

**OVERVIEW AND SCRUTINY MANAGEMENT
 BOARD
 23 FEBRUARY 2023**

PRESENT: COUNCILLOR R B PARKER (CHAIRMAN)

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

Added Members

Councillors: M J Hill OBE, D McNally, H Spratt and attended the meeting as observers

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

Officers in attendance:-

Debbie Barnes OBE (Chief Executive), Andrew Crookham (Executive Director Resources), Lucy Gavens (Consultant - Public Health), Michelle Grady (Assistant Director – Finance), Andy Gutherson (Executive Director Place), Adam Hopley (Head of Finance - Corporate), Caroline Jackson (Head of Corporate Performance), Tracy Johnson (Senior Scrutiny Officer), Sue Maycock (Strategic Finance Lead (Technical)), Mark Popplewell (Head of Finance (Children's Services)), Mike Reed (Interim Head of Waste), Karen Tonge (Treasury Manager), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer), Emily Wilcox (Democratic Services Officer), Steven Campbell (Category Manager - IT), and Simon Evans (Health Scrutiny Officer)

Natasha Langford (Corporate Project Support Officer, Resources), Heather Sandy (Executive Director of Children's Services), Pam Clipson (Head of Finance, Adult Care and Community Wellbeing), Kiara Chatziioannou (Scrutiny Officer) and Keith Noyland (Head of Finance - Communities) attended the meeting virtually.

Chris Scott (Director – Link Asset Services) also attended the meeting virtually.

101 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

Apologies for absence were received from Megan Machin (Parent Governor Representative) and Martin Kyle (Church Representative)

102 DECLARATIONS OF INTEREST

None were declared.

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103 MINUTES OF THE MEETING HELD ON 26 JANUARY 2023

RESOLVED:

That the minutes of the meeting held on 26 January 2023 be approved as a correct record and signed by the Chairman.

104 ANNOUNCEMENTS BY THE CHAIRMAN, EXECUTIVE COUNCILLORS AND CHIEF OFFICERS

The Chairman advised that the Vice Chairman attended the last meeting of the Executive on the 7th February to present the comments from the Board and the scrutiny committees on the Council's budget proposals for 2023/24 where the Executive was advised that the budget proposals for the service areas had been supported by all the scrutiny committees and the financial risks faced for a number of service areas.

105 CONSIDERATION OF CALL-INS

None had been received.

106 CONSIDERATION OF COUNCILLOR CALLS FOR ACTION

None had been received.

107 CORPORATE PLAN SUCCESS FRAMEWORK 2022/23 - QUARTER 3

Consideration was given to a report by the Head of Corporate Performance which invited the Board to consider a report on the Corporate Plan Success Framework for Quarter 3 of 2022/23, prior to a decision by the Executive on 7 March 2023.

The Board welcomed a presentation from the Head of Waste which provided further explanation to the reasons for the key performance indicators for recycling rates not achieving their targets by outlining the waste hierarchy; levels of waste collected; overall recycling rates; rates for the Household Waste Recycling Centre (HWRC) and household waste sent to landfill. During the presentation, it was explained that recycling rates were made up of the amount of recyclable material as a proportion of the overall material that was presented by the public to the HWRC's or into their wheelie bins. The Council had little direct control over recycling rates as they related to what the Council received but could influence them by trying to educate residents about recycling. In addition, the recycling rates did not necessarily demonstrate good or bad performance in terms of a higher recycling rate being better than a lower recycling rate.

The Board supported the recommendation to the Executive, and in considering the report the following points were noted:

Section 4.5 - Waste Pls

PI 37 - Recycling Rate (new national formula) [?](#)

PI 38 - Recycling at County Council owned Household Waste Recycling Centres [?](#)

- In terms of the waste hierarchy, which was introduced in 1975, less material being presented for collection was better as there would be lower environmental and financial costs from disposing of the material.
- The Government was mandating a number of changes to waste collection and disposal through the new Environment Act, including a mandate for a separate collection and disposal of food waste from 2025. This would have an impact on recycling rates which were anticipated to increase by 7% once the County Council and its partners had introduced a separate collection and disposal of food waste. The Government was also introducing enhanced producer responsibility to reduce packaging waste and a deposit return scheme where drinking vessels were returned to the vendor to be recycled more effectively.
- At the 11 HWRCs, there were 25 different waste streams which could be collected and disposed of, which meant there was a 70% recycling rate at HWRCs. In relation to kerbside collections, district councils usually provided three or four wheelie bins for residents but the recycling rate was lower than 40%. This was because residents did not have the same opportunity to segregate material and recycle it better. The challenge was how to enable residents to recycle better and there were imminent changes which were being worked on through the Lincolnshire Waste Partnership. This meant that it was difficult to put any timescales in place for when performance would improve as it was outside of the Council's control.
- Contamination rates for mixed dry recycled material were still being monitored and there had been a slight improvement in this. Contaminated material which had been collected would be disposed of through the Energy from Waste facility. If a kerbside collection was contaminated, then this would be rejected and a warning would be provided to the resident to give them the ability to address the issue. However, the number of kerbside collections rejected due to contamination was miniscule and therefore was not reported on. Contaminated material was deducted from the recycled tonnage figures and when disposed of through the Energy from Waste facility, it was classed as recovery in the waste hierarchy. The education and engagement of residents during the rollout of separate card and paper collections by some of the district councils had also had an impact on the quality and cleanliness of the mixed dry recycled material. More engagement with schools would be undertaken to help promote waste prevention and minimise contamination.


