



County Offices
Newland
Lincoln
LN1 1YL

17 January 2024

Overview and Scrutiny Management Board

A meeting of the Overview and Scrutiny Management Board will be held on **Thursday, 25 January 2024 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 A N Stokes (Chairman), T J N Smith (Vice-Chairman), Mrs J Brockway, M Brookes, I D Carrington, P M Dilks, R J Kendrick, K E Lee, C S Macey, C E H Marfleet and N H Pepper

Added Members

Church Representative: M Kyle

Parent Governor Representatives: Mrs M R Machin and Dr E van der Zee

**OVERVIEW AND SCRUTINY MANAGEMENT BOARD AGENDA
THURSDAY, 25 JANUARY 2024**

Item	Title	Pages
1	Apologies for Absence/Replacement Members	
2	Declarations of Interest	
3	Minutes of the meeting held on 30 November 2023	5 - 14
4	Announcements by the Chairman, Executive Councillors and Chief Officers	
5	Consideration of Call-Ins	
6	Consideration of Councillor Calls for Action	
7	Submission of business cases for capital funding under the Greater Lincolnshire Devolution Deal <i>(To receive a report by Justin Brown, Assistant Director – Growth which invites the Board to consider a report on the Submission of business cases for capital funding under the Greater Lincolnshire Devolution Deal to consideration by the Executive on 6 February 2023. The views of the Board will be passed on to the Executive as part of its consideration of this item)</i>	15 - 26
8	Council Budget 2024/25 <i>(To receive a report by Michelle Grady, Assistant Director – Finance which invites the Board to be consulted on the Council Budget for 2024/25)</i>	27 - 84
9	Service Revenue and Capital Budget Proposals 2024/25 <i>(To consider a report by Adam Hopley, Strategic Finance Lead – Corporate, which invites the Board to consider and comment on the Service Revenue and Capital Budget Proposals 2024/25)</i>	85 - 94
10	Approval to Award a Contract for the Managed Service of the Council's Multi-function Devices (MFDs) <i>(To receive a report by Andrew Hancy, Head of Business Support and Leanne Fotherby, Commercial and Procurement Manager, which invites the Board to consider and comment on the Award of Approval to Award a Contract for the Managed Service of the Council's Multi-function Devices (MFDs) prior to its consideration by the Leader of the Council (Executive Councillor for Resources, Communications and Commissioning) between 29 January 2024 and 2 February 2024. The views of the Board will be reported to the Leader of the Council as part of his consideration of the report)</i>	95 - 104

11 Scrutiny Committee Work Programmes

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(To receive a report which sets out the work programmes of the Adults and Community Wellbeing Scrutiny Committee, Health Scrutiny Committee for Lincolnshire, Environment and Economy Scrutiny Committee and Highways and Transport Scrutiny Committee in accordance with the Board's agreed programme)

INFORMATION ONLY ITEMS

12 Overview and Scrutiny Management Board Work Programme

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

Democratic Services Officer Contact Details

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Please note: for more information about any of the following please contact the Democratic Services Officer responsible for servicing this meeting

- Business of the meeting
- Any special arrangements

Contact details set out above.

Please note: This meeting will be broadcast live on the internet and access can be sought by accessing [Agenda for Overview and Scrutiny Management Board on Thursday, 25th January, 2024, 10.00 am \(modern.gov.co.uk\)](#)

All papers for council meetings are available on:

<https://www.lincolnshire.gov.uk/council-business/search-committee-records>



**OVERVIEW AND SCRUTINY MANAGEMENT
BOARD
30 NOVEMBER 2023**

PRESENT: COUNCILLOR A N STOKES (CHAIRMAN)

Councillors T J N Smith (Vice-Chairman), Mrs J Brockway, P M Dilks, R J Kendrick, K E Lee, C S Macey, C E H Marfleet and P A Skinner

Added Members

Church Representative: M Kyle

Councillors: R D Butroid, M J Hill OBE, H Spratt and M A Whittington attended the meeting as observers

Officers in attendance:-

Debbie Barnes OBE (Chief Executive), Andrew Crookham (Executive Director Resources), Tracy Johnson (Senior Scrutiny Officer), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer), Emily Wilcox (Democratic Services Officer), Matthew Garrard (Head of Policy), Michelle Grady (Assistant Director – Finance), Andy Gutherson (Executive Director Place), Adam Hopley (Head of Finance - Corporate), Caroline Jackson (Head of Corporate Performance), Tony Kavanagh (Assistant Director – Human Resources and Organisational Support), Sue Maycock (Strategic Finance Lead (Technical)), Fraser Shooter (Health and Safety Team Leader), Lee Sirdifield (Assistant Director – Corporate), Laura Hartley (BI Team Manager) and Daniel Larkin (Policy Officer)

1 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

Apologies for absence were received from Councillors I Carrington and N Pepper.

It was reported that, under Regulation 13 of the Local Government Committee and Political Groups Regulation 1990, Councillor P A Skinner was in attendance as a substitute for Councillor N H Pepper for this meeting only.

2 DECLARATIONS OF INTEREST

None were declared.

2
OVERVIEW AND SCRUTINY MANAGEMENT BOARD
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3 MINUTES OF THE MEETING HELD ON 26 OCTOBER 2023

RESOLVED:

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

4 CONSIDERATION OF CALL-INS

There were no Call-Ins to consider.

5 CONSIDERATION OF COUNCILLOR CALLS FOR ACTION

There were no Councillor Calls for Action to consider.

6 TO CONSIDER AND SUPPORT A DEVOLUTION PROPOSAL FOR GREATER LINCOLNSHIRE AND CONSULTATION ACTIVITIES

Consideration was given to a report by the Assistant Director – Corporate which invited the Board to consider and support a Devolution Proposal for Greater Lincolnshire and Consultation Activities, prior to a decision by the Leader of the Council on 1 December 2023. The views of the Board would be reported to the Leader of the Council as part of his consideration of the report.

The Board supported the proposals within the report to the Leader of the Council, as set out as Appendix 1, and during the discussion the following points were recorded for consideration:

- Members welcomed the Devolution Deal Proposal in principle and commented on the apparent benefits emerging from the proposed package, particularly in reference to economic and development benefits, with a positive note raised, to acknowledge the explicit reference in the proposal document to establishing links for the expansion of the defence industry in Lincolnshire. Thus, the historical significance of Lincolnshire as Bomber County and its innovation in defence were highlighted, with hopes for continued growth in the defence sector to foster a high-wage, high-quality job economy.
- Members questioned the impact on Lincolnshire County Council in the event that other Council's within the Mayoral County Combined Authority were to go bankrupt. Assurance was provided that the MCCA would be a distinct institution which operated with its own financial arrangements and plans, minimising exposure to additional risks from other organisations. Assurance was given that the County Council, while able to contribute, would not incur liability if another party failed to meet its financial obligations for the proposed activities.
- Members were assured that the purpose-driven nature of the devolved funding mandated that funds designated for specific purposes, such as transport and

education, would come with predefined conditions to prevent any diversion into unrelated areas, therefore ensuring that the allocated money would not be absorbed by an authority that was not functioning properly.

- Some Members were sceptical about the £24 million per year offered, framing it as a modest sum compared to the significant loss in government grants over the past decade. The Leader of the Council responded, acknowledging the Fair Funding argument, and emphasised the potential for more than £24 million, highlighting an immediate £20 million infrastructure package and additional funds for adult education.
- Addressing concerns about geography, the Leader pointed to the success of the existing Local Enterprise Partnership and expressed confidence in the ability of a mayor, focused on collaboration rather than running services, to effectively work across Greater Lincolnshire.
- Members of the Board raised concerns about the mayor's office, including the associated costs, salary, and staffing. Expressing reservations about the level of power the mayor would hold.
- Questions were also raised about the restrictions on the precept, with a desire for clear answers on its limitations. Officers stated that the Secretary of State set conditions for the precept within certain thresholds that typically change annually, emphasising that the precept must align with mayoral powers.
- Following concerns raised by Members, assurance was given that the precepts charged by the mayor were anticipated to align with existing Council tax rules, which typically included limitations set by government policy. These rules prevented significant precepts that would excessively raise Council tax beyond an agreed percentage. Additionally, the precepting power mentioned in the deal was limited to mayoral functions.
- Officers clarified that while the proposal document sought the power to levy a precept, it did not mandate its use. The importance of having the precept powers as a potential tool to address future challenges was highlighted.
- The proposed budget for the establishment and running of the mayoral office over the first three years of devolution was detailed by Officers. The distinction between the mayoral combined authority budget and budget for the establishment of a mayoral office was emphasised.
- Assurance was provided that the mayoral combined authority budget required support from the three lead members from all three constituent councils for approval.
- Concerns were also voiced about the potential impact of a perceived new layer of government, particularly regarding the powers of the mayor and the accountability of functions held by various authorities. In response, Officers pointed to the governance arrangements outlined in the proposal document, emphasising the

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protection of constituent authorities' interests and decision-making powers, such as planning, retained by District, City, and Borough Councils. The clarification highlighted that powers and funding were being devolved from central government, with safeguards in place to prevent unilateral shifts of authority, ensuring protection against negative scenarios.

- The need to effectively communicate the complexities of the proposal to the public was emphasised, in particular the misconception that the proposal created an extra layer of government.
- Members expressed concerns about devolution potentially diverging from local decision-making and becoming more regionalised, in particular for transport services. They were assured that, while some aspects operated at a higher level, detailed control and strong local influence would be maintained, opening doors for strategic discussions with the government.
- Officers highlighted the significance of the mayor's role in devolution, emphasising that the mayoral authority would be one of 11 voices representing Greater Lincolnshire to central government departments, a shift from the current over 300 voices. This aimed to elevate the region's influence and express its needs more effectively.
- It was confirmed that legislation mandated that the mayor could not be a Councillor of a Constituent Authority. If an individual was or to be a councillor of a constituent council and was subsequently elected as Mayor, their councillor position would be surrendered.

RESOLVED:

1. That the recommendations detailed on page 19 of the report be supported;
2. That the terms of a proposed devolution deal for Greater Lincolnshire and the draft proposal for the creation of a new Greater Lincolnshire Combined County Authority be supported;
3. That the Board's agreement with the commissioning of a public consultation in support of a later decision for a submission to the SoS for the creation of a Greater Lincolnshire Mayoral Combined County Authority be recorded;
4. That a summary of the comments made, as above, be shared with the Leader of the Council prior to his consideration of the decision.

7 CORPORATE PLAN SUCCESS FRAMEWORK 2023/24 - QUARTER 2

Consideration was given to a report by the Head of Corporate Performance, which invited the Board to consider performance data recorded against the Corporate Plan for quarter 2 of 2023/24, prior to its consideration by the Executive on 5 December 2023. The views of the Board would be reported to the Executive as part of its consideration of the report.

The Board considered the report and supported the recommendations to the Executive, as set out in Appendix 1. During the discussion, the following points were recorded:

- Some concerns were expressed about the level of functional skills acquired by individuals accessing learning opportunities, particularly in terms of employability.
- Members were concerned about rates among young people entering the workforce. In response, Officers acknowledged the importance of functional training and highlighted the success of skills boot camps, which had received additional government resources. They acknowledged the need for more detailed information on dropout rates and the functional aspect of the learning provided. Officers agreed to provide further detail in relation to the success of skills boot camps and the focus on functional skills, including in maths and English, through initiatives like the multiply grant.
- In response to a question, Officers clarified that the health check measures were within the framework of the Adult Care Scrutiny Committee and, therefore, were not reported in the corporate plan report. Officers acknowledged the need for a deep dive into the health check process, especially in ensuring better accessibility for those working, emphasising the importance of flexibility to accommodate varied schedules and increase participation rates.
- A Member queried the level of attainment achieved by individuals with an Education, Health, and Care Plan (EHCP) in mainstream schools, which constituted 57.4% of EHCP holders. Officers emphasised the approach of assessing appropriateness, benchmarking against other local authorities, and setting targets to ensure that the needs of EHCP pupils were met within mainstream environments. Additionally, the positive aspect of having a percentage slightly above the target was highlighted, that indicated that more EHCP pupils were being catered for in mainstream settings.

