooding response.</p> <p>The following points were discussed:</p> <ul style="list-style-type: none"> <li>• Request made for additional gully cleanses in the annual cycle to be considered.</li> <li>• 12,000 assets required specialist traffic management.</li> </ul>

<b>25 APRIL 2022</b>		
<i>Item</i>		<i>Summary of Outcomes</i>
<b>1</b>	Street Lighting Policy Update	<p>The Committee received and supported the Recommendations of a report which proposed updates to the Street Lighting Policy.</p> <p>Members' views expressed during the debate were recorded and agreed to be passed on to the Executive Councillor for Highways, Transport and IT for their decision between 25 April - 3 May 2022.</p>
<b>2</b>	Performance Report, Quarter 3 - (1 October 2021 - 31 December 2021)	<p>The Committee received a quarterly report which updated the Committee on the performance of the Highways Service including the Major Highway Schemes Update, Lincolnshire Highways Performance Report and Transport Complaints Report.</p> <p>The following points were discussed:</p> <ul style="list-style-type: none"> <li>• Noting the £12.3m funding cut from the Department of Transport (DfT), it was clarified that the funding regime referenced was likely to remain static for the forthcoming three years, however, for 2022/23, the Council supplemented the funding gap within its budget.</li> </ul>

		<ul style="list-style-type: none"><li>• Complaints within the report only extended to those received directly from residents to the Council.</li><li>• Increased recycling of materials was employed to mitigate financial pressures.</li><li>• Asphalt waste containing coal tar was considered hazardous and was disposed of in accordance with Environment Agency standards of encapsulation of cement then reused within the network thus avoiding the necessity for landfill.</li><li>• Members were very impressed by the overall quality of pothole repairs they had seen throughout the County.</li><li>• Highways App; awareness of technical problems over which the service was engaging with software developers to address.</li><li>• Excessive growth of grass verges; increasing grass cutting among highly affected areas.</li><li>• NHT survey; limited representation of some younger demographics.</li></ul>
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## PLANNED WORK

Set out below are the items planned for future meetings of the Committee, up to December 2022.

<b>30 MAY 2022</b>			
<i>Item</i>	<i>Contributor</i>	<i>Notes</i>	
<b>1</b>	Gainsborough Transport Strategy	Karl Gibson, Senior Project Leader - Highways Infrastructure  Sam Edwards, Head of Highways Infrastructure and Laboratory Services	This report informs the Committee of the plans around this local Transport Strategy for Gainsborough.
<b>2</b>	Speed Limits Review - Task & Finish Group Verbal Progress Update Presentation	Richard Fenwick, County Highways Manager	This is a verbal update on the progress of the Task and Finish Group set up to review Speed Limits across Lincolnshire.
<b>3</b>	Levelling Up Schemes – Verbal Update	Sam Edwards, Head of Highways Infrastructure	This is a verbal update on schemes emerging from the Levelling Up fund.

<b>18 JULY 2022</b>			
<i>Item</i>	<i>Contributor</i>	<i>Notes</i>	
<b>1</b>	Highways Quarter 4 Performance Report (1 January to 31 April 2022)	Karen Cassar, Assistant Director - Highways  Jonathan Evans, Head of Highways, Client and Contract Management  Nicole Hilton, Assistant Director - Communities  Verity Druce, Head of Transformation - Transport  Steven Batchelor, LRSP Senior Manager	This is the quarterly performance report.
<b>2</b>	Highways – Gully Cleansing/Repair and Surface Water Flooding	Richard Fenwick, Head of Highways Asset and Local Management Services	This is a regular update report submitted to this Committee.

<b>18 JULY 2022</b>		
<i>Item</i>	<i>Contributor</i>	<i>Notes</i>
<b>3</b>	Passenger Transport Annual Update  Nicole Hilton, Assistant Director - Communities  Helen Reek, Senior Projects Officer, Transport Services	This is an annual report on passenger transport services.