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
Sickness Absence

PI 44 - Days lost to sickness absence per FTE 

- With regards to mental health absences, this was the highest reason for sickness absences but had decreased in Quarter 3. The stigma around mental health was reducing and people were being more open about their mental health status, which could be a factor as to why the figures for mental health absences were higher. The reasons for mental health absences were a mixture of work related and personal issues outside of work. There were several interventions in place to support employees who were struggling with their mental health.

School Performance

PI 1 - Percentage of schools that are judged good or outstanding 

PI 2 - Percentage of pupils in outstanding or good schools 

- The Council only had an influencing role in relation to achieving the targets for these key performance indicators. Ambitious targets had been set as all children should be able to attend a good or outstanding school. Given that a significant number of Lincolnshire schools were academies, the Council worked with the Regional Schools Commissioner to look at how the Council or the Regional School Commissioner could work with academy schools to improve standards.
- Complaints

PI 43 - Percentage of contacts resolved through early resolution 

Due to the volume of complaints received, the complaints team had been unable to cope with the demand and resolve as many as the Council wanted to through early resolution within three to five days. Additional resources had now been put into the complaints team and work had been undertaken with managers, as the complaints team had to go through the manager to carry out the investigation and provide an answer to respond to the complaint within the early resolution timeframe. An annual report on complaints was presented to the Audit Committee, and consideration could be given to more frequent reporting of complaints to the Audit Committee.

- Air Pollution

PI 28 - Percentage of deaths of those aged 30+ associated with air pollution 

The figures used were from a national data set and therefore this measure was dependent on when the data was released. An update would be provided in the Quarter 4 report as to when the next data set would be available.

RESOLVED:

1. That the recommendation 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;
3. That the performance information within the remit of the Board be received.

**108 PROCUREMENT OF A SOFTWARE RESELLER AND STRATEGIC PARTNER FOR
PROVISION OF SOFTWARE LICENCE AND RELATED SERVICES**

Consideration was given to a report by the Executive Director – Resources which invited the Board to consider a report on the Procurement of a Software Reseller and Strategic Partner for Provision of Software License and related services, prior to its consideration by the Executive Councillor for Highways, Transport and IT between the 27th February 2023 and 10th March 2023.

The Board supported the recommendations to the Executive Councillor and in considering the report the following points were noted:

- Equal weighting would be applied in the evaluation to price and quality, as set out in paragraph 12 of the background section of the report. This would provide the flexibility to ensure the best value within the government’s memorandum of understanding.
- A key role for the reseller would be assisting with the rationalisation of the Council’s licences with Microsoft, so as to ensure the Council was only deploying the licences it needed and also to avoid ‘over-specification’. As part of the evaluation process, it was expected that expertise in achieving rationalisation in other organisations would be demonstrated. This could be the means of differentiating between ‘excellent’ resellers bidding for the contract. Any rationalisation achieved could lead to reductions in expenditure and savings for the Council.

RESOLVED:

1. That the recommendations to the Executive Councillor be supported;
2. That a summary of the comments made be passed on to the Executive Councillor as part of his consideration of this item.

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109 PEOPLE MANAGEMENT UPDATE - QUARTER 3

Consideration was given to a report by the Assistant Director – HR and Organisational Support, which provided an update on People Management Activity for Quarter 3, as referenced in the report.

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

- The impact of covid-19 related absences had reduced, although it was unclear whether there were unreported covid absences given that testing was not mandatory.
- There were around 39 cases of long-covid reported in January 2023.
- The Board requested a breakdown in the reasons for people leaving the organisation and the number of employees reporting 'long-covid', which were agreed to be circulated to the Board.
- The measure of success for apprenticeships was around retention and career progression however this was not recorded formally through standard metrics. It was suggested that a set of metrics be introduced to monitor the success of apprenticeships.
- The difficulties in recruiting within the adult care directorate were highlighted, which was in part due to a loss of staff from the Council to the NHS due to better pay rates.
- Members were assured that the Council were meeting the requirements set out in the public sector equality duty, however an annual audit undertaken by the Quality Human Rights Commission had highlighted issues with the visibility of data on the Council's website, which had now been addressed.