RESOLVED:

1. That the recommendations to the Executive, as set out at Appendix 1, be supported;
2. That a summary of the comments made be reported to the Executive as part of their consideration of this item.

8 SCRUTINY COMMITTEE WORK PROGRAMMES

Consideration was given to an update by the Chairman of the Children and Young People Scrutiny Committee, which provided detail on the recent work and planned work programme of the Children and Young People Scrutiny, as set out at Appendix A to the report. Further to publication of the report, one change to the work programme was recorded – the item on Primary School Mobile Replacement scheme had been referred from 12 January 2023 to 8 March 2023.

Consideration was given to an update by the Vice-Chairman of the Public Protection and Communities Scrutiny Committee, which provided detail on the recent work and planned work programme of the Public Protection and communities Scrutiny Committee as set out at Appendix B to the report. Further to publication of the report, one change to the work

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programme was reported – The item on Serious Violence in Lincolnshire – A Partnership Response – Position Report has been deferred from the 12 December 2023 to 19 March 2023, to allow for a draft Serious Violence Strategy to be submitted to the Home Office in January and if accepted, this would then be published in February.

The increase to funding for Citizens Advice was welcomed, which was considered important to ensure all people could access advice, particularly during a cost-of-living crisis.

RESOLVED:

1. That thanks be recorded to the presenters of reports;
2. That satisfaction of the work undertaken by the Children and Young People Scrutiny Committee and the Public Protection Scrutiny Committee be recorded;
3. That the work programmes of the Children and Young People Scrutiny Committee and the Public Protection Scrutiny Committee be endorsed.

9 REVENUE BUDGET MONITORING REPORT 2023/24 – QUARTER 2

Consideration was given to a report by the Assistant Director – Finance, which invited the Board to consider the Revenue Budget Monitoring data for Quarter 2 of 2023/24 prior to consideration by the Executive on 5 December 2023. The views of the Board would be reported to the Executive as part of its consideration of the report.

The Board supporting the recommendations to the Executive as set out at Appendix 1. During the discussion the following points were recorded for consideration:

- Members raised concerns about the risks associated with using interim beds for adult social care and community well-being, highlighting financial implications and potential drawbacks for patients. Officers explained that the aim was to have a unified approach to support discharge from hospitals and promote independence for individuals requiring short-term beds.
- The challenges in finalising the intermediate care layer's design by April were acknowledged, citing a delay of six to nine months.
- Members were assured about overspends in transport, that the budget had a £9 million contingency, which they anticipated using partially but not entirely. Ongoing reviews by the team aimed to ensure that the contingency covered the necessary expenses, with plans to incorporate findings into future budgets for sustained financial stability.
- The response clarified that the expected rise in income from TROs was attributed to fines imposed on utility companies for road-related violations. While fines were initially designed as a deterrent, the reality demonstrated a revenue-generating aspect, indicating a need for ongoing scrutiny and potential adjustments in the fine system to align with its intended purpose.

RESOLVED:

1. That the recommendations to the Executive, as set out at appendix 1, be supported;
2. That a summary of the comments made, as above, be reported to the Executive as part of its consideration of this report.

10 CAPITAL BUDGET MONITORING REPORT 2023/24 (QUARTER 2)

Consideration was given to a report by the Assistant Director – Finance, which invited the Board to consider the Capital Budget Monitoring data for Quarter 2 of 2023/24 prior to consideration by the Executive on 5 December 2023. The views of the Board would be reported to the Executive as part of its consideration of the report.

The Board supporting the recommendations to the Executive as set out at Appendix 1. During the discussion the following points were recorded for consideration:

- A request was made regarding clarity on page 308, where it appeared that £80 million was allocated to the Chief Finance Officer.
- The mentioned amount was associated with the corporate contingency, not designated for a specific service area. The request was made for future presentations to enhance clarity in the title or narrative to avoid potential misinterpretations, ensuring a more accurate understanding of financial allocations. Officers acknowledged the feedback and committed to updating the narrative for improved transparency.

RESOLVED:

1. That the recommendations to the Executive, as set out at appendix 1, be supported;
2. That a summary of the comments made, as above, be reported to the Executive as part of its consideration of this report.

11 TREASURY MANAGEMENT PERFORMANCE 2023/24 -QUARTER 2 TO 30 SEPTEMBER 2023

Consideration was given to a report by the Strategic Finance Lead – Technical, which invited the Board to consider the Treasury Management Performance for Quarter 2 of 2023/24.

The Board considered the report and during the discussion the following points were recorded:

- A question was raised regarding the decline in activity given that the high level of demand on the service in the public and the private sector. A response would be sought and provided outside of the meeting.
- As the data referenced was as at 30 September 2023, it was clarified that any debt that had matured since then would now have moved on.

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RESOLVED:

1. That the report be endorsed and satisfaction of the overall performance reported as well as assurances given by Officers, be recorded;
2. That comments made by the Board be shared with the Leader of the Council for consideration.

12 PEOPLE MANAGEMENT UPDATE - QUARTER 2

Consideration was given to a report by the Assistant Director – HR And Organisational Support, which invited the Board to consider an update on People Management for Quarter 2 of 2023/24.

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

- Performance against the Gender Pay Gap was based on the gross pay of overall payments to employees.
- The Council no longer directly employed a team of educational psychologists to do our education, health, and care plans (EHCP's), as they were recruited on a contracted off spend basis. The current model funded contracted education psychologists on each of the education, health and care plan assessments that they do, which was a more cost-effective model as it provided the flexibility to buy what was needed.
- It was a statutory requirement that EHCP's must be signed off by Educational Psychologists and the work carried out by Educational Psychologists on EHCP's was distinct to any preventative work carried out within schools.

RESOLVED:

1. That the report be endorsed;
2. That satisfaction of the overall performance and outcomes reported, as well as assurances given by Officers, be recorded.

13 HEALTH AND SAFETY ANNUAL REPORT 2022/23

Consideration was given to a report by the Health and Safety Team Leader, which invited the Board to consider the Health and Safety Annual Report 2022/23.

It was agreed that further information on the take up of the 12-week physical activity programme be circulated.

RESOLVED:

1. That comments made be recorded;
2. That the report be endorsed;
3. That satisfaction of the overall performance, key outcomes, actions, support, future priorities and assurances be recorded.

15 PROPOSALS FOR SCRUTINY REVIEW BY SCRUTINY PANEL A

Consideration was given to a report by the Head of Democratic Services and Statutory Scrutiny Officer, which invited the Board to consider proposals for a scrutiny review by Scrutiny Panel A.

Of the four topics identified for a potential review, as set out on page 393 of the agenda pack, Young Carers had scored highest on the Priority Matrix and the Board supported the proposal for Young Carers to be allocated as the next review Topic for Scrutiny Panel A.

RESOLVED:

1. That thanks be recorded to Scrutiny Committee's for their responses;
2. That the proposal for Young Carers to be allocated for the next review by Scrutiny Panel A be supported;
3. That the draft terms of reference for the scrutiny review, as set out in appendix B, be accepted by the Board, subject to a final agreement by Scrutiny Panel A.

15 OVERVIEW AND SCRUTINY MANAGEMENT BOARD WORK PROGRAMME

RESOLVED:

That the report be noted.

The meeting closed at 12.12 pm

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

Report to:	Overview and Scrutiny Management Board
Date:	25 January 2024
Subject:	Submission of business cases for capital funding under the Greater Lincolnshire Devolution Deal

Summary:

This report invites the Overview and Scrutiny Management Board to consider and support a report on the submission of business cases for capital funding under the Greater Lincolnshire Devolution Deal. This paper recommends that the county council submits business cases to the Department for Levelling Up, Housing and Communities (DLUHC) for five projects which will receive capital funding as part of the Greater Lincolnshire devolution deal. The six projects are:

- UK Food Valley Grant Programme
- Flood Prevention Schemes (Market Rasen, Kirkby on Bain)
- Grantham Streetworks Programme
- Lincoln Area – Improvements to Trans Midlands Trade Corridor
- Old Roman Bank, Sandilands
- Sleaford Moor Enterprise Park

The report is due to be considered by the Executive on 06 February 2024 for a decision. The views of the Board will be reported to the Executive as part of its consideration of this item.

Actions Required:

The Overview and Scrutiny Management Board is invited to:-

- 1) consider the attached report and to determine whether the Board supports the recommendation(s) to the Executive as set out in the report.
- 2) agree any additional comments to be passed on to the Executive in relation to this item.

1. Background

The Executive is due to consider a report that aims to progress the steps required for the County Council to submit business cases to the Department for Levelling Up, Housing and Communities (DLUHC) for five projects which will receive capital funding as part of the Greater Lincolnshire devolution deal.

Once the business cases have been submitted, it is expected that the Department for Levelling Up, Housing and Communities will undertake due diligence so that the projects can start to be delivered from 1st April 2024.

Decision making to agree these business cases will be considered at the meeting of the Executive on 06 February 2024, prior to a decision being taken.

The full report to the Executive is attached at Appendix A to this report.

2. Conclusion

Following consideration of the attached report, the Board is requested to consider whether it supports the recommendation(s) in the report and whether it wishes to make any additional comments to inform the decision-making process. The Board's views will be reported to the Executive.

3. Consultation

The Board is being consulted on the proposed decision of the Executive on 06 February 2024.

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Report to the Executive 06 February 2024 - To consider and approve a Submission of business cases for capital funding under the Greater Lincolnshire Devolution Deal.

5. Background Papers

The following background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

Background Paper	Where it can be viewed
Prospectus for greater Lincolnshire devolution	Devolution – Lincolnshire County Council
Greater Lincolnshire devolution deal	Devolution – Lincolnshire County Council

This report was written by Justin Brown, Assistant Director - Growth, who can be contacted on Justin.brown@lincolnshire.gov.uk.

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

Report to:	Executive Committee
Date:	06 February 2024
Subject:	Submission of business cases for capital funding under the Greater Lincolnshire Devolution Deal
Decision Reference:	I030835
Key decision?	Yes

Summary:

This paper recommends that the county council submits business cases to the Department for Levelling Up, Housing and Communities (DLUHC) for five projects which will receive capital funding as part of the Greater Lincolnshire devolution deal. The six projects are:

- UK Food Valley Grant Programme
- Flood Prevention Schemes (Market Rasen, Kirkby on Bain)
- Grantham Streetworks Programme
- Lincoln Area – Improvements to Trans Midlands Trade Corridor
- Old Roman Bank, Sandilands
- Sleaford Moor Enterprise Park

These projects have been chosen because they meet a clear local need; are consistent with the guidance for the funding given by DLUHC; and deliver against the strategic priorities in the devolution deal.

Once the business cases have been submitted, it is expected that the Department for Levelling Up, Housing and Communities will undertake due diligence so that the projects can start to be delivered from 1st April 2024.

Recommendation(s):

That the Executive:

1. approves the submission during February 2024 to the Department for Levelling Up, Housing and Communities of business cases for capital funding for the following schemes: UK Food Valley Grant Programme; Flood Prevention Schemes in Kirkby on Bain and Market Rasen; a Streetworks Programme in Grantham;

Lincoln Area – Improvements to Trans Midlands Trade Corridor including Nettleham Roundabout; Old Roman Bank, Sandilands; and Sleaford Moor Enterprise Park.

2. delegates to the Executive Director for Place, in consultation with the Leader of Council (Executive Councillor for Resources, Communications and Commissioning), authority (i) to determine the final form of and to submit the individual business cases and (ii) to initiate and deliver the schemes described in this report if and when funding approval is given by the Department for Levelling Up, Housing and Communities to include approving the final form and the entering into of any contracts or other legal documentation necessary to give effect to the schemes.

Alternatives Considered:

- (i) To submit other schemes.

The list of schemes that is identified in this report meets the criteria for the funding as set out by DLUHC. Officers were unable to identify other schemes which:

- met the relevant criteria
- achieved the same level of benefit for the residents and businesses of Lincolnshire and/or
- were deliverable within the time period specified by DLUHC

- (ii) Not to pursue this funding

This funding is to be provided during the financial year 2024/2025 and is concerned with supporting priorities that are set out in the Greater Lincolnshire devolution deal which was considered by Council on the 1st December 2023. The government's intention in providing the funding is that it will help to show a commitment to the priorities in devolution before the creation of the Mayoral Combined County Authority.