<b>12 SEPTEMBER 2022</b>		
<i>Item</i>	<i>Contributor</i>	<i>Notes</i>
<b>1</b>	Highways Infrastructure Asset Management Strategy and Highways Infrastructure Asset Management Plan (Pre-decision Scrutiny)  Clair Dixon, Policy and Strategic Asset Manager	The views of the Committee will be sought ahead of the item being considered by the Executive for a decision on 1 November 2022 (TBC).
<b>2</b>	Highways Quarter 1 Performance Report (1 April 2022 to 30 June 2022)  Karen Cassar, Assistant Director - Highways Johnathan Evans, Head of Highways, Client and Contract Management Nicole Hilton, Assistant Director - Communities Verity Druce, Head of Transformation - Transport	This is the quarterly performance report.
<b>3</b>	Transport Quarter 1 Performance Report  Nicole Hilton, Assistant Director - Communities  Verity Druce, Head of Transformation - Transport	This is a quarterly performance report on transport services.

<b>24 OCTOBER 2022</b>			
<i>Item</i>	<i>Contributor</i>	<i>Notes</i>	
<b>1</b>	Route and Place Based Transport Strategies Annual Report	Sam Edwards, Head of Highways Infrastructure	This is an annual report of the Route and Place Based Transport Strategies.
<b>2</b>	Transport Connect Updates	Nicole Hilton, Assistant Director - Communities  Helen Reek, Senior Projects Officer, Transport Services	This is an annual update report of the Transport Connect Service.

<b>12 DECEMBER 2022</b>			
<i>Item</i>	<i>Contributor</i>	<i>Notes</i>	
<b>1</b>	Highways Quarter 2 Performance Report (1 July to 30 September 2022)	Karen Cassar, Assistant Director - Highways Johnathan Evans, Head of Highways, Client and Contract Management Nicole Hilton, Assistant Director - Communities Verity Druce, Head of Transformation - Transport	This is the quarterly performance report.
<b>2</b>	Highways – Gully Cleansing/Repair and Surface Water Flooding-Update	Richard Fenwick, County Highways Manager  Shaun Butcher, County Programme Manager	This is a regular update report submitted to this Committee.
<b>3</b>	Transport Connect Ltd - Teckal Company Update Report	Verity Druce, Head of Transformation - Transport	This is an update report on the Transport Connect Ltd - Teckal Company.

**Potential Items to be Scheduled**

- Process for the adoption of Private Streets
- Civil Parking Enforcement Annual Report 2021 – 2022 (January 2023)
- Road Safety Partnership Update (March 2023)
- Winter Service Plan 2022/23 (September 2022, TBC)
- Revenue and Capital Budget Proposals 2023/24 (January 2023)

## FLOOD AND WATER MANAGEMENT SCRUTINY COMMITTEE

### ACTIVITY

Since its last report to the Board, the Committee has met on 21 February 2022 with a second meeting due on 23 May 2022. Full details on all the items considered at these meetings are available on the County Council's website:

<https://lincolnshire.moderngov.co.uk/mgCommitteeDetails.aspx?ID=581>

Set out below is a summary of the outcomes since the last update in November 2021:

<b>21 FEBRUARY 2022</b>	
<i>Item</i>	<i>Summary of Outcomes</i>
<b>1</b> Development Fund - Drainage Investigations & Flood Repairs - Progress on Programme Delivery	<p>The Committee received an update report on progress with the Development Fund for Drainage Investigations and Flood Repairs.</p> <p>The following points were discussed:</p> <ul style="list-style-type: none"> <li>• The flood repairs budget had successfully delivered programmed schemes.</li> <li>• Near misses concerning residential flooding were recorded but were not categorised as Section 19 incidents.</li> <li>• Flood works at Bardney were under the remit of the Highways budget and did come under the Development Fund.</li> <li>• Flood works at Cherry Willingham had been delayed as a need for a detailed modelling survey had been identified.</li> <li>• Flood works may not be prioritised if they existed under the remit of the Highways budget, and that incidental reporting of residential flooding could be made more robust, as in Section 19 reporting.</li> </ul>
<b>2</b> Lincolnshire Homeowner Property Flood Resilience Assistance Scheme Update	<p>The Committee received an update report on progress with the development and promotion of the Council's pilot approach to enhancing the resilience of properties.</p> <p>The following points were discussed:</p> <ul style="list-style-type: none"> <li>• Common flood prevention controls had been used throughout the trial.</li> </ul>