RESOLVED:

That assurance be given to the HR Management Information and the progress made on the 2023-24 People Strategy projects.

110 REVENUE BUDGET MONITORING REPORT 2022/23 - QUARTER 3

Consideration was given to a report by the Assistant Director – Finance, which invited the Board to consider the Revenue Budget Monitoring Report 2022/23 – Quarter 3, prior to consideration of the report by the Executive on 7 March 2023.

The Board supported the recommendation to the Executive and in considering the item the following points were recorded:

- In relation to the underspend in Children's Services and Adult Care and Community Wellbeing Members acknowledged that these were areas faced with high cost-pressures and requested a clarification on whether this was owed to inability to

recruit health visitors in the first and domiciliary care staff in the other instance. Additionally, it was queried whether the underspent was retained for future potential recruitment costs or whether money was planned to be used towards other expenses. Officers explained that whereas health visitors were employed by Lincolnshire County Council, domiciliary staff were not. Recruitment of support workers was an alternative to ensure that families were visited and remained supported. Nevertheless, it was recognised that the funds derived from a Public Health Grant and where underspend occurred, funds were returned into The Public Health reserve where these remained available to be used until the end of the fiscal year.

- In line with the acknowledgement of the changing nature of economic context and financial mitigation of the anticipated higher levels of inflation, the Board sought assurance that the current picture and near future forecast were the most positive state that could be achieved. Officers reassured the Boards that the anticipation of pressures around inflation back in February 2022 was key towards increasing contingency to £6.5 million, which in turn resulted in forecasting underspent. Hence, Officers were confident that maintaining the contingency at the presented levels as well as carrying out detailed work to ensure that the service budgets reflected the current inflation expected were sufficient provision for maintaining a sustainable position in the next quarter and beyond, in the next year.
- With respect to home to school transport, Members queried what action was being planned to be undertaken in relation to the overspend forecasted. Officers explained that significant work was undertaken in this direction, which included the transformation programme, working with partners towards optimising both the procurement and achieving efficiencies in delivery of transport, as well as maximising of the routes and using passenger assistants more effectively. Officers reiterated that albeit cost pressures reflected still in the next year's budget, a robust plan was in place to deliver sustainable budget going forward, noting the concurrency of challenges facing this particular area.

RESOLVED:

1. That the recommendation 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.

111 CAPITAL BUDGET MONITORING REPORT 2022/23 - QUARTER 3

Consideration was given to a report by the Assistant Director – Finance, which invited the Board to consider the Capital Budget Monitoring Report 2022/23, prior to its consideration by the Executive on 7 March 2023.

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The Board supported the recommendation to the Executive and in considering the report, the following points were noted:

- With reference to annual recurrent allocations of funding, Members asked for a clarification as to why maintenance was accounted for as capital budget, as opposed to revenue. Officers explained that maintenance was pertinent to large schemes of work, Highways works and included some property upkeep and therefore was a capitalised cost as it was regarded as improving the life of assets. It was also further explained that borrowing was allowed to fund the capital programme and enabled the effective spread of costs, constituting the programme more affordable (i.e., cost being spread across a number of years). Officers emphasised that there were restrictions as to what was allowed to be capitalised and that a prudential code was followed in line with existing policy.
- Members acknowledged that the report was permeated by a degree of confidence in relation to risk associated with inflation and cost pressures for this year and beyond Quarter 3 into the next year. Officers offered assurance that despite the challenges reported, some issues, such as supply chain problems that emerged after the pandemic, had now been overcome. It was noted that extensive work had been undertaken to reflect on the impact of inflation (especially around major schemes – construction inflation), as was recognised that by updating the programme in “blocks”, these reflected more work completed on an annual basis and less new elements added except for specific projects. Hence, the overall degree of confidence remained good.

RESOLVED:

1. That the recommendation 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.

112 TREASURY MANAGEMENT PERFORMANCE 2022/23 - QUARTER 3 TO 31 DECEMBER 2022

Consideration was given to a report by the Treasury Manager, which set out the Treasury Management Performance information for Quarter 3 of 2022/23, as referenced in the agenda pack.

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

- It was acknowledged that at the time of writing the report, a recession had been expected.

- The new borrowing requirement for 2022/23 to finance the capital programme was set at £114.437m. This was the difference in the carry forward of the borrowing requirement from the previous year.

RESOLVED:

That assurance be given to the treasury management activities and performance for quarter 3 of 2022/23.

113 TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY FOR TREASURY INVESTMENTS 2023/24

Consideration was given to a report by the Treasury Manager, which invited the Board to consider the Treasury Management Strategy Statement And Annual Investment Strategy For Treasury Investments 2023/24 prior to its consideration by the Leader of the Council between 13th and 17th March 2023.