The upper tier councils in Greater Lincolnshire are currently consulting on a proposal for the creation of a Mayoral Combined County Authority as a condition of the devolution deal and no decision will be made as to whether to give final approval for the creation of such a body until that consultation is complete and has been conscientiously considered by the decision-maker. However, DLUHC have set out a timetable for the submission of business cases which require action to be taken at this stage. The submission of business cases is without prejudice to the ongoing consultation but not submitting the business cases would mean that the council misses out on £20.000m which would support the priorities of the council.

Reasons for Recommendation:

Accepting the recommendation will enable the council to apply for funding for schemes which meet its agreed priorities, whilst also providing schemes in most parts of the county.

1. Background

Capital funding from devolution

The devolution deal referenced above focused on the area's three most important business sectors -food manufacturing, energy, and ports/logistics- and it also focused on improving infrastructure, environment, skills, and business productivity.

As part of the negotiations for the Greater Lincolnshire devolution deal, the area was able to secure an agreement from the Department for Levelling Up, Housing and Communities (DLUHC) that government would provide £28.400m of capital funding before that will bring forward the benefits of devolution in 2024/25. £8.400m of the funding is for brownfield land remediation work, and because they had schemes that were ready for immediate delivery it was agreed that this funding would be ring fenced to North East Lincolnshire and North Lincolnshire councils.

The government's criteria for the remaining £20.000m are based on these three issues:

1. The funding is only capital, there can be no revenue funding
2. The funding must be spent during the financial year 2024/2025
3. The funding can only be used for activity that is permitted under DLUHC's non-restricted funds

The process that is to be followed is that LCC must submit a business case for each project that it wishes to be supported with the £20.000m. DLUHC does not wish to adjudicate on which projects should be supported; the purpose of the business case is to provide due diligence to government that the projects meet the three criteria set out above. DLUHC officials have said that they would expect to take roughly six weeks in carrying out their due diligence exercise.

The constitution of the council states that any bid for funding above £0.250m should be approved by the relevant executive councillor. Given the range of projects and locations that are covered in this funding, it is advised that the decision to submit the relevant business plans is taken by The Executive.

In-scope projects

In determining the projects that will be proposed to government, account was taken of the DLUHC requirements, the Greater Lincolnshire vision document, and the Greater Lincolnshire devolution proposal (notably the priorities of connectivity, food manufacturing, low carbon sector, and environment/nature). This was an expectation of DLUHC.

Account was also taken of the regular meetings and agreements that LCC has held/made with partner organisations including district councils, the Greater Lincolnshire Local Enterprise Partnership, and academia. A distribution of funding was sought which would show benefits to residents in the various parts of Lincolnshire.

The list of schemes that it is proposed to pursue is set out below:

UK Food Valley Grant Programme	£2.0m
Flood Prevention Schemes (Market Rasen, Kirkby on Bain)	£1.5m
Grantham Streetworks Programme	£2.0m
Lincoln Area – Improvements to Trans Midlands Trade Corridor	£3.3m
Old Roman Bank, Sandilands	£9.0m
Sleaford Moor Enterprise Park	£2.2m

The UK Food Valley Grant Programme will support our important food manufacturing sector. This programme will be administered by Greater Lincolnshire LEP, and it is concerned with providing grants which will raise skills levels and productivity within the food manufacturing sector. Whilst the programme will be driven by demand from business and from further/higher education providers, it is likely that investment will be strongest (but not exclusively so) in the Boston/South Holland area which is where the food manufacturing sector is strongest – and where the support infrastructure for the sector is also strong through the National Centre for Food Manufacture and the Centre for Food and Fresh Produce Logistics.

The flood prevention works will be relatively small scale, and will seek to create an environment to lever further longer-term investment from other partners, notably Anglian Water and the Environment Agency. There is a clear commitment in the devolution deal for a new Water Resources Partnership including these agencies as well as the Mayoral Combined County Authority. A small capital investment at this stage will have some short term benefits, but it will be the first example of generating a commitment from other agencies to the Water Resources Partnership and it is therefore a valuable tactical use of capital funding.

The Grantham Streetworks Programme will provide funding for some of the ambitions of the Grantham Transport Strategy. The scheme will use funding for improvements to Dysart Road, Great Gonerby, and Alma Park to lever further funding to improve the public realm and streetscape outside St Peter’s Hill in the town centre. Improvements to the walking route between Grantham railway station and town centre are also being explored. The town’s transport strategy identifies that east to west links are a constraint on the town’s prosperity, and each of these investments will reduce pressure in the town centre from east to west journeys.

Nettleham Roundabout is a significant constraint on the A46 route from the Humber ports to the West Midlands, as well as being a significant problem for commuters and local residents. The Lincoln Transport Strategy has identified that improvements to surfacing on Carholme Road, Newland, and Freeman Road and will improve transport movements in the city centre, and that improvements to the original part of the bypass -notably to Nettleham Roundabout- will also improve transport movements. In developing the business case for this scheme the four elements will be linked together to demonstrate how the various schemes will achieve a greater impact for the city and surrounding area.

Old Roman Bank is an important access route to Lincolnshire’s Coastal Country Park. The devolution prospectus explains that access to important environmental locations such as the coastal country park is important to the reputation and attractiveness of the area as a

place to live and invest. The current roadway is sub-standard and in need of improvement, and there is currently no off-road route for cyclists or pedestrians. As such, Old Roman Bank is currently a significant barrier to accessing the environment. This project will reconstruct Old Roman Bank and will provide a separated footway/cycleway.

Finally, the programme will provide a grant to North Kesteven District Council for them to undertake works which will expand Sleaford Moor Enterprise Park. Sleaford Moor Enterprise Park is planned as a low carbon industrial estate, and as such it fits with the devolution prospectus's support of new business sectors and of environment businesses. The first phase of the industrial estate is now fully let, but there are significant barriers affecting the viability of phase II of the site – notably archaeology. By providing a grant to North Kesteven DC, large parts of the archaeological problems can be tackled which in turn will improve viability of the site.

Programme management

The main criteria for the funding is that the DLUHC grant must be spent during 2024/2025.

Whilst £20.000m is a relatively small proportion of the council's overall capital programme, the risk of not delivering within the timescale should not be underestimated. In order to mitigate against risks, officers will adopt the following principles:

1. Use of framework suppliers to reduce procurement timescales
2. Reallocation of tasks so that there is sufficient project management capacity
3. Nomination, from within existing staff resources, of a dedicated programme manager with accountable body experience
4. Linkage with other funding sources to make use of legitimate freedoms and flexibilities
5. Monitoring of projects against agreed critical path analyses, with oversight by -and escalation of any problems to- the Executive Director for Place and to relevant Executive Councillors.

In addition to management of the programme to ensure that the level of risk is as low as is reasonable (accepting that the risk of not delivering within timescale remains significant), management of the programme will also be concerned with making sure that the programme is visible to councillors and to the public.

2. Legal Issues:

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.

- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.
- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision-making process.

The projects that this paper proposes submitting to DLUHC relate to investment in places rather than being directly for people/individuals. The capital projects will be delivered in accordance with the principles of good design which seek to ensure good and safe access for all. One of the overall ambitions in the devolution prospectus is to provide opportunities to level up all communities within greater Lincolnshire; by delivering these projects which are part of the devolution prospectus steps will be taken to achieve that aim of levelling up for all communities

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 JHWS identifies the importance to people's wellbeing of having a job, a home, and a friend. Each of the projects that this paper proposes are submitted to DLUHC has the ultimate aim of creating an environment in which more and better jobs are created. As such, the recommendations in this paper directly support the analysis which is contained in the JSNA.

Related to the JSNA, the Director of Public Health's annual report (2022) identifies the problems associated with coastal communities. The Old Roman Bank scheme in particular seeks to address some of these problems by encouraging higher spend tourists whose expenditure will help to generate jobs in the coastal area.

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.

Some of these schemes, notably Grantham Streetworks, will have the benefit of improving the vitality of town centres. It is recognised in many studies that active town centres with large levels of footfall can deter anti-social behaviour.

3. Conclusion

In summary, this programme provides the council with the opportunity to draw down £20.000m of government funding to support priorities that were outlined in the devolution prospectus and which have been developed in conjunction with other partners. The range of projects that are proposed for this funding cover locations across the county as well as covering different sector priorities. Whilst there is some risk associated with the short timescale for delivery, the opportunity to use this funding in the way described in the paper is a good one.

4. Legal Comments:

The recommendations are within the Council's powers and fall within the remit of the Executive to consider and determine.

5. Resource Comments:

Submitting the projects identified as recommended would have no direct impact on the approved budgets of the council.

If funding is awarded for these projects, they will be included within the capital programme, in line with the requirements of the budget and policy framework.

Projects will be monitored through the existing budget monitoring and reporting, with progress reported to Executive and relevant scrutiny committees.

6. Consultation

a) Has Local Member Been Consulted?

Not on this specific paper, but local members have been involved in the development of the priorities that have become these schemes. The local member will be consulted as part of the business plan formulation stage

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

This report will be considered by the Overview and Scrutiny Management Board at its meeting on 25 January 2024. The comments of the Board will be reported to the Executive.

d) Risks and Impact Analysis

The risk analysis is contained in the "Programme Management" section of the main report.

7. Background Papers

The following background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

Document title	Where the document can be viewed
Prospectus for greater Lincolnshire devolution	Devolution – Lincolnshire County Council
Greater Lincolnshire devolution deal	Devolution – Lincolnshire County Council

This report was written by Justin Brown, who can be contacted on Justin.brown@lincolnshire.gov.uk.

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

Report to:	Overview and Scrutiny Management Board
Date:	25 January 2024
Subject:	Council Budget 2024/25

Summary:

At its meeting on 9 January 2024 the Executive approved the budget proposals described in the attached report (Appendix A) for consultation.

Actions Required:

The Committee is asked to consider and comment upon the Executive's budget proposals, as set out in Appendix A.

1. Background

1.1 At its meeting on 9 January 2024 the Executive approved the budget proposals set out in the report as the preferred option for consultation. The report to the Executive describes these proposals in detail (Appendix A).

Further Consultation

1.2 In addition to the review of budget proposals by the Overview and Scrutiny Management Board further scrutiny and consultation arrangements are:

- All other Council Scrutiny Committees will have the opportunity to scrutinise budget proposals in detail in January;
- Budget proposals were publicised on the Council's website following the Executive meeting and provide the opportunity for the public to comment;
- Public awareness of the impact of the budget proposals on Council Tax will be raised using social media channels; and

- A consultation meeting with local business representatives, trade unions and other partners will take place at the end January 2024.

1.3 Consultation responses and comments will be available to be considered when the Executive makes its final budget proposals on 6 February 2024.

2. Conclusion

2.1 These budget proposals reflect the level of government funding available to the Council in 2024/25, as well as the proposal to increase Council Tax in 2024/25 by at least 2.99% and up to 4.99% (inclusive of 2% adult social care precept). Service areas have been reviewed and the budget proposals aim to support the Council's priorities within the financial resources available.

3. Consultation

a) Risks and Impact Analysis

An Equality Impact Assessment will be completed for the proposed increase in Council Tax. This will be reported to the Executive at its meeting on 6 February 2024. Further Risk and Impact Assessments will need to be undertaken on a service-by-service basis.

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Executive Paper: Council Budget 2024/25 (including appendices).

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
Provisional Local Government Finance Settlement announcements	Executive Director of Resources

This report was written by Michelle Grady, who can be contacted on 01522 553235 or michelle.grady@lincolnshire.gov.uk.

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

Report to:	Executive
Date:	09 January 2024
Subject:	Council Budget 2024/25
Decision Reference:	I030292
Key decision?	Yes

Summary:

This report outlines budget proposals for the financial year 2024/25. The Council's funding base could be estimated with reasonable accuracy twelve months ago based on the Government's announcements at the time. Since then, inflation has remained higher for longer and demand has continued to increase. Despite calls from the sector to increase funding to support with additional cost, the Government opted to continue with existing spending plans.