**21 FEBRUARY 2022**

		<ul style="list-style-type: none"><li>• Wider publicity of the scheme was needed.</li><li>• Owners were hesitant to formally identifying their house as being at risk of flooding due to impacts on insurance costs and resale value.</li><li>• Applications for solar panel farms in Lincolnshire were being processed through the national infrastructure project and assessed by the strategic planning team.</li></ul>
<b>3</b>	Lincolnshire Riparian Project Update	<p>The Committee received a report on progress with the development of the Council's approach to the network of riparian watercourses.</p> <p>The following points were discussed:</p> <ul style="list-style-type: none"><li>• Greater engagement and education regarding riparian rights and responsibilities were needed.</li><li>• Greater oversight of developments that replaced dikes and ditches with pipes was needed.</li><li>• There were substantial limitations in funding to make enforcement more robust.</li><li>• Section 25 enforcement was only actioned as a last resort.</li><li>• Riparian rights could be included in County News.</li></ul>
<b>4</b>	Flood Risk Team Update (including Section 19 investigations)	<p>The Committee received an update report on the recent work of the Flood Risk Team.</p> <p>The following points were discussed:</p> <ul style="list-style-type: none"><li>• The Riparian watercourse on Altham Terrace, Lincoln had been blocked and works scheduled to resolve the issue had not yet been completed.</li><li>• Reports of near misses were made public (except for that where personal information was being disclosed).</li><li>• Over 200 investigations into reports of near misses emerged from adverse weather in 2019-20.</li><li>• A Section 19 investigation into Waddingham Bank was currently underway.</li><li>• A Section 19 investigation into Long Bennington was currently delayed due to complexities concerning ownership.</li></ul>



**21 FEBRUARY 2022**

<b>5</b>	Local Flood Incident Management - Draft Memorandum of Understanding between LCC and District Councils	<p>The Committee received a report on the draft Memorandum of Understanding (MoU) between local authorities for localised emergency events.</p> <p>Members discussed the report and welcomed the MoU giving greater clarity concerning emergency responses and financial responsibility.</p>
<b>6</b>	Environment Agency (EA) Update	<p>The Committee received a report on EA's recent activities.</p> <p>The following points were discussed:</p> <ul style="list-style-type: none"><li>• The pace of flood defence maintenance needed to be increased to meet the pressures brought about by climate change.</li><li>• Works were needed to repair the slipping footpath along Altham Terrace, Lincoln and Dixon Street.</li><li>• The Lower Witham Project was crucial to mitigating flood risk in Lincoln.</li><li>• Maintenance of rivers needed attention, especially considering mud and weed build-up in places such as Chapel Hill.</li><li>• Members welcomed the opening up of rivers for amenity leisure use, and that the Slea and Witham showed great potential.</li><li>• Members also sought clarity on funding for the Lower Witham Project to evaluate whether sufficient resources were allocated.</li></ul>
<b>7</b>	Anglian Water (AW) Update	<p>The Committee received a report on AW's recent activities.</p> <p>Further to the previous presentation by EA (above), it was highlighted that works at Altham Terrace, Lincoln had been delayed by approximately one month due to complexities concerning conditions. The contractors were to continue with cutting down roots and relining the pipe in the coming weeks.</p>

**23 MAY 2022**

<i>Item</i>		<i>Summary of Outcomes</i>
<b>1</b>	Flood Risk Team Update (including Section 19 investigations)	To be advised.
<b>2</b>	Environment Agency Update	To be advised.
<b>3</b>	Anglian Water Update	To be advised.

