

**OVERVIEW AND SCRUTINY MANAGEMENT  
BOARD  
15 DECEMBER 2022**

**PRESENT: COUNCILLOR R B PARKER (CHAIRMAN)**

Councillors T J N Smith (Vice-Chairman), Mrs J Brockway, M Brookes, I D Carrington, P M Dilks, C S Macey, N H Pepper and W H Gray

**Added Members**

Councillors: R D Butroid, M J Hill OBE attended the meeting as observers.

M A Whittington attended the meeting as an observer via Microsoft Teams.

**Officers in attendance:-**

David Coleman (Chief Legal Officer), Andrew Crookham (Executive Director Resources), Louisa Harvey (ERP System Delivery Manager), Tracy Johnson (Senior Scrutiny Officer), Tony Kavanagh (Assistant Director – Human Resources and Organisational Support), Andrew McLean (Assistant Director - Transformation), Warren Peppard (Head of Development Management), Sophie Reeve (Assistant Director - Commercial), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer), Emily Wilcox (Democratic Services Officer), Fiona Fielding (Senior Commercial and Procurement Officer), Mark Williams (Business Change Manager for Mosaic) and Kiara Chatziioannou (Scrutiny Officer)

**76 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS**

Apologies for absence were received from Councillor R J Kendrick, Councillor E W Strenghel and Debbie Barnes OBE.

It was reported that, under Regulation 13 of the Local Government (Committee and Political Groups) Regulations 1990, Councillor W H Gray had been appointed as a replacement Member for Councillor R Kendrick, for this meeting only.

**77 DECLARATIONS OF INTEREST**

All declarations will be recorded under the relevant minute item.

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78 MINUTES OF THE MEETING HELD ON 24 NOVEMBER 2022

RESOLVED:

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

79 ANNOUNCEMENTS BY THE CHAIRMAN, EXECUTIVE COUNCILLORS AND CHIEF OFFICERS

The Chairman announced that John Wickens, Assistant Director – IMT and Enterprise Architecture would be leaving the Council at the end of the month and recorded the Board's thanks for his support to the Board.

The Chairman had attended the last meeting of the Executive on the 6<sup>th</sup> December to present the Board's comments on the Corporate Plan Success Framework for Quarter 2 and the Revenue and Capital Budget Monitoring reports. The Board noted responses given from the Executive.

The Executive Director – Resources advised that the local Government finance settlement was expected to be announced on the 21<sup>st</sup> December.

The Executive Councillor for People Management, Legal and Corporate Property recorded his thanks to the Legal team for their efforts on the establishment of the Council's Legal Services Company.

80 CONSIDERATION OF CALL-INS

None had been received.

81 CONSIDERATION OF COUNCILLOR CALLS FOR ACTION

None had been received.

82 COMMISSIONING OF THE SOCIAL CARE CLIENT INFORMATION SYSTEM

Consideration was given to a report by the Interim Head of Corporate Systems, which invited the Board to consider a report on the Commissioning of the Social Care Client Information System which was due to be reported to the Executive on 4 January 2023. The report sought approval for the re-commissioning of the Mosaic social care client information system via a direct contract award with Access Group for an initial period of five years. The current system development; commissioning approach; the cost of the contract and the alternatives considered were also highlighted.

The Board supported the recommendations to the Executive, and during the discussion the following points were noted:

- **Marketplace**

The Board explored the alternative suppliers for a social care client information system. It was confirmed that it was a very niche market, and the other main supplier was Liquid Logic which had a similar share of the market as Mosaic. There were also smaller systems which were not used to the same extent as Mosaic and Liquid Logic by local authorities.

- **Commissioning Approach**

The Crown Commercial Service framework agreement would provide the ability to bespoke the service level agreements. These had been reviewed with the Access Group in line with the current service level agreements to ensure that they were suitable for the Council and that the Council would be able to directly manage the contract as it would like to.

It was confirmed that it was currently unclear what would replace the Crown Commercial Service framework, which was due to end shortly. The Crown Commercial Service framework did create great flexibility and there was familiarity within the Council with how the framework worked. However, there would always be the option of the Council conducting its own tender process and letting the market bid for the work with the Council.

- **Costings**

The Board reflected on the unknown costs for renewal and the potential increase in costs year on year, such as from the current £352,000 per annum to an anticipated £397,000 for 2023/24 due to current levels of index-linked inflationary increases. The contract could be implemented for up to seven years, and each year the costs would increase in line with index-linked inflation. It was confirmed that there was currently no protection in place from future inflationary increases, but there was an option to try to enter into a fixed price contract instead. This would depend on whether it would be more advantageous to be in a fixed price contract or rely on indexation each year.

RESOLVED:

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

**83      CONTRACT RENEWAL FOR THE SUPPLY OF ELECTRICITY 2024 - 2028**

Consideration was given to a report by the Senior Commercial and Procurement Officer, which invited the Board to consider a report on the Contract Renewal for the Supply of Electricity 2024-2028 which was due to be considered by the Leader of the Council (Executive Councillor for Resources, Communications and Commissioning) between the 19<sup>th</sup> and 23<sup>rd</sup> December 2022.