The Council will be able to increase its funding in 2024/25, although not to the full extent that costs have increased. It is also important to emphasise that there is significant funding uncertainty beyond 2024/25, which is a significant barrier to long-term financial planning for both revenue and capital investment.

The budget proposal is subject to change when local taxation estimates for business rates and council tax have been received from the Lincolnshire District Councils, expected towards the end of January 2024. In recognition of the outstanding variables, the funding base cannot be considered final and therefore the budget proposal is considered to be an estimate at this stage.

The Executive is asked to approve the proposals for the Council's budget for 2024/25, set out in this report and based on these estimates, for internal and external consultation.

Recommendation(s):

That the Executive:

1. approves the following elements of the budget for 2024/25 as its initial proposals subject to further consultation and scrutiny, namely:-
 - a) The budget requirement pre use of reserves as set out in Table B;

- b) The budget savings and cost pressures covering the 2024/25 financial year, as set out in Appendix A;
 - c) The draft capital investment programme 2023/24 onwards set out in Appendix B.
2. Notes the advice of the Executive Director for Resources as s151 Officer at paragraphs 1.106 to 1.112 of the Report.
 3. Notes that the budget proposal currently assumes a 2.99% council tax increase and £7.2m use of reserves, and that different options are also being considered for precept setting, set out in Table E of the Report.
 4. Reserves its position in relation to the precept setting options being considered and consequent use of reserves for the 2024/25 budget pending further consultation, scrutiny, unexpected cost base changes and final funding announcements.
 5. Approves the carrying out of consultation and scrutiny on the Executive’s initial proposals as set out in paragraph 1) together with all of the options referred to in paragraph 3).

Alternatives Considered:

1.	The proposals for the Revenue Budget, Capital Programme and Council Tax as described in this report.
2.	Higher levels of spending and consequently a higher level of Council Tax next year.
3.	Lower levels of spending and consequently a lower level of Council Tax next year.

Reasons for Recommendations:

The Council has undergone an extensive budget setting process, taking into account various factors which influence its cost base and spending power. The budget proposal includes unavoidable cost pressures which will support the delivery of Council services, and a number of savings and efficiencies which do not impact negatively on services or outcomes.

Following receipt of the single year draft settlement, the Council has reached a final budget position for most areas. However, there are still a few minor areas where other changes could potentially be required – both in respect of the cost base and funding – accordingly the Council needs to retain some flexibility with regards to its council tax setting decision.

The recommended option reflects a need to increase council tax by at least 2.99%, with the potential for a larger increase being needed subject to finalisation of the cost and funding base by the end of January 2024. If the final position shows a shortfall between funding and the cost base, then a contribution from reserves will be required to balance the budget for 2024/25.

1. Background

- 1.1 In February 2023, the Council approved plans for revenue spending to support delivery of the Council plan, achieve its strategic objectives and legal duties for the benefit of residents and businesses. This was guided by the financial strategy approved as part of this process, providing the mechanisms to ensure the council remains financially sustainable and resilient.
- 1.2 As part of the Council's financial planning process, the previously approved medium term financial plan is reviewed in depth over the summer and into the autumn, which informs the preparation of a budget proposal which is brought before the Executive in January. Should Executive approval be given, the budget proposal is then taken forward for scrutiny and public consultation.
- 1.3 The key messages from scrutiny and public consultation are then fed into the process, and contribute towards an updated budget proposal which will be brought to the Executive on 6th February 2024. At this meeting, the Executive will be invited to approve a final budget proposal to be taken to the budget setting meeting of Full Council which will be held on Friday 23rd February 2024.
- 1.4 In preparing the revenue budget proposal for 2024/25, the following factors have been taken into account:
- The financial strategy
 - The economic, financial and national policy context (Autumn Statement)
 - Forecast spending power (including the LG finance settlement)
 - The financial planning process and medium term financial plan
 - Changes to the cost base
 - Business process improvement and efficient cost base
 - Reserves
 - Advice of the Executive Director for Resources (section 151 officer)
- 1.5 There is also a revised capital programme proposed for 2024/25 and beyond, which reflects re-phasing to the programme and a proposed allocation of the new developments capital contingency to priority schemes.

The Financial Strategy

- 1.6 At the outset, it is important to recognise the strong foundation of the Council which means it is better placed than most to navigate the challenges that are expected to lie ahead, and which are considered in this report. This is based on the following:
- The prevailing culture of prudent financial management which has been invaluable to date and will continue to be required going forward,
 - The successful 2022/23 outturn (which resulted in an underspend) and the current forecast outturn for 2023/24 (underspend forecast),
 - That the Council is in much better financial position than many other local authorities, with sectoral challenges not specific to Lincolnshire,
 - That most of the Council's net funding now comes from local taxation,
 - The provision of well-led services throughout Lincolnshire, which deliver high quality for residents and lead to better financial outcomes.
- 1.7 Whilst the starting position is strong, there are examples from across the sector where local authorities have gone from a position of strength to vulnerability in a relatively short timeframe. This can be due to factors such as significant increases in demand (and complexity of demand) for services, far outstripping spending power changes. Therefore, the Council must guard against complacency and continue to ensure a well-planned approach to meet current and future need well.
- 1.8 Each year, the Council updates and refreshes its financial strategy so that it remains current and appropriate to the wider operating environment. It is important to recognise that the Council is not in control of large aspects of the financing framework and has funding certainty for 2024/25 only, which is a barrier to long-term strategic planning.
- 1.9 Therefore, the strategy instead focusses on the areas and principles which the Council has greater control of. This includes the following principles:
- Ensuring ever closer convergence between the Corporate Plan and use of resources,
 - Ensuring effective monitoring arrangements are in place, and link to activity data, so that the organisation has early sight of changes to financial plans,
 - Ensuring an adequate level of reserves are held relative to the level of risk identified,
 - Undertaking constructive challenge sessions where areas of cost are at risk of increasing in an unplanned way, in the knowledge that it is easier to avoid spending a pound as opposed to saving one,
 - Proactively identifying business process improvements, which improve the way the Council works and lead to cost reductions,
- 1.10 The strategy is currently being refreshed with minor changes and will be included with the report for the meeting of the Executive on 6th February 2024.

The Economic, Financial and National Policy Context (Autumn Statement)

- 1.11 The economic environment continues to be a significant risk for the Council. The economy has been subject to unprecedented inflation, which means that the cost of goods and services have increased at a higher rate than the Government's target, over a prolonged period. Over the past eighteen months, the rate of inflation increased to unprecedented levels, peaking at 11.1% in October 2022. It has been reducing at a steady rate since then, with the rate of inflation for October 2023 recently reported as 4.6%. This has led to a challenging operating environment for the Council, due to its inflationary exposure within the cost base (contracting and staffing costs).
- 1.12 In an attempt to contain the rate of inflation, the Bank of England have increased the base rate which directly impacts upon the cost of borrowing, with the base rate currently at 5.25%, having been 3% in mid-December 2022 and 0.1% in December 2021. The effect of this is that the cost of borrowing increases, and the rate of saving is increased, effectively reducing money supply in the economy and, in theory, reducing demand pressures contributing to inflation. This is the main policy tool available to the Bank of England, although they have also stopped quantitative easing and have been actively selling bonds (quantitative tightening), which has the same effect of removing money from the economy.
- 1.13 The rate of inflation has started to recede towards normal levels, which has reduced the pressure on the Bank to further raise interest rates. The increase to the current base rate was decided in early August, therefore the rate has not increased since and is no longer expected to. In the most recent quarterly monetary policy report published by the Bank (November 2023), the Bank set out their forecasts for future inflation. The revised inflation forecasts are 4.6% (2023 Q4), 3.1% (2024 Q4), 1.9% (2025 Q4), and 1.5% (2026 Q4). Inflation is not expected to return to below the 2% target for until 2025, which has implications for financial planning.
- 1.14 As a result of the volatility within the economy, the Bank's inflation forecasts have been consistently amended, to reflect a slower fall to the 2% target. In the May 2023 update, inflation was forecast to reduce to 2.3% by 2024 Q4 (now expected to be 3.1%) and fall to around 1% during 2025 (now expected to average at 2.2%). In the November 2022 update, inflation was forecast to fall to 1.1% in 2024 Q2 (now expected to be 3.6%). Therefore, there is a risk that inflation does not fall as quickly as set out in the Bank's latest forecast. In addition, the latest forecasts mean an economic adjustment to a permanently higher price base.
- 1.15 The rate of inflation has major implications for the Council, in that it directly impacts the cost base. However, it is also important to consider the impact it has on the national finances, which in turn inform local resource availability. At a national level, the rate of inflation increases the cost of benefits and the state pension. In addition, it also increases the cost of delivering public services as referenced above. The increased Bank of England base rate increases the cost of borrowing nationally. There are some offsets with regards to increased taxation receipts, through areas

like higher income tax (as a result of higher wages) and higher consumption taxes (e.g. VAT on inflated prices). This matters to the Council, because the financing framework and quantum for Local Government is determined by Central Government, which links to the state of the national finances.

1.16 The Government determines departmental spending limits through the Autumn Statement. The affordability limits are linked to the Government's fiscal rules. The Treasury is required by the Budget Responsibility and National Audit Act 2011 to set out the means by which its objectives in relation to fiscal policy will be attained ("the fiscal mandate"). In order to achieve the above objectives, the Treasury's mandate for fiscal policy is:

- to have public sector net debt (excluding the Bank of England) as a percentage of GDP falling by the fifth year of the rolling forecast period,
- a target to ensure public sector net borrowing does not exceed 3 percent of GDP by the fifth year of the rolling forecast period,
- a target to ensure that expenditure on welfare is contained within a predetermined cap and margin set by the Treasury.

1.17 The Prime Minister set out five priorities in January 2023, of which three directly relate to economic performance. These include to: halve inflation, grow the economy, and, reduce debt. This again reinforces the policy framework which guide public spending decisions, now and in the future. With regards to halving inflation, this has been achieved and was always likely to occur due to comparing price levels to a permanently higher base.

1.18 On 22nd November 2023, the Government set out their spending plans for the medium term via the Autumn Statement. The Autumn Statement incorporates updated economic projections from the independent Office for Budget Responsibility (OBR). The Government set out some clear strategic signals, stating their choice as "not big Government, high spending and high tax", with the preference instead to "reduce debt, cut taxes and reward work". It is within this context that public spending decisions have been taken, which informs the setting of departmental spending limits and consequently the Local Government finance settlement.

1.19 The key points to note from the Autumn Statement were as follows:

- Since the March forecast, tax receipt forecasts have been significantly increased, primarily due to the impact of inflation on wages set against frozen tax allowances in some cases. The increase in tax receipts is expected to be greater than the increase in spending (e.g. benefits and debt interest), giving rise to additional headroom.
- The Government have opted to invest the additional headroom into tax cuts. This includes cutting the rate of national insurance for employees and for the self-employed, with structural changes proposed for the latter. In addition, the

Government introduced further incentives for business investment, with permanent up front tax write-offs.

- The Government decided not to amend departmental spending limits, instead maintaining the limits set in the Spending Review 2021 and updated in the Autumn Statement 2022. This is in spite of the challenges being experienced across all public services with regards to permanently higher levels of inflation, compared to when the departmental spending limits were set. By implication, this means that there is not expected to be any additional funding for Local Government over and above the measures previously announced (e.g. social care grant).
- The Government confirmed the assumption for the future path of departmental spending. This will follow the profile set at Spring Budget 2023. After the current Spending Review period, planned departmental resource spending will grow at 1% a year on average in real terms. According to the Institute for Fiscal Studies, priority areas (e.g. health, defence, schools) would absorb larger proportionate increases, thereby implying real terms reductions for non-priority areas (e.g. Local Government). The planning assumption is that the Council's resources beyond 2024/25 would increase at a slower rate than inflation, reducing the scale of increases experienced in recent years. This is particularly challenging when considered against increased demand for services.
- The Government confirmed that, while day-to-day spending will continue to grow above inflation in future years, public spending faces many pressures. One of the ways the Government will look to address this is through boosting public sector productivity and by focusing spending on the Government's priorities. Building on this, the Public Sector Productivity Programme has focused on: creating a modern and efficient workforce, reducing administration for front line services, greater use of cutting edge technology like artificial intelligence, and early intervention to prevent problems arising and becoming embedded. The areas considered are more oriented towards Central Government, and therefore specific application to Local Government is not yet clear.
- With regards to business rates, the Government confirmed that there will be a change in approach for inflation for the standard and small business rate multipliers. The small business rate multiplier is to be frozen, and the standard multiplier is to increase by inflation (CPI).