## PLANNED WORK

Set out below are the items planned for future meetings of the Committee, up to December 2022.

<b>19 SEPTEMBER 2022</b>			
<i>Item</i>		<i>Contributor</i>	<i>Notes</i>
<b>1</b>	Flood Risk Team Update (including Section 19 investigations)	Matthew Harrison, Flood Manager	This is a regular update received by this Committee.
<b>2</b>	Environment Agency Update	Environment Agency	This is a regular update received by this Committee.
<b>3</b>	Anglian Water Update	Anglian Water	This is a regular update received by this Committee.

<b>21 NOVEMBER 2022</b>			
<i>Item</i>		<i>Contributor</i>	<i>Notes</i>
<b>1</b>	Flood Risk Team Update (including Section 19 investigations)	Matthew Harrison, Flood Manager	This is a regular update received by this Committee.
<b>2</b>	Environment Agency Update	Environment Agency	This is a regular update received by this Committee.
<b>3</b>	Anglian Water Update	Anglian Water	This is a regular update received by this Committee.

### **Potential Items to be Scheduled**

- Riparian Watercourse Project – Progress and Next Steps
- Natural Flood Management
- Coastal Adaptation Strategy
- Red Diesel Ban – Impact on Internal Drainage Boards
- South Lincolnshire Reservoir Update and Project Overview
- Flooding near misses across the county
- Digby Flood Alleviation Scheme – Report on outcomes

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**Open Report on behalf of Andrew Crookham, Executive Director - Resources**

Report to:	<b>Overview and Scrutiny Management Board</b>
Date:	<b>26 May 2022</b>
Subject:	<b>Overview and Scrutiny Management Board Work Programme</b>

**Summary:**

This item informs the Board of its current work programme for 2022.

**Actions Required:**

This item is for information only.

## **1. Background**

### Work Programme

The current version of the work programme for the Overview and Scrutiny Management Board is set out in Appendix A.

### Executive Forward Plan

The Executive Forward Plan of key decisions is set out at Appendix B. This is background information for the Board to ensure that all key decisions are scrutinised by the relevant scrutiny committee.

## **2. Conclusion**

This item is to inform the Overview and Scrutiny Management Board of its current work programme for 2022, which is attached at Appendix A to this report.

## **3. Consultation**

### **a) 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	Forward Plan of Decisions

#### 5. Background Papers

No background papers as defined in section 100D of the Local Government Act 1972 were relied upon in the writing of this report.

This report was written by Nigel West, Head of Democratic Services and Statutory Scrutiny Officer, who can be contacted by e-mail at [nigel.west@lincolnshire.gov.uk](mailto:nigel.west@lincolnshire.gov.uk)

**OVERVIEW AND SCRUTINY MANAGEMENT BOARD**

Each agenda includes the following standard items:

- Call-in (if required)
- Councillor Call for Action (if required)

26 May 2022			
Item		Contributor	Purpose
1.	Delivery of HR Administration, Payroll, Exchequer, Adult Care Finance and the Customer Service Centre (CSC)	Sophie Reeve, Assistant Director – Commercial	Pre-Decision Scrutiny (Executive decision on 7 June 2022)
2.	Business World ERP System Re-Design Update	Andrew McLean, Assistant Director – Corporate Transformation, Programmes and Performance Louisa Harvey, ERP System Delivery Manager, Business World Sadie Rossington, Senior Project Officer	Performance Scrutiny
3.	Approval to Procure Contracts for Temporary Agency Staff	Tony Kavanagh, Assistant Director – HR and Organisational Support Leanne Fotherby, Senior Commercial and Procurement Officer Alison Miller, Talent and Resourcing Manager	Pre-Decision Scrutiny (Executive Decision on 7 June 2022)
4.	People Management Update - Quarter 4	Tony Kavanagh, Assistant Director – HR and Organisational Support	Performance Scrutiny