The report set out the current arrangements for the contract; the framework performance, plans for governance and benchmarking criteria. It was recommended that the Leader of the Council (Executive Councillor for Resources, Communications and Commissioning) approved:

1. the Council procuring electricity through the renewed ESPO electricity framework October 2024 – September 2028;
2. the appointment of Total Gas and Power as the supplier to manage the non-commodity provision; and
3. the purchase of brown electricity for the period October 2024-October 2025 reviewing thereafter on an annual basis.

The Board supported the recommendations to the Leader of the Council and during the discussion the following points were noted:

- **Green versus Brown Electricity**

The Board explored the rationale for the recommendation to buy brown instead of green electricity. It was confirmed that the cost differential between green and brown electricity was much greater than for gas. The Council had previously brought green gas as the cost differential was much smaller. It was expected that due to the volatility in the market, the cost differential between green and brown electricity would increase over the next 12 months which would make it less affordable. ESPO had predicted the cost differential to increase by another £100,000, which would equate to an additional cost of around £331,000 per annum for 100% green electricity based on 2022/23 usage. Given the cost pressures of approximately £60m facing the Council next year, any potential savings needed to be considered.

The Board reflected on the fact that 50% of the Council's brown electricity came from renewable sources and questioned why this did not count as green electricity. It was confirmed that it had to be guaranteed green electricity to count and if it was not 100% green electricity then it was counted as brown electricity. All electricity companies were bound to become net zero by 2050 which meant that there was a move towards producing more green electricity and the 50% figure for renewable sources would continue to increase up to 2050.

- **Environmental Benefits**

The Board reflected on what considerations had been given to the potential environmental benefits, such as the reduction in carbon emissions, from buying green electricity and what would be the tipping point for moving to green electricity. It was confirmed that discussions had taken place with officers who were working on the Council's green agenda, and it was considered that the money would currently be better spent on strategies and projects to reduce the Council's electricity consumption than to pay the cost differential for green electricity. No clarification could be provided as to what the environmental benefits would be from purchasing 100% green electricity.

The Board recommended that further work should be undertaken to understand the environmental benefits of buying 100% green electricity and requested that the briefing paper which had been produced on the cost versus benefits of green and brown electricity be circulated to the Board.

RESOLVED:

1. That the recommendations to the Leader of the Council, as set out in the report, be supported;
2. That a summary of the comments made, as recorded, be passed on to the Leader of the Council for his consideration.

84 BUSINESS WORLD ERP SYSTEM RE-DESIGN UPDATE

Consideration was given to a report by the Assistant Director – Corporate Transformation, Programmes and Performance, which provided an update on the progress of the re-design of the Council's Business World system, following a move to the Hoople Ltd Platform, of which the Council was now a shareholder. The report provided an update on the current governance arrangements, project milestones, key functional areas; data; change management and implementation. The Board noted that the newly designed Business World ERP System was on track for a launch date of 1 April 2023.

Consideration was given to the report and during the discussion the following points were noted:

- The Board welcomed the success of the data migration.
- Following concerns raised over the inability to complete all areas of testing, Members were reassured that all testing would be completed despite the backlog of tests due to previous connectivity issues with the Council's VPN in September 22. Assurance was also provided that the team had implemented the necessary resources, including daily meetings between test managers, finance and payroll colleagues to ensure that all relevant testing would be carried out prior to the system launch.

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- The recruitment of a number of temporary payroll staff as a result of labour shortages had led to a significant increase in input errors during the payroll parallel run process. Assurance was provided that the introduction of mandatory fields and extensive training to an existing team of staff would also alleviate many future data input issues.
- The Council acted as quickly as possible upon the realisation that Unit 4 were no longer developing the existing cash and income manager system. Reassurance was provided that the Council had no prior knowledge of the issues which had led to a sudden need to include a change to the income module and move to Hey Centric.

RESOLVED

1. That the report be reviewed, and the feedback provided be taken under consideration;
2. That a further update to reflect upon the outcome of go-live and the first payroll in the new system, be scheduled for May 2023.

85 DEVELOPER CONTRIBUTIONS SCRUTINY REVIEW - FINAL MONITORING UPDATE OF ACTION PLAN

*During this item, Councillor I Carrington declared a non-pecuniary interest as a member of a District Planning Committee, a District Representative for the Central Lincolnshire Joint Strategic Planning Committee and as being professionally involved in Planning matters.*

Consideration was given to a report by the Head of Development Management, which set out the final monitoring update on the recommendations from Scrutiny Panel A's review on Developer Contributions, including the action plan produced in relation to the Scrutiny Panel A's six recommendations which could be broken down under 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; and
- Demonstrating to the public that the Council has commented on planning applications.

Consideration was given to the report and during the discussion the following points were noted:

- Members thanked and commended officers for their work to improve communication, and the cooperative approach between Members and Planning Officers highlighted the improvement in the quality of development management,

which was now considered to be informative, proactive and had improved the quality of planning applications for residents, officers and Councillors.