1.20 Overall, there are short and medium term challenges presented by the Autumn Statement. In the short-term, costs have increased at a quicker rate than had been forecast twelve months previously, which was reflected in the Autumn Statement. Beyond 2024/25, the Council has little to no certainty in terms of what its spending power will be, or what it's role will be in the delivery of public services. In effect, this decision has been deferred to the next Government, which makes long-term planning challenging.

- 1.21 Following the Autumn Statement, the Department for Levelling Up, Housing and Communities (DLUHC) translate national spending limits into individual allocations for local authorities via the Local Government finance settlement. This is considered in the next section.

Forecast spending power (including the LG finance settlement)

Local Government finance policy statement 2024/25

- 1.22 As was the case last year, DLUHC produced a financial policy statement, which sets out the approach they intend to take with regards to the draft Local Government finance settlement 2024/25. This was published on 5th December 2023. This represents an attempt by the Department to aid local authority financial planning whilst civil servant complete the necessary detailed and technical allocation work.
- 1.23 The key points to note from the 'Local Government finance policy statement 2024/25' are as follows:
- The revenue support grant will increase by inflation, with the fire pension grant to also be rolled in;
 - Local authorities will receive an increase in baseline funding levels and compensation grant as if both multipliers had been uprated by inflation;
 - The core council tax referendum limit for local authorities is set at 3%, in addition to an adult social care precept of 2% for all authorities responsible for the delivery of adult social care services;
 - Including funding announced in the Autumn Statement 2022, an uplift in social care grants:
 - o an additional £692 million will be distributed to local authorities through the Social Care Grant for adult and children's social care;
 - o an additional £200 million will be distributed in 2024 to 2025 through the Discharge Fund;
 - o Maintaining the improved better care fund at 2023/24 levels;
 - o £1,050 million in 2024 to 2025 will be distributed for adult social care through the Market Sustainability and Improvement Fund (MSIF), which continues to include £162 million per year of Fair Cost of Care funding. It also includes £205 million MSIF - Workforce Funding, a 2-year fund announced in July 2023 which will be rolled into the existing MSIF. In total, the combined MSIF and MSIF Workforce Fund are worth £123 million more than in 2023 to 2024.
 - Continuation of a minimum funding guarantee for all local authorities, ensuring each local authority receives at least a 3% uplift in core spending power;
 - An additional one-off round of new homes bonus payments in 2024/25;

- Continuation of the rural services delivery grant at 2023/24 levels;
- The services grant will reduce in 2024/25 with the remainder to be distributed through the settlement funding distribution model;
- Continuation of business rates pooling for 2024/25;

1.24 In 2023/24, the Government set an expectation that the additional funding made available to adult social care should lead to a substantial increase in planned adult social care spending, given the additional resources which were made available in that year. The Department of Health and Social Care will continue to monitor local authority budgeting and expenditure in 2024/25, with an expectation that the following will be allocated to adult social care:

- An appropriate share of the local authority's additional Social Care Grant allocation for 2024 to 2025, in line with aggregate use of this funding in previous years;
- The local authority's share of the 2024 to 2025 MSIF and Discharge Fund;
- The resources raised in 2024 to 2025 from the adult social care precept;
- The Government also expect local authorities to make use of the increase in income from un-hypothecated sources. We expect spending on adult social care will increase by a necessary share of this income.

There will continue to be grant conditions placed on these grants regarding performance and use of funding to support improvement against these objectives.

1.25 The policy statement also provided some specific information with regards to planning for children social care and education:

- The Statutory Override for the Dedicated Schools Grant will continue until 31 March 2026.
- Where possible, Council's should invest in areas that help place children's social care services on a sustainable financial footing. This includes investment in expanding family help and targeted early intervention, expanding kinship care, and boosting the number of foster carers
- The National Minimum Allowance (NMA) for foster carers is routinely uplifted each year, taking into account changes in inflation and what is affordable for local government. We have uplifted the NMA by 6.88%
- Government will work closely with councils to increase transparency around the costs of residential placements for children, as a precursor to wider commissioning and market shaping reforms being rolled out through Regional Care Co-Operatives.

1.26 In addition, the Government set a policy steer, pertaining to the following points:

- Authorities are asked to continue to consider how they can use their reserves to maintain services over this and the next financial year, recognising that not all reserves can be reallocated, and that the ability to meet spending pressures from reserves will vary between authorities.
- The Government continues to explore ways to move councils away from establishing '4 day working week' practices, which in their view do not represent good value for taxpayers' money.
- The Exceptional Financial Support framework is available to provide support where a council has a specific and evidenced concern about its ability to set or maintain a balanced budget, including where there has been local financial failure. Where councils need additional support from government, they should take every possible step to minimise the need for that support to be funded by national taxpayers. As part of that process, the government will consider representations from councils, including on council tax provision.

1.27 Funding reform has been mooted by the Government for several years, in recognition that the current funding distribution mechanisms are outdated relative to need and resource availability (i.e. the Review of Relative Needs and Resources or a reset of accumulated business rates growth). The Government confirmed in the policy statement that they remain committed to improving the local government finance landscape in the next Parliament, however the current priority has been to provide one year funding stability.

Local Government finance settlement 2024/25

1.28 On 18th December 2023, the Department published the draft 'Local Government finance settlement 2024/25' via a written statement to Parliament. This confirmed funding allocations in line with the policy statement. At a national level, core spending power is forecast to increase to £64.1bn from £60.2bn (6.5% overall increase). The key points to note for Lincolnshire are as follows:

- The revenue support grant has been inflated by £1.549m or 6.6% (September CPI), with an additional adjustment rolling in the fire pension grant (£1.437m), a net nil change,
- Business rate baseline funding and multiplier compensation grant is forecast to increase by £8.729m or 6.5%,
- Core spending power includes an assumption that council tax will increase by 5% (£23.148m). However, this is a local decision, so the actual figure would reflect the council's decision and local tax base data,
- The Council will receive an additional one-off New Homes Bonus grant of £0.952m,
- The rural services delivery grant will be maintained at £8.134m,
- The social care grant will increase to £66.848m in 2024/25,

- The ASC market sustainability and improvement fund will increase to £14.735m (which is to be passported through to the service in line with grant conditions),
- The ASC discharge fund will increase to £8.005m (which is to be passported through to the service in line with grant conditions),
- The Services Grant will reduce from £4.508m in 2023/24 to £0.709m in 2024/25. This funding line has been reduced to fund inflationary increases in other lines of the settlement,
- The Council does not benefit from the funding guarantee due to its core spending power increasing by more than 3%.

1.29 The settlement sets out a core spending power estimate for each individual local authority. The stated position for Lincolnshire is £690.7m, which represents an increase of £45.1m from 2023/24 albeit this assumes a maximum council tax increase.

1.30 Due to the Local Government finance policy statement 2023/24 also setting out a higher level intended approach for 2024/25, the Council had already planned for an uplift in funding from 2023/24 in its previous medium term financial plan. Within the 2023/27 medium term financial plan, the Council's anticipated funding base for 2024/25 was £630.0m. Following the settlement, and as shown in Table A, the revised estimate is now £639.1m.

1.31 The settlement allocations provide £1.3m more funding to the social care grant than anticipated, with £1.3m less in non-specific grant funding. The main change to the funding base has been the anticipated increase in business rates funding, which reflects a higher rate of inflation and the anticipation of a pooling gain.

1.32 The Government's decision to inflate the two business rate multipliers at different rates necessitates a different technical approach in the setting of business rates. The Council is still working to understand the implications and therefore the business rates estimate are subject to change.

1.33 Overall, the settlement was broadly in line with expectations, even if the sector had hoped for additional funding to support with rising costs particularly due to inflation and demand. Specifically there was no additional funding made available for the cost pressure created by the increase in the National Living Wage announced by the government in the autumn.

1.34 The final settlement is due to be published in February 2024, following the standard consultation process.

Financial planning process and medium term financial plan

2024/25 Budget Setting Process

- 1.35 This year's budget process started in the spring of 2023 with a re-assessment of the Council's high-level budget assumptions. Following this, budgets have been examined in detail, and a number of cost pressures have either emerged or been refined due to the factors already considered. Some additional efficiencies have also been identified. As the financial year has progressed, the Council's planning assumptions have been refined as new information has emerged.
- 1.36 In terms of budget holder input, the budget process is substantively complete and the Council therefore has a near-complete position in respect of its cost base, subject to any new external changes (e.g. national policy/new burdens), the finalisation of the tax base position and clarifications around emergent pressures following a series of challenge sessions planned for January 2024. This is reflected in the council tax setting recommendation.
- 1.37 The Council has adopted a longer term strategy to deliver efficiency savings and this is described in more detail in paragraphs 1.81 to 1.83.
- 1.38 The provisional Local Government finance settlement was published on 18th December 2023. Following this, the final Local Government finance settlement is expected to confirm the Provisional Settlement in February 2024, and at the end of January 2024 the Council will receive confirmation of the council tax base and business rates income, in addition to collection fund balances from the Lincolnshire District Councils. Once all this information has been received, the budget proposals for 2024/25 will be confirmed at the meeting of the Executive on 6th February 2024 before being taken to Full Council's budget setting meeting due to be held on 23rd February 2024.
- 1.39 Notwithstanding the short-term funding certainty available to the Council, the financial planning framework seeks to forecast the cost base and funding base forward over a medium term period, normally either three or four years. In this case, a period of four years has been utilised.

2024/28 Medium Term Financial Plan (current position)

- 1.40 At this point in time, the Medium Term Financial Plan shows that the Council cannot achieve a balanced budget in any of the four years from 2023/24 through to 2026/27 without the use of reserves. This can be seen in Table A below:

Table A – Medium Term Financial Plan Summary (prior to reserve usage)

2024/28 MTFP Summary	2024/25 Budget (£)	2025/26 Budget (£)	2026/27 Budget (£)	2027/28 Budget (£)
Budget Requirement (pre-reserves)	646,326,852	663,823,489	684,318,297	708,856,747
Total Funding	(639,145,047)	(650,290,799)	(671,359,780)	(693,361,370)
RESIDUAL DEFICIT	7,181,805	13,532,690	12,958,517	15,495,377

- 1.41 The budget shortfall in each year will need to be supported by reserves to achieve a balanced budget. However, this is prior to receiving the Lincolnshire District Councils confirmation of Council Taxbases and Collection Fund positions affecting all years, and prior to potential reforms to local government funding which could impact during the medium term financial plan period.
- 1.42 The Medium Term Financial Plan includes a number of savings and efficiencies which arise from various projects within our Transformation Programme. There are also further transformation schemes being developed as the Council continues to look for ways to achieve sustainable reductions in its cost base.
- 1.43 The Financial Volatility reserve currently stands at £46.9m. This reserve is essential for the management of an uncertain financial situation in terms of both costs and future funding. The Executive Director of Resources (Section 151 Officer) advice is that a Financial Volatility Reserve level of around £40m to £50m is prudent, given the financial outlook beyond 2024/25, together with the inherent uncertainty. The current balance is not sufficient to support the overall budget deficits in the three future years, nor would it be good practice for it to be used solely for this purpose.
- 1.44 As stated in the report, the reserve requirement will change once the Council tax base and collection fund position is known. This earmarked reserve is available to support budget deficits arising over the medium term and will allow us time to transition to a lower cost base if this is required after funding reforms are implemented.

2024/25 Revenue Budget Proposal

- 1.45 The current position for 2024/25 is shown in Table B, which reflects an opening base budget of £604.3m with changes to get to the current budget requirement for 2024/25 of £639.1m after £7.2m planned reserve usage. The summary revenue budget assumes a 2.99% council tax increase. The impact of different council tax increase decisions can be seen in point 1.67 (Table E).