26 May 2022		
Item	Contributor	Purpose
5.	<p>Developer Contributions Scrutiny Review – Second Monitoring Update of Action Plan</p> <p>Justin Brown, Assistant Director – Growth</p> <p>Warren Peppard, Head of Development Management</p>	Scrutiny Review Activity
6.	<p>Overview and Scrutiny Work Programmes</p> <ul style="list-style-type: none"> <li>• Environment and Economy Scrutiny Committee</li> <li>• Highways and Transport Scrutiny Committee</li> <li>• Flood and Water Management Scrutiny Committee</li> </ul> <p>Chairman of Environment and Economy Scrutiny Committee</p> <p>Chairman of Highways and Transport Scrutiny Committee</p> <p>CLlr Paul Skinner, Chairman of the Flood and Water Management Scrutiny Committee</p>	Performance Scrutiny

30 June 2022		
Item	Contributor	Purpose
1.	<p>Corporate Plan Success Framework 2021/22 – Quarter 4</p> <p>Caroline Jackson, Head of Corporate Performance</p>	Pre-Decision Scrutiny (Executive decision on 5 July 2022)
2.	<p>Integrated Care Partnership</p> <p>Michelle Andrews, Assistant Director - ICS</p>	Pre-Decision Scrutiny (Executive Decision on 5 July 2022)
3.	<p>Establishment of the Legal Services Company – Progress Report</p> <p>David Coleman, Chief Legal Officer</p>	Performance Scrutiny
4.	<p>Procurement of LCC Telephony System</p> <p>Lucy Robertson, Senior Project Officer</p>	Pre-Decision Scrutiny (Executive decision on 5 July 2022)



<b>30 June 2022</b>			
<b>Item</b>		<b>Contributor</b>	<b>Purpose</b>
<b>5.</b>	Update on IMT Service Plan and Serco Contract Performance	John Wickens, Assistant Director - IMT and Enterprise Architecture Paul Elverstone, Lead IT Contract & Vendor Relationship Officer	Performance Scrutiny
<b>6.</b>	Review of Financial Performance 2021/22	Michelle Grady, Assistant Director - Finance	Pre-Decision Scrutiny (Executive decision on 5 July 2022)
<b>7.</b>	Treasury Management Annual Report 2021/22	Karen Tonge, Treasury Manager Chris Scott, Link Asset Services	Performance Scrutiny
<b>8.</b>	Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> <li>• Adults and Community Wellbeing Scrutiny Committee</li> <li>• Health Scrutiny Committee</li> </ul>	Cllr Hugo Marfleet, Chairman of Adults and Community Wellbeing Scrutiny Committee Cllr Carl Macey, Chairman of Health Scrutiny Committee	Performance Scrutiny
<b>9.</b>	Grantham Fire Station Refurbishment (EXEMPT)	Dave Pennington, Head of Property Development	Pre-Decision Scrutiny (Executive decision on 5 July 2022)

<b>25 August 2022</b>			
<b>Item</b>		<b>Contributor</b>	<b>Purpose</b>
<b>1.</b>	Corporate Plan Success Framework 2022/23 – Quarter 1	Caroline Jackson, Head of Corporate Performance	Pre-Decision Scrutiny (Executive decision on 6 September 2022)

25 August 2022			
Item		Contributor	Purpose
2.	Insurance Strategy	Mandy Knowlton-Rayner, Insurance and Risk Lead	Pre-Decision Scrutiny (Leader Decision between 5 – 9 September 2022)
3.	People Management Update - Quarter 1	Tony Kavanagh, Assistant Director – HR and Organisational Support	Performance Scrutiny
4.	Revenue Budget Monitoring Report 2022/23 – Quarter 1 to 30 June 2022	Michelle Grady, Assistant Director - Finance	Pre-Decision Scrutiny (Executive decision on 6 September 2022)
5.	Capital Budget Monitoring Report 2022/23 – Quarter 1	Michelle Grady, Assistant Director - Finance	Pre-Decision Scrutiny (Executive decision on 6 September 2022)
6.	Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> <li>Children and Young People Scrutiny Committee</li> <li>Public Protection and Communities Scrutiny Committee</li> </ul>	Cllr Rob Kendrick, Chairman of Children and Young People Scrutiny Committee  Cllr Nigel Pepper, Chairman of Public Protection and Communities Scrutiny Committee	Performance Scrutiny

29 September 2022			
Item		Contributor	Purpose
1.	Transformation Programme Update ( <i>with focussed overview on the Children in Care project</i> )	Andrew McLean, Assistant Director – Corporate Transformation, Programmes and Performance  Clare Rowley, Head of Transformation	Performance Scrutiny

<b>29 September 2022</b>			
<b>Item</b>		<b>Contributor</b>	<b>Purpose</b>
<b>2.</b>	Update on IMT Services <ul style="list-style-type: none"> <li>• Project Portfolio</li> </ul>	Donna Fryer, Head of Portfolio and Resources	Performance Scrutiny
<b>3.</b>	Treasury Management Performance 2022/23 - Quarter 1 to 30 June 2022	Karen Tonge, Treasury Manager	Performance Scrutiny
<b>4.</b>	Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> <li>• Environment and Economy Scrutiny Committee</li> <li>• Highways and Transport Scrutiny Committee</li> </ul>	Chairman of Environment and Economy Scrutiny Committee Chairman of Highways and Transport Scrutiny Committee	Performance Scrutiny

<b>27 October 2022</b>			
<b>Item</b>		<b>Contributor</b>	<b>Purpose</b>
<b>1.</b>	Performance of the Corporate Support Services Contract	Sophie Reeve, Assistant Director - Commercial Arnd Hobohm, Serco Contract Manager	Performance Scrutiny
<b>2.</b>	Health and Safety Annual Report 2021/22	Fraser Shooter, Health and Safety Team Leader	Performance Scrutiny
<b>3.</b>	Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> <li>• Adults and Community Wellbeing Scrutiny Committee</li> <li>• Health Scrutiny Committee</li> </ul>	Cllr Hugo Marfleet, Chairman of Adults and Community Wellbeing Scrutiny Committee Cllr Carl Macey, Chairman of Health Scrutiny Committee	Performance Scrutiny

<b>24 November 2022</b>			
<b>Item</b>		<b>Contributor</b>	<b>Purpose</b>
<b>1.</b>	Corporate Plan Success Framework 2022/23 – Quarter 2	Caroline Jackson, Head of Corporate Performance	Pre-Decision Scrutiny (Executive decision on 6 December 2022)
<b>2.</b>	Draft Infrastructure Funding Statement 2021/22	Brendan Gallagher, Principal Planning Officer – Infrastructure	Pre-Decision Scrutiny (Executive decision on 6 December 2022)
<b>3.</b>	People Management Update - Quarter 2	Tony Kavanagh, Assistant Director – HR and Organisational Support	Performance Scrutiny
<b>4.</b>	Revenue Budget Monitoring Report 2022/23 – Quarter 2 to 30 September 2022	Michelle Grady, Assistant Director - Finance	Pre-Decision Scrutiny (Executive decision on 6 December 2022)
<b>5.</b>	Capital Budget Monitoring Report 2022/23 – Quarter 2 to 30 September 2022	Michelle Grady, Assistant Director - Finance	Pre-Decision Scrutiny (Executive decision on 6 December 2022)
<b>6.</b>	Treasury Management Performance 2022/23 - Quarter 2 to 30 September 2022	Karen Tonge, Treasury Manager	Performance Scrutiny
<b>7.</b>	Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> <li>• Children and Young People Scrutiny Committee</li> <li>• Public Protection and Communities Scrutiny Committee</li> </ul>	Cllr Rob Kendrick, Chairman of Children and Young People Scrutiny Committee  Cllr Nigel Pepper, Chairman of Public Protection and Communities Scrutiny Committee	Performance Scrutiny

15 December 2022		
Item	Contributor	Purpose
<b>1.</b> Update on IMT Services <ul style="list-style-type: none"> <li>• Data Services</li> <li>• Service KPI's &amp; Service Issues</li> </ul>	Sue Cline, Head of Data Services and Business Intelligence  Paul Elverstone, Lead IT Contract & Vendor Relationship Officer	Performance Scrutiny
<b>2.</b> Developer Contributions Scrutiny Review – Third Monitoring Update of Action Plan	Justin Brown, Assistant Director – Growth  Warren Peppard, Head of Development Management	Scrutiny Review Activity
<b>3.</b> Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> <li>• Environment and Economy Scrutiny Committee</li> <li>• Highways and Transport Scrutiny Committee</li> <li>• Flood and Water Management Scrutiny Committee</li> </ul>	Chairman of Environment and Economy Scrutiny Committee  Chairman of Highways and Transport Scrutiny Committee  Cllr Paul Skinner, Chairman of the Flood and Water Management Scrutiny Committee	Performance Scrutiny

**Items to be programmed:**

- Insurance Tender (Pre-Decision Scrutiny) – March 2023

**For more information about the work of the Overview and Scrutiny Management Board please contact Tracy Johnson, Senior Scrutiny Officer, by e-mail at**

**[Tracy.Johnson@lincolnshire.gov.uk](mailto:Tracy.Johnson@lincolnshire.gov.uk)**

**FORWARD PLAN OF KEY DECISIONS FROM 01 JUNE 2022**

PUBLISH DATE 3 MAY 2022

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
I026023	Re-procurement of the Temporary Agency Staffing Contract	Open	Executive 7 Jun 2022	Overview and Scrutiny Management Board	Reports	Senior Commercial and Procurement Officer E-mail: <a href="mailto:leanne.fotherby@lincolnshire.gov.uk">leanne.fotherby@lincolnshire.gov.uk</a>	All Divisions
I025180	Options for the Future Delivery of HR Admin, Payroll, Exchequer, ASC Finance and the Customer Service Centre (CSC)	Open	Executive 7 Jun 2022	Internal consultation with CLT, Commissioning Board and Overview and Scrutiny Management Board	Reports	Assistant Director - Commercial E-mail: <a href="mailto:sophie.reeve@lincolnshire.gov.uk">sophie.reeve@lincolnshire.gov.uk</a>	n/a
I026119	Procurement of LCC Telephony System	Open	Executive 5 Jul 2022	Executive Councillor for Highways, Transport and IT, Executive Director – Resources, CLT, Informal Executive, Overview and Scrutiny Management Board	Reports	Assistant Director - IMT and Enterprise Architect e-mail: <a href="mailto:john.wickens@lincolnshire.gov.uk">john.wickens@lincolnshire.gov.uk</a>	N/A
I026118	The Lincolnshire Secure Children's Home - New Build	Exempt	Executive 5 Jul 2022	DLT/Executive DLT/Children and Young People Scrutiny Committee	Reports	Head of Service - Children in Care Transformation E-mail: <a href="mailto:tara.jones@lincolnshire.gov.uk">tara.jones@lincolnshire.gov.uk</a>	All Divisions
I025706	Re-commissioning of Best Start Lincolnshire services	Open	Executive 5 Jul 2022	Children and Young People Scrutiny Committee	Reports	Commissioning Manager - Children's Strategic Commissioning E-mail: <a href="mailto:saraj.gregory@lincolnshire.gov.uk">saraj.gregory@lincolnshire.gov.uk</a>	All Divisions
I025704	Family Hub Feasibility Study - decision to progress to development stage	Open	Executive 5 Jul 2022	Internal SLT, CSTM's, Early Help Governance Group, LSCP, Children and Young People Scrutiny Committee	Reports	Head of Service - Boston/South Holland Locality Area E-mail: <a href="mailto:tara.jones@lincolnshire.gov.uk">tara.jones@lincolnshire.gov.uk</a>	All Divisions

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
I025544	Review of Financial Performance 2021/22	Open	Executive 5 Jul 2022	Overview and Scrutiny Management Board	Reports	Assistant Director - Finance e-mail: <a href="mailto:michelle.grady@lincolnshire.gov.uk">michelle.grady@lincolnshire.gov.uk</a>	All Divisions
I026240 New!	Surplus Land Disposal	Open	Executive Councillor: People Management, Legal and Corporate Property  Between 18 Jul 2022 and 29 Jul 2022	Leader of the Council, Executive Councillor for People Management, Legal and Corporate Property, Executive Director – Resources, Property Board	Reports	Interim Assistant Director - Corporate Property e-mail: <a href="mailto:paulm.smith@lincolnshire.gov.uk">paulm.smith@lincolnshire.gov.uk</a>	Bourne North and Morton
I026216 New!	Residential Estate Expansion Programme - Children's Home Louth	Exempt	Leader of the Council (Executive Councillor: Resources, Communications and Commissioning)  Between 1 Sep 2022 and 22 Sep 2022	Children and Young People Scrutiny Committee	Reports	Head of Property Development E-mail: <a href="mailto:Dave.pennington@lincolnshire.gov.uk">Dave.pennington@lincolnshire.gov.uk</a>	Louth North; Louth South
I025685	Re-Commissioning of Domestic Abuse Services	Open	Executive 6 Sep 2022	Public Protection and Communities Scrutiny Committee	Reports	Commercial and Procurement Manager E-mail: <a href="mailto:carl.miller@lincolnshire.gov.uk">carl.miller@lincolnshire.gov.uk</a>	All Divisions
I021049	The Expansion of St Lawrence's School, Horncastle	Exempt	Leader of the Council (Executive Councillor: Resources, Communications and Commissioning)  Between 14 Sep 2022 and 21 Sep 2022	Children and Young People Scrutiny Committee	Reports	Head of Property Development Email: <a href="mailto:Dave.Pennington@lincolnshire.gov.uk">Dave.Pennington@lincolnshire.gov.uk</a>  Programme Manager, Special Schools Strategy Email: <a href="mailto:Eileen.McMorrow@lincolnshire.gov.uk">Eileen.McMorrow@lincolnshire.gov.uk</a>	Horncastle and the Keals

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
I026109	Household Waste Recycling Centre Operational Contract Procurement	Open	Executive Councillor: Waste and Trading Standards  Between 1 Nov 2022 and 4 Nov 2022	Environment and Economy Scrutiny Committee	Reports	Head of Waste E-mail: <a href="mailto:mike.reed@lincolnshire.gov.uk">mike.reed@lincolnshire.gov.uk</a>	All Divisions
I026178 New!	Specialist Adults Accommodation at Grange Farm, Market Rasen	Open	Executive  6 Dec 2022	Adults and Community Wellbeing Scrutiny Committee	Reports	Senior Project Manager - Corporate Property E-mail: <a href="mailto:emma.rowitt@lincolnshire.gov.uk">emma.rowitt@lincolnshire.gov.uk</a>	Market Rasen Wolds
I025746	Recommissioning of Children with Disabilities services	Open	Executive  7 Feb 2023	Children and Young People Scrutiny Committee	Reports	Strategic Commissioning Manager E-mail: <a href="mailto:mark.rainey@lincolnshire.gov.uk">mark.rainey@lincolnshire.gov.uk</a>  Strategic Commissioning Head of Service E-mail: <a href="mailto:charlotte.grey@lincolnshire.gov.uk">charlotte.grey@lincolnshire.gov.uk</a>	All Divisions