- Officers acknowledged the frustration felt by the public when S106 monies was spent outside of their communities but emphasised the importance of local member engagement in providing an opportunity to communicate with communities on these issues.
- Reassurance was provided that despite the limited time allowed for representation by Local Members at Planning Committees, all comments were taken into consideration and carefully considered.
- Officers welcomed the opportunity for further Member engagement and it was suggested that all Members be consulted on whether further training was needed.
- The benefit of engaging with local community groups in the planning process was highlighted.

#### RESOLVED:

1. That the progress made on implementing the recommendations from the Developer Contributions review be recorded;
2. That the processes implemented as part of the recommendations be recognised;
3. That a 'Business as Usual' approach on progress reporting with Developer Contributions through the Council's normal performance management protocols, rather than through the Board, be adopted.

#### 86 ESTABLISHMENT OF THE LEGAL SERVICES COMPANY - UPDATE REPORT

Consideration was given to a report by the Chief Legal Officer, which provided an update on the establishment of a legal services company and its application to be licensed as an Alternative Business Structure (ABS) by the Solicitor's Regulation Authority (SRA). Details were provided on the process for approval from the SRA and the granting of a licence to the company, Legal Services Lincolnshire (Trading) Limited, to operate as a legal practice was finally granted on 5 August 2022 and work was planned to commence to provide services to clients in 2023.

Consideration was given to the report and during the discussion the following points were noted:

- The Board welcomed the establishment of the company.
- Implementation processes were in their final stages and would be considered by a specialist in the compliance of legal practice in the coming weeks.
- Confidential information which would be contained by the company included information relating to specific cases, files relating to external clients and matters of business information.
- Assurance was provided that the in-house team would continue to provide services to the Council and its current partners in the usual way.

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- It was suggested that the Board receive update reports on the legal services company on a six-monthly basis but acknowledged that there was a limit to the information that could be disclosed within reports.

RESOVLED:

That the report be reviewed and that satisfaction be given to the progress made and the future actions.

87 PEOPLE MANAGEMENT UPDATE - QUARTER 2

Consideration was given to a report by the Assistant Director – HR and Organisational Support, which provided an update on HR Management Information (HRMI) and on corporate People Strategy projects for Quarter 2, including update on employments; voluntary turnover; agency spend; sickness; attraction and retention and equality, diversity and inclusion. Members noted that the results of the culture and leadership stocktake were being collated and would be shared in 2023.

Consideration was given to the report and during the discussion the following points were noted:

- It was clarified that the gender pay gap made reference to the pay gap between men and women for all roles within the Council, rather than employees being paid differently for the same role.
- The need for agency staff to cover sickness related absences had significantly reduced since increases during the pandemic, however agency spending was higher than would be preferred. Members were reassured that attraction and retention measures for Council employees and a 'grow your own' approach had been implemented to reduce the need for agency staff.
- A breakdown in the difference in cost between employing people directly through the Council and an agency, and the figures for the total allocated spend for agency staff for each directorate were agreed to be circulated following the meeting. Assurance was provided that agency spend was low in comparison to other councils within the region.
- There was no comparative national figure in which sickness levels were monitored. Benchmarking with other authorities had shown Lincolnshire consistently performed well in terms of overall sickness absence rates.
- Agency contracts for each service area were allocated by a management company based on the needs of the Council.

RESOLVED:

The assurance be given to the HR Management Information and progress on the 2021-24 People Strategy projects.



**88**      SCRUTINY COMMITTEE WORK PROGRAMMES

Consideration was given to a report by the Vice-Chairman of the Children and Young People Scrutiny Committee, which provided an update on the Committee's recent work and future work programme, as set out on pages 106 to 112 of the agenda pack. Since the publication of the agenda, three items for pre-decision scrutiny had been provisionally added onto the work programme, which included an exempt report on Lincoln St Christopher's School and two exempt reports on Lincoln St Francis School and Gosberton House Academy.

In response to a question raised, assurance was provided that the Children and Young People Scrutiny Committee had raised concerns about the ability to monitor the work of Academy Schools and it was agreed that the Committee would look to schedule a report for a future meeting.

The Board also welcomed a report by the Chairman of the Public Protection and Communities Scrutiny Committee, which provided an update on the recent work and planned work programme of the Committee, as set out on pages 113-116 of the agenda pack.

**RESOLVED:**

(1) That satisfaction be given to the activity undertaken since 29 September 2022 by:

- (a) the Children and Young People Scrutiny Committee; and
- (b) the Public Protection and Communities Scrutiny Committee.

(2) The satisfaction be given to the planned work programme of:

- (a) the Children and Young People Scrutiny Committee; and
- (b) the Public Protection and Communities Scrutiny Committee.

**89**      OVERVIEW AND SCRUTINY MANAGEMENT BOARD WORK PROGRAMME

Members noted the report.

The meeting closed at 12.18 pm