Table B – Summary Revenue Budget 2024/25

SUMMARY REVENUE BUDGET	2024/25 Budget (£)
EXPENDITURE	
Net Base Budget	604,257,272
Cost Pressures (including inflation)	60,642,211
Savings & Additional Income	(19,116,016)
Other Movements (e.g. service grant funding)	543,384
Budget Requirement (pre use of reserves)	646,326,852
RESERVE ADJUSTMENTS	
Transfer to/from Earmarked Reserves	(7,181,805)
Transfer to/from General Reserves	-
BUDGET REQUIREMENT	639,145,047
FUNDING	
County Precept	(381,524,121)
Business Rates	(152,808,676)
Non-Specific Government Grants	(37,963,806)
Social Care Grants	(66,848,444)
Total Funding	(639,145,047)

1.46 Table B shows the Council’s overall proposed budget for 2024/25 at this point in time, with a budget requirement of £639.1m (an increase of 5.8% from 2023/24), assuming £7.2m use of reserves. Following receipt of budgetary information from the District Councils at the end of January 2024, there may be a need for funding to be drawn from available reserves if a structural budget deficit above remains. The factors that might lead to potential changes in our anticipated funding are considered further in this section.

Increases to the Cost Base

1.47 A number of unavoidable cost pressures and other increases in expenditure due to changes in service specific grants (e.g. BCF) have been added into the proposed budget, totalling £60.6m, and these are detailed in Appendix A. The most significant of these by directorate are considered below.

1.48 Adult Care and Community Wellbeing:

- Adult social care provision is reliant on approximately 7,000 beds (long and short-term care) and in excess of four million hours of commissioned community-based support. The 9.8% increase in the national living wage to £11.44 per hour, a core component of the rate the Council pay for commissioned care, is the key driver behind £16m of adult social care pressures.
- £9.4m financial pressure is driven by increasing demand for services across Adult Care and Community Wellbeing. Older persons services are seeing an increase in demand for residential care for this first time since the pandemic with previous self-funders approaching the council for financial support due to diminishing

capital, a 21% increase in this client cohort. Demand for working age adults continues to increase between 3-4% per year however the complexity of the packages of care is behind the need to forecast an additional £3.1m for mental health care costs. Working with partners, the costs arising from increasing demand for homicide reviews, has been met with financial contributions from all parties.

- 2024-25 will see a continuation of the Discharge Grant through the Better Care Fund to get people out of hospital on time into care settings, freeing up NHS beds for those who need them. This grant is supporting the 16% increase in clients being discharge from inpatient care in need of social care support. The services include residential care, homecare and community equipment.
- The Market Sustainability and Improvement Grant is also continuing into 2024-25. This grant is supporting the move to a four-tier homecare rate, a two-tier community supported living rate, additional rate increase for residential care and targeted supported into adult social care workforce.
- The 2024-25 Public Health Grant allocation was announced earlier in 2023 and is forecast to increase by £0.474m.
- Adult Social Care Charging Policy is due for refresh 1 April 2024. The council will continue to exclude enhanced benefit income from the calculation of the clients contribution and apply the national minimum income guarantee to ensure people with higher needs are not disproportionately impacted by the income assessment. The Disability Related Expenditure bandings do need uplifting to reflect the increased cost of living and the forecast £0.6m cost of this is included in the budget.

1.49 Children's Services:

- The Council has a Children's Services system which is working well and a service which is outstanding, and the Council continues to strive for improved outcomes for children and families. There continues to be an emphasis on prevention from children coming into care and exit planning from the care system where it can be achieved.
- The area of Children in Care (CiC) causes a significant financial risk to the Council budgets due to the demand-led nature, volatile and financial consequence. Lincolnshire is facing the same challenges as nationally with rising demand on its services; increasing complexity and demands of children. The CiC cost pressures raised (£4.136m) have been necessary to meet the current baseline commitments of CiC placements which reflects the changing landscape with higher CiC numbers; a higher composition in more specialist placements. Added to this is the unfavourable market conditions impacting prices for 2024/25 (£1.182m). The Government has increased the National Minimum Standard (NMS) rates for internal foster carers for 2024/25 by 6.88% supported by the

latest budget settlement. Internal foster carers are a vital part of Lincolnshire's offer for CiC in providing a family home, therefore we propose to increase the current rates by 6.88% for 2024/25. The cost pressure (£1.037m) also includes the 2023/24 rise in the NMS rates announced late in the budget process that was implemented in the current year.

- Lincolnshire's number of CiC is currently 756. The CiC rate per 10,000 is 50.7 compared with statistical neighbours: 65 per 10,000 and England 70 per 10,000 is favourable, however the demands placed on public finance is rising.
- The CiC programme continues to have strong oversight and rigour of the budget position of these demand-led and volatile budgets. Increasing demand and price changes is however a common theme across the activities of Children's Services due to the challenging landscape.

1.50 Fire and Rescue:

- The main cause of cost pressure is the expected £0.12m increase in the ongoing support costs for the Fire Control system.
- Progressive withdrawal of Home Office funding for Fire Link increases the service's net cost base by £0.09m.
- Increased operational requirements relating to the mandatory accreditation of forensic fire investigation and DBS checks adds a further £0.11m cost.

1.51 Place:

- Although not as pronounced as in previous years, continuing inflationary pressures in the construction sector result in an expected increase of £3.1m in the cost of plant, labour, materials and equipment in the Highways maintenance contract.
- Inflation has also had a marked effect on the re-procurement of Household Waste Recycling Centre contracts, increasing cost by £1.2m. This is exacerbated by new requirements to separately store and haul waste deemed to contain hazardous material, which increases operational costs by a further £0.25m.
- A restructure of the Planning team to provide greater resilience and accommodate the increased demand resulting from Nationally Significant Infrastructure Project (NSIP) applications, increases cost by £0.25m, although this is largely funded by the corresponding increase in planning fees detailed in the savings section below. The cost of the cyclical examination of the Minerals and Waste Local Plan also adds a short-term pressure of £0.1m in this service area.

- The high levels of general and pay inflation exhibited in published indices, feed through to unusually high contract indexation in the Libraries contract, resulting in a cost pressure of £0.6m.
- Inflation has also had a £0.3m impact on the cost base of the Business Units operated by Economic Infrastructure.
- A £3.2m cost pressure for the delivery of educational transport to meet statutory and policy requirements arises from continuing inflation, service demand and challenging market conditions.

1.52 Resources:

- Following a comprehensive review of IT, a series of necessary changes have been identified to ensure a strengthened approach to service delivery, which better enables the organisation. This is wider ranging, and extends to Leadership and security. Overall, the cost of the proposed changes amount to £0.791m, but are part mitigated through the achievement of savings across the service.
- The directorate has a relatively high exposure to inflationary pressures as a result of the contractual arrangements in place to support the delivery of support services. As a result of inflation being higher for longer, this means that the cost has increased during the budget review. Across corporate property, IT and transformation (systems), contract inflation is expected result in a cost pressure of £1.544m.
- The Redmond Review of the effectiveness of external audit and transparency of financial reporting in local authorities identified a need to increase external audit scrutiny of local authorities. This will lead to an increase in the cost of the external audit, which is forecast to be £0.195m.
- The Council continues to make greater use of cloud storage, which is paid for on a subscription basis. Therefore, the cost to the Council is forecast to increase in 2024/25 by £0.231m.
- In order to meet increased demand from across the organisation and its partners, the Commercial service has been supported by temporary posts which have been funded via reserves. In recognition that demand is likely to remain permanently high given the commissioning approach taken by the Council, the budget proposal makes provision to enable a permanent staffing structure, at a cost of £0.188m. This will increase the likelihood of filling vacancies and enable the commercial reserve to be re-purposed.

1.53 Other Budgets:

- In recent years, the Local Government pay award has not been determined until during the financial year. This will continue to be the case in 2024/25. The cost

of the pay award is estimated centrally and allocated to services when the pay award is agreed and the cost known. For 2024/25, a global 4% increase has been assumed for pay costs, at a cost of £8.778m. The actual pay award will be influenced by the forecast national living wage for April 2025, and the forecast rate of forward inflation. 4% is assessed to be a reasonable global estimate at this, noting that a flat fee pay award is again likely. Pay award risk is one of the factors which supports the holding of the base budget contingency.

- The Council funds the cost of pre-2000 legacy pension liabilities. Every year, the pension values are inflated which leads to increased cost, with some mitigation through attrition. For 2024/25, the net increase is forecast to be £0.262m.

Cost Savings and Additional Income

1.54 Budgetary savings, changes to income and service specific grants are also detailed in Appendix A, and total £19.1m. The most significant of these relate to:

1.55 Adult Care and Community Wellbeing:

- The main changes identified in the budget setting process relate to social care specific additional funding announced in the settlement, which offsets the pressures identified.
- Through the Directorates Financial Assessment Improvement Programme, plans are being finalised which aim to improve the customers experience of the adult social care pathway and improve process efficiency including delivery of a prompt financial assessment. The impact of this is built into the Medium-Term Financial Plan from 2025-26.

1.56 Children's Services:

- In 2023/24, the CiC programme will be seeing two new children's homes opening to increase internal capacity for CiC in Lincolnshire and deliver improved value for money (£0.291m). Children's Services carried out a review of its budgets to realise service efficiencies and utilisation of grant income for 2024/25 (£0.414m).

1.57 Place:

- The continuation of the roll-out of separated waste paper and card collections is forecast to provide further savings of £0.86m in 2024/25.
- A short-term saving of £0.75m is forecast from increased income share from the Energy from Waste (EfW) plant. This is, however, expected to diminish over the following three years as energy prices return to more "normal" levels.
- As referenced above, increased fee income resulting from Planning Performance Agreements in respect of NSIPs is expected to generate £0.175m.

- Increases in the energy costs for street lighting not being as high as previously anticipated reduces the budget requirement for 2024/25 by £2.0m.
- Efficiency gains in the data capture and invoicing for 3rd Party damage to highways assets and improved productivity in network compliance are expected to generate savings of £0.5m.

1.58 Resources:

- As a result of the decrease in energy prices, the cost of energy on Council properties is expected to be lower than the current budget requirement. Accordingly, the budget proposal assumes a £2.088m cost reduction in energy costs.
- There are forecast savings associated with the re-procurement of the customer service centre contract, in addition to savings associated with the customer and digital transformation programme. The budget proposal assumes savings of £0.934m, with further savings assumed in 2025/26. The savings are predicated on greater use of technology and have a specific monitoring programme to oversee delivery.
- A review of Legal Lincolnshire fee rates are expected to generate an additional £0.4m in 2024/25.
- Within IT, the decommissioning of a legacy system is expected to lead to reduction in cost of circa £0.372m. In addition, the service have also identified reductions in other parts of the cost base totalling £0.246m. There are further savings assumed in 2025/26.

1.59 Other Budgets:

- In the 2023/24 budget, the Council committed to investing a one-off additional £7m into highways maintenance, which was allocated to the contingency and distributed to the service. The budget proposal for 2024/25 reverses this investment.
- During the 2023/24 budget process, a cost pressure was built in to reflect a change in the pension contribution rate and the forecast cost of the 2023/24 pay award (which was not known at that point). During 2023/24, the final pay award has been agreed and an updated financial impact assessment has been completed for the change in pension costs following the triennial review of pension contributions. The net effect of both is that the Council over-provided via the pressure budgeted in 2023/24, and therefore the 2024/25 budget proposal re-reduces the cost by £2.182m.

- During the 2023/24 financial year, the corporate insurance contract has been re-tendered. The cost of the new contract has been assessed as lower than the previous contract, albeit with some contributing factors (such as different coverage in some areas of the contract). The budget proposal assumes a cost reduction in 2024/25 of £0.980m.
- The revenue contingency was held at £6.5m during 2023/24, to reflect heightened risk, particularly around inflation. As considered in this report, there is still considerable risk of further inflationary pressures, although the risk is expected to be receding albeit slower than previously expected. On that basis, the budget proposal reduces the size of the contingency needing to be held by £0.5m.

2024/25 Revenue Budget Proposal (by budget book line)

- 1.60 The Council is proposing a one year budget, with the Net Revenue Budget by service area shown in Table C on the next page and details of cost base adjustments contained in Appendix A. In addition, the Council has an indicative four year medium term financial plan position which is set out Table A.
- 1.61 The table on the following page shows the Net Revenue Budget by service area for 2024/25 at this point in time, compared with the revised base budget for 2023/24 following changes made during the current financial year (i.e. realignment of resources following a wider re-structure). If there are subsequent changes to the cost base necessary which lead to a change in the budget proposal, these will be clearly and separately identified in the updated budget proposal that will be brought to the Executive in February 2024. In addition, the funding is expected to change when the detailed local taxation calculations are finalised and shared by the Districts at the end of January 2024.

Table C – Net Revenue Budgets by Service

2023/24 Budget (£)	REVENUE BUDGETS	2024/25 Change (£)	2024/25 Budget (£)
	CHILDREN'S SERVICES		
14,499,701	Children's Education	663,157	15,162,858
89,469,460	Children's Social Care	9,075,250	98,544,710
	ADULT CARE & COMMUNITY WELLBEING		
142,706,661	Adult Frailty & Long Term Conditions	11,780,080	154,486,741
101,335,220	Adult Specialities	12,980,000	114,315,220
29,292,132	Public Health & Community Wellbeing	474,161	29,766,293
6,065,541	Public Protection	185,000	6,250,541
(61,412,354)	Better Care Fund	(2,744,095)	(64,156,449)
(35,544,000)	Public Health grant income	(474,161)	(36,018,161)
	PLACE		
87,409,130	Communities	3,935,517	91,344,647
508,383	Lincolnshire Local Enterprise Partnership	-	508,383
2,856,744	Growth	303,000	3,159,744
48,339,369	Highways	509,500	48,848,869
	FIRE & RESCUE		
24,704,397	Fire & Rescue	322,702	25,027,099
	RESOURCES		
8,714,908	Finance	145,000	8,859,908
17,512,781	Organisational Support	(138,600)	17,374,181
3,189,063	Governance	(400,000)	2,789,063
19,957,384	Corporate Property	(1,314,486)	18,642,898
9,085,502	Commercial	(631,824)	8,453,678
6,821,712	Transformation	209,440	7,031,152
16,702,430	IMT	1,186,417	17,888,847
3,054,260	Corporate Services	-	3,054,260
535,268,424	SERVICE TOTAL	36,066,058	571,334,482
	OTHER BUDGETS		
14,691,190	Contingency	(500,000)	14,191,190
43,056,480	Capital Financing Charges	-	43,056,480
14,460,479	Other Budgets	5,960,137	20,420,616
72,208,148	OTHER BUDGETS TOTAL	5,460,137	77,668,285
	SCHOOLS BUDGETS		
550,838,289	Schools Block	30,000,127	580,838,416
125,371,876	High Needs Block	4,630,842	130,002,718
3,223,169	Central School Services Block	(65,767)	3,157,402
43,759,342	Early Years Block	25,596,360	69,355,702
(725,868,591)	Dedicated Schools Grant	(60,161,562)	(786,030,153)
(2,675,915)	SCHOOLS BUDGETS TOTAL	-	(2,675,915)
604,800,657	BUDGET REQUIREMENT (pre-reserves)	41,526,195	646,326,852
7,000,000	Highway maintenance additional spend (2023/24)	(7,000,000)	-
(7,543,384)	Transfer to/from Earmarked Reserves	361,580	(7,181,805)
604,257,272	BUDGET REQUIREMENT	34,887,775	639,145,047
	FUNDING		
(365,554,704)	County Precept (2.99% increase shown)	(15,969,417)	(381,524,121)
(141,324,175)	Business Rates	(11,484,501)	(152,808,676)
(40,984,265)	Non-Specific Government Grants	3,020,458	(37,963,807)
(56,394,128)	Social Care Grant	(10,454,316)	(66,848,444)
(604,257,272)	TOTAL FUNDING	(34,887,775)	(639,145,047)

Breakdown of Grant Funding (contained within Funding)

- 1.62 Table D below shows an expanded version of the non-specific Government grants and social care grants assumed within funding below:

Table D – Other Government Grants

2023/24 (£)	OTHER GOVERNMENT GRANTS	2024/25 (£)
(23,391,916)	Revenue Support Grant	(26,378,422)
(8,133,553)	Rural Services Delivery Grant	(8,133,553)
(850,194)	New Homes Bonus Grant	(952,256)
(127,726)	Inshore Fisheries Conservation	(127,726)
(1,503,000)	Extended Rights to Free Travel	(1,662,500)
(98,000)	Virtual Schools Head grant	-
(1,437,000)	Fire Pension Grant	-
(4,508,077)	Services grant	(709,349)
(934,798)	Business rates levy surplus distribution	-
(56,394,128)	Social Care Support Grant	(66,848,444)
(97,378,393)	TOTAL	(104,812,250)

- 1.63 The table above lists all grants which form part of the Council’s funding base, excluding business rates related grants. These are also considered in 1.28, within the section focussed on the settlement. As stated, there are changes to some service specific grants which are applied direct to the service where they relate to. For example, the ASC Market Sustainability and Improvement Fund and ASC Discharge Fund are applied directly to adult social care, with an equal and opposite uplift to expenditure.

Council Tax Setting

- 1.64 In previous years, the early January Executive budget proposal formalises the preferred change in the council tax rate, which forms a key part of the proposal that is consulted upon. There are various factors that mean this is no longer the preferred approach, such as: the lateness of the settlement, the potential for further cost base changes, and the potential for changes in local taxation. Therefore, some flexibility needs to be retained for if a different course of action is required. Therefore, there are a range of potential options still under consideration, which have differing impacts on the residual deficit position.
- 1.65 Three key options have been modelled for the purposes of this report: a 2.99% increase, a 3.99% increase and a 4.99% increase. In effect, this means that the minimum price increase being considered is 2.99% and the maximum increase being considered is 4.99%. The final budget proposal will be based on a rate within the range specified, and will consider the public consultation feedback.
- 1.66 The net revenue budget position considered in Table B (point 1.45) assumes a total increase of 2.99%, for modelling and illustrative purposes. However, mainly due to funding uncertainty, the section 151 officer advises maximising the increase to ensure the Council is best placed to navigate future challenges.

- 1.67 The impact of the different council tax increase options on the budget proposal structural deficit over the medium term financial plan period is as follows:

Table E – Council tax increase scenario's

COUNCIL TAX	2024/25 Budget (£)	2025/26 Budget (£)	2026/27 Budget (£)	2027/28 Budget (£)
Option A				
Band D Council Tax (%)	2.99%	2.99%	2.99%	2.99%
Band D Council Tax (band D £)	1,548.63	1,594.89	1,642.59	1,691.73
County Precept	(380,024,121)	(397,246,676)	(415,264,450)	(434,102,885)
Use of Reserves	7,181,804	13,532,691	12,958,518	15,495,381
Option B				
Band D Council Tax (%)	3.99%	2.99%	2.99%	2.99%
Band D Council Tax (band D £)	1,563.66	1,610.37	1,658.52	1,708.11
County Precept	(383,712,389)	(401,102,352)	(419,291,726)	(438,306,041)
Use of Reserves	3,493,536	9,677,015	8,931,242	11,292,225
Option C				
Band D Council Tax (%)	4.99%	2.99%	2.99%	2.99%
Band D Council Tax (band D £)	1,578.69	1,625.85	1,674.45	1,724.49
County Precept	(387,400,657)	(404,958,028)	(423,319,002)	(442,509,198)
Use of Reserves	(194,732)	5,821,340	4,903,967	7,089,069

- 1.68 The referendum threshold limit for 2024/25 has been set in the Provisional Finance Settlement at up to 3% for core increases with up to an additional 2% for the adult social care precept. This is not expected to change in the final settlement, due in February 2024.
- 1.69 It is estimated that a Council Tax increase of 2.99% will generate additional income of £10.9m based on the Council tax base for the current year. The assumed increase in Council Taxbase is forecast to generate a further £5.6m of income. Together these increases total £16.5m in 2024/25. For context, a 1% increase in Council Tax would generate £3.7m of additional income based on the assumed Council tax base for 2024/25. This means that a 1% increase in Council Tax would generate additional income of £3.7m which could be used to help reduce the deficit position and a 1% decrease would create an additional deficit budget position of £3.7m which would need to be funded by the Financial Volatility reserve or another source.
- 1.70 The final figures on the Council Taxbase and any surpluses or deficits on the Council Tax element of the Collection Fund will not be received from Lincolnshire District Councils until 31 January 2024. A 1.5% increase in the tax base has been assumed in all years of the medium term financial plan.
- 1.71 The collection fund estimate for council tax has not yet been received from the district council's. This is expected to be received during January 2024. At this point in time a modest Council Tax collection fund surplus for the 2023/24 financial year has been assumed, which is in recognition of the recent trend. It is possible that the actual position may differ, positively or negatively. The final information on Taxbase changes and any further surplus or deficit on the Council Tax collection fund relating

to 2023/24 will be reported to the Executive at its meeting on 6th February 2024, together with the impact on funding that this will have.

- 1.72 An Equality Impact Analysis will be completed for each council tax increase option. This will be reported back to the Executive at its meeting on 6th February 2024.

Business Rates Taxbase

- 1.73 The Council's income from business rates is determined by a combination of information from the Local Government finance settlement and the statutory NNDR1 returns produced by the Lincolnshire District Council's, which show the Council's proportionate share of locally collected income.

- 1.74 The impact from the settlement has been considered elsewhere within this report, and essentially means that the Council can expect to receive approximately 6.5% more income via its top up grant and through the multiplier cap compensation grant. This has been estimated and has been reflected within the budget proposal, and amounts to the biggest change in funding compared to the 2023/27 medium term financial plan estimate for 2024/25 business rates, which is due to a lower rate of inflation previously being assumed.

- 1.75 In respect of the Council's share of income from the local tax base, the District Councils have until 31st January 2024 to provide business rates returns showing:

- the position on the business rates element of the collection funds; and
- the value of the section 31 compensation grant due to the County Council
- the Council's share of local taxation forecast to be collected

At the time of preparing this report, the Council had not received notification of provisional Business Rates Collection Fund positions from any of the seven District Councils. Any surplus or deficit from business rates collection will only have a one off effect on the 2023/24 budget. The current working assumption within the budget presented in this report is that there will be a minor residual deficit arising from the Business Rates Collection Fund 2022/23.

- 1.76 With regards to the collection fund, the Council does not expect to receive confirmation of the estimated position until the end of January 2024. Any surplus or deficit from business rates collection will only have a one-off effect on the 2024/25 budget. No surplus or deficit is currently assumed within the budget proposal and is therefore a variable likely to change.

- 1.77 The 2023 business rates revaluation took effect in April 2023, and therefore the collection fund estimate will contain an update on progress against the new rating list. The 2023/24 taxbase estimate included a provision for appeals estimate, of which the collection fund estimate will provide an update. It is possible that there haven't been enough appeals submitted yet to evidence the appeal provision estimate, which is a timing lag issue only. Therefore, an assessment of the collection

fund variance will need to be made, and this might necessitate reserve adjustments if the root cause is timing related only.

- 1.78 The Government's new policy to freeze the small multiplier (which benefits small businesses) and apply inflationary increases to all other businesses represents a decoupling of the inflation rates used to calculate the small and standard multiplier capping fractions. This means that baseline funding is not now linked solely to changes in the small business rates capping fraction. Accordingly, the budget proposal assumes that baseline funding and the multiplier cap compensation funding increase by circa 6.5%. However, this might change through the detailed calculation. Therefore, the funding estimates for business rates are best estimates at this stage, but are subject to change. It should be noted that the change in approach contributes additional complexity into an already complex funding system.
- 1.79 A Business Rates pool will continue to operate in 2024/25, with the assumption that for now there will be a pooling gain next year of £2.0m.

Dedicated Schools Grant

- 1.80 Lincolnshire's indicative Dedicated Schools Grant (DSG) allocation for 2024/25 is £786.030m and will be used to support all schools in Lincolnshire. The ring-fenced grant will continue to comprise of four blocks: Schools, Central School Services, High Needs, and Early Years. Each of the four blocks of the DSG is determined by a separate national funding formula.

Business process improvement

- 1.81 The Council continues to progress a programme of transformation the with the aim of reducing bureaucracy and reliance on manual processes, whilst also ensuring back office services are optimised. This approach will continue to allow the council to maintain and invest in its valued frontline services maximising outcomes for residents. The savings presented in this report total £9.4m for 2024/25. The medium term financial plan includes additional savings over the period 2025/26 to 2027/28 totalling £13.3m. These represent savings that can be delivered over the four year period, following robust verification work undertaken. If accelerated delivery allows them to be brought forward, the financial plans will be amended to place them in the year they can be delivered in their entirety to ensure that the council's overall reputation for robust financial management is maintained.
- 1.82 During the 2024/25 budget setting process, the Council identified a need to identify additional efficiencies, as part of its cost conscious approach to financial planning. This is to be achieved through maximising use of grant funding, ensuring equitable sharing of cost with partners, vacancy management and reviewing corporate provisions against the level of need. Each service is also allocated an annual efficiency target to complement the wider transformation work ongoing.
- 1.83 In Autumn 2023, the Council's Transformation Programme launched its next major piece of work focussing on business performance improvement. The main thrust of the programme is to critically assess and optimise major end to end processes across council business in order to remove duplication and handoffs and thereby reduce administrative costs. Where appropriate once optimised, digital solutions may also be sought. The main outcomes of the programme are to:
- Provide better customer and employee experience
 - Improve productivity
 - Ensure efficient and effective systems
 - Realise financial savings and benefits
 - Release of capacity and capability

Different areas of council business have been assessed on a heat mapping basis looking at frequency, volume, interactions and interdependencies. A number of services/processes have been identified as priority and include the Adult Social Care pathway, Educational Travel, Exchequer and the Employee Lifecycle. Work is now underway to undertake that critical assessment of these areas and it is expected future budgets from 2025/26 will contain savings from the programme to reflect that improved efficiency and effectiveness.

Financial Risk

1.84 There are a number of risks which may impact on the budget for 2024/25 and these have been considered in the realistic and prudent approach to estimates that has been taken. The key risks to the budget proposal which currently pose the most significant risks are:

- The economic context and the possibility of further economic shocks (i.e. materially different from current expectations)
- The achievement of cost base reductions across all years of the plan, although not all years are shown in this report
- The uncertainty over the funding base beyond 2024/25
- The extent to which the Council can successfully manage increasing demand for its services, particularly with regards to demand sensitive areas like social care and home to school transport
- Council tax and business rates collection and tax base

The budget proposal recognises that there is inherent risk which informs the need to hold contingencies and reserves. The report to Full Council will contain the robustness of estimates statement, which will expand on these areas and contextualise against the mitigating action or tools available.

Reserves

- 1.85 The Council's general fund reserve currently stands at £16.4m. The purpose of the general fund is to mitigate against unplanned and unforeseen financial risk, effectively acting as the reserve of last resort. The Council's strategy is to maintain these reserves at a level which is between 2.5% and 3.5% of the budget requirement each year. Based on the budget requirement set out in this report, the general fund would equate to 2.6% of the budget requirement. In the final budget proposal, if the budget requirement remains at the level stated or higher, a reserve transfer will be implemented in the final budget proposal to increase the general fund to the middle of the range, which equates to approximately an additional £3m.
- 1.86 The Council holds earmarked reserves and grant reserves in addition to the general fund reserve. Earmarked reserves are held for a specific purpose, and grant reserves are grant funding that has not yet been spent in the manner dictated by the grant conditions. The Council also holds reserves on behalf of schools. The budget proposal will look to utilise the most appropriate reserves to present a balanced budget where a deficit position makes this necessary. This may include appropriate grant reserves, or the reserve held to support financial volatility.
- 1.87 The Development Fund is the reserve which is used to support investment in areas which support delivery of Council priorities, and delivery of the Council's transformation programme and associated savings programme.
- 1.88 The Reserves Table below shows the Council's reserves as at April 2023 and the forecast use during the current financial year. The Council is currently developing an updated reserves strategy which will form part of the Budget Book submission to Full Council in February. This will seek to explore the kinds of risks to which reserves are being held and provide further information on the different types of reserves being held as well as their planned use.

Table F – Current Reserve Forecast

RESERVE STATEMENT (at Q2 2023/24)	2023/24 (opening balance)	2023/24 (forecast closing balance)
General Fund Reserve	16,400	16,400
Earmarked Reserves	103,830	71,097
Grant Reserves	105,142	81,077
School Balances Reserves	29,148	13,927
TOTAL RESERVES	254,520	182,501

The Capital Strategy

- 1.89 Capital investment remains a key enabler of the Council plan, and has been used to support the effective delivery of Council services. To date, the Council has utilised capital investment to support transformation within services, which has helped to achieve cost reductions. It has also been used to meet anticipated future need, which has helped to contain revenue cost in some areas, particularly education.
- 1.90 The capital strategy approved in 2023/24 has supported the budget setting process for capital investment during this financial year. The strategy is undergoing a refresh and will be included within the report for the meeting of the Executive on 6th February 2024.
- 1.91 The Council routinely maintains a multi-year capital programme which generally tends to be around ten years. However, it should be noted that the Council's appetite for capital investment should remain linked to its longer-term projections for spending power. This ensures that the capital programme remains affordable relative to anticipated resource availability. As discussed in detail elsewhere in this report, there is significant funding uncertainty beyond 2024/25 and therefore there is diminished appetite to increase the size of the overall capital programme without having that wider funding certainty.
- 1.92 Therefore, the capital programme presented within this budget proposal primarily reflects the re-phased capital investment programme. There are two key areas that have been adjusted for:
- Previously approved adjustments – in the 'Revenue Budget Monitoring Report 2023/24 (Quarter 2)' report to the Executive, approval was sought and duly given to utilise £8.8m of the forecast underspend to fund additional capital investment into Place infrastructure. In addition to approving the adjustments, the Executive also approved a further allocation of £4m from the revenue budget underspend for use for flood investigations and alleviation. The programme has been updated to incorporate all approvals, and they are budgeted for in 2024/25. This will necessitate the in-year windfall underspend identified to be transferred to the development fund at financial outturn, so that it can be drawn down to fund the approved schemes in 2024/25.
 - Allocation of contingency balance to priority schemes – the Council holds a relatively modest annual contingency budget within the capital programme, which provides a buffer against unforeseen increases in cost estimates. Over the past few years, a balance of approximately £24.9m has accrued and consideration has since been given to how it might be distributed to emergent priority schemes where there is a clear need for investment. This ensures the Council can increase planned investment in specific schemes, without increasing the overall quantum of borrowing assumed within the capital programme.

The Capital Programme

- 1.93 A ten year Capital Programme has been compiled in line with the principles set out in the Capital Strategy, including the principle of Affordability. The full Gross Programme is shown at Appendix B and totals £193.2m for 2023/24 plus a further £511.1m for future years. After grants and contributions are taken into consideration, the Council has a Net Programme of £106.2m for 2023/24 plus a further £338.6m for future years.
- 1.94 The economic context set out earlier on in this report continues to pose financial risk to capital programme delivery. There are two elements to consider, the first is ongoing inflation in capital schemes, which continues to be visible and increases with time. The second is the cost of financing, which has increased due to the increase in the base rate. It is hoped that these risks recede with time, and will continue to be monitored and reported.
- 1.95 As referenced within the strategy section, there are new schemes added to the programme following prior Executive approval. These are all planned for 2024/25, and are to be funded via revenue. The schemes are:
- Waste Transfer Stations (£6.1m) – additional investment in waste transfer station infrastructure in preparation for implementing the requirements of the Environment Act. This is enabled by a windfall energy from waste gain in 2023/24.
 - Cross Keys Electrification (£1.2m) – funded by additional traffic regulation order income, the scheme intends to replace the hydraulics on the bridge to ensure a more resilient and efficient operation.
 - LED Swap Out (£1.5m) – funded by the in-year forecast energy underspend, the proposal is to invest additional capital into LED lighting, which is expected to lead to reductions in energy consumption and cost.
 - Flood investigations and alleviation (£4m) – in recognition of the rising challenges around water level management, the Executive decided in early December to set aside additional funding to enable further works to be designed, planned and implemented.
- 1.96 In addition, there is a proposal to distribute the built up contingency balance to fund investment in emergent priority areas. This enables the Council to invest in priority schemes without incurring additional borrowing. The schemes are listed below:
- Waddington Training Centre land purchase (£0.378m)
 - Grantham Fire Station works (£0.469m)
 - Fire door replacement programme (£0.478m)
 - Lincolnshire Secure Childrens Home (£3m)
 - Children’s Home Louth (£0.325m)

- Sutton Bridge Place Making (£0.054m)
- Orchard House B refurbishment (£5m)
- RAF Woodhall Spa development (£1.6m)
- LFR Control Room (£4.568m)
- County Farms solar schemes (£0.150m)
- County Farms subsidence (£0.250m)
- New SEMH School Sleaford (£13m)
- Schools Mobile Replacement (£0.3m)
- 2 bed crisis Children's Home (£0.750m)

In total, £30.472m is proposed to be allocated to schemes across 2024/25 and 2025/26, with most assumed to be delivered in 2024/25. This fully utilises the built up balance of the new developments capital contingency (£24.902m), and draws down £0.575m from the block budget in 2024/25 and the full £5m block budget allocation in 2025/26.

- 1.97 The utilisation of the contingency annual block budget across 2024/25 and 2025/26 is due to timing, and is expected to be restored in full during 2024/25 following re-prioritisation of the existing programme.
- 1.98 The revised detailed capital programme incorporating the above changes, in addition to wider programme re-phasing, can be seen in Appendix B. The summary programme position can be seen in Table G below:

Table G – Capital Investment Programme (Summary)

Capital	2023/24	2024/25	2025/26	2026/27 - 2032/33
Investment in Blocks				
Adult Care and Community Wellbeing	8,113,826	-	-	-
Children's Services	8,082,672	50,000	23,002,477	32,377,000
Place	71,445,396	50,313,488	2,958,337	20,275,000
Fire and Rescue	2,266,441	3,115,310	1,718,000	3,000,000
Resources & Corporate	8,102,388	12,603,210	7,150,000	37,115,967
Total	98,010,723	66,082,008	34,828,814	92,767,967
Investment in Projects				
Adult Care and Community Wellbeing	1,158,703	-	-	-
Children's Services	27,236,574	13,880,405	7,714,286	-
Place	62,549,488	43,458,941	18,456,601	185,373,727
Fire and Rescue	-	4,568,000	-	-
Resources & Corporate	4,199,455	7,367,697	400,000	1,800,000
Total	95,144,220	69,275,043	26,570,887	187,173,727
New Development Capital Contingency	-	4,425,389	-	30,000,000
Total Investment	193,154,943	139,782,440	61,399,701	309,941,694
Funding				
External Funding	(86,990,799)	(45,157,176)	(31,917,089)	(95,434,529)
Borrowing	(76,587,606)	(76,624,519)	(24,284,291)	(179,146,801)
Capital Receipts	(5,000,000)	(5,000,000)	(5,000,000)	(35,000,000)
Revenue	(24,576,538)	(13,000,745)	(198,321)	(360,364)
Total Funding	(193,154,943)	(139,782,440)	(61,399,701)	(309,941,694)

1.99 A brief update is provided by directorate where there are specific changes or risks to report.

1.100 Children's Services:

- The Building Communities of Specialist Provision; Together in Lincolnshire Strategy is making significant changes to the existing special education provision, creating an integrated and sustainable school system where pupils with complex needs can attend their nearest special school, confident that their education and health needs can be fully met. The programme is nearing the end of its implementation, with the majority of capital schemes complete (nine) and supporting operating systems well established. The overall programme budget is £101.8m.
- Schools Government capital grant funding confirmed for 2024/25 and beyond has been included, such as, Basic Need: 2024/25 (£0) and 2025/26 (£21.535m). At the time of writing the report, the Government capital funding allocations for Special Educational Needs; Schools Conditions and Devolved Formula Capital have not been confirmed.

1.101 Place:

- Except for those projects which have either received approval already during the quarter two reporting process, or the schemes to be funded via the contingency, all existing schemes are being