The Director – Link Asset Services concluded that the Council had proposed a risk free strategy, with the Council fully complying with guidance in all areas. The Council’s strategy of not borrowing for the year was considered appropriate and the strategy was considered appropriate to manage funds effectively and generate a good return on investments.

The Board supported the recommendation to the Leader of the Council and in considering the report, the following points were recorded:

- Any changes to the policy for non-treasury investments by the Council would come through scrutiny and the decision-making process, which would provide a check and balance on ensuring no inappropriate investments were made. The new CIPFA Code had also introduced new prudential indicators to cover non treasury investment as well. The aim of these was to limit the proportion of net income from commercial investments and the maximum limit for potential losses which would need to be funded from reserves. In addition, the new CIPFA Code now prevented borrowing from the Public Works Loan Board in order to fund investments for commercial purposes. It was recognised that there would always be an element of risk with investment, but councils had a crucial role to play in making investments, particularly in economic development, for the benefit of its residents which should be undertaken within the appropriate boundaries.
- In relation to the CIPFA Code’s requirement for a knowledge and skills register, there was already a duty on the Section 151 officer, set out in law since 1972, to ensure that those involved in the administration of the Council’s finances had appropriate training. This new CIPFA Code requirement was strengthening the duties to provide appropriate financial training to councillors and officers. The Council’s finance team was already providing appropriate training to councillors on the Overview and Scrutiny Management Board to ensure that councillors had the appropriate skills to

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carry out their role. The requirement for councillors to have treasury management training had already been included in the Council's Treasury Management Strategy.

- The removal of the effect of Sovereign Support from an entity's individual rating by Credit Rating Agencies did not increase the risk to the Council, but possibly lowered the risk as there was a focus on the entity itself rather than on the sovereign rating given to that entity.
- Non-treasury investment was covered in the Capital Strategy which had been approved as part of the Council's Budget 2023/24 by the County Council on 17 February 2023. It was confirmed that non-treasury investment was made in relation to service delivery and support for Lincolnshire residents and businesses.

RESOLVED:

1. That the recommendation to the Leader of the Council, as set out in the report, be supported;
2. That a summary of the comments made be passed on to the Leader of the Council as part of his consideration of this item.

114 SCRUTINY COMMITTEE WORK PROGRAMMES

Consideration was given to a report by the Chairman of the Adults and Community Wellbeing Scrutiny Committee, which set out the recent work and planned work programme of the Adults and Community Wellbeing Scrutiny Committee, as referenced on pages 227-234 of the agenda pack.

Further to the publication of the report, the Adults and Community Wellbeing Scrutiny Committee had also considered two pre-decision items on the Community Supported Living, and Residential Care Usual Costs and Substance Misuse Grant Funding, in which the recommendations to the Executive were supported. At this meeting, the Committee had also considered the corporate performance data for the Adult Care and Community Wellbeing directorate.

One change to the Committee's work programme was recorded – a report on the Carers services would now be considered in Autumn.

In considering the report the following comments were recorded:

- The importance of ensuring that children maintained a balance diet with a healthy consumption of healthy fats was highlighted.
- It was clarified that a decision on the allocation of the Substance Misuse Grant Funding, which was made up of one of three tiers of services in the Government drug strategy – From Harm to Hope, was due to be made by the Executive on 7 March 2023. Details of the allocation of grant funding to other organisations was set out in the report to the Executive.

Consideration was then given to a report by the Chairman of the Health Scrutiny Committee for Lincolnshire, which updated the Board on the recent work of the Health Scrutiny Committee for Lincolnshire and its proposed work programme, as set out on pages 235 – 240.

Further to the report, the Health Scrutiny Committee for Lincolnshire had also considered reports on ULHT Elective Care Recovery; Non-Emergency Patient Transport, Mental Health Rehabilitation and the Director of Public Health's annual report at its meeting on 15th February 2023.

It was possible that a report on the engagement exercise on the Temporary Closure of the Hartsholme Centre currently planned for the 13th March 2023 would be delayed.

In considering the report, concerns were raised over a potential lack of domestic abuse refuge centres for men experiencing domestic abuse. It was agreed that this be investigated by the relevant service area and reported back to the Board.

RESOLVED:

1. That satisfaction be given to the activities since November 2022 by:
 - (a) the Adults and Community Wellbeing Scrutiny Committee; and
 - (b) the Health Scrutiny Committee for Lincolnshire.

2. That satisfaction be given to the planned work programmes of the:
 - (a) the Adults and Community Wellbeing Scrutiny Committee; and
 - (b) the Health Scrutiny Committee for Lincolnshire.

115 OVERVIEW AND SCRUTINY MANAGEMENT BOARD WORK PROGRAMME

The Board noted the work programme.

The meeting closed at 12.41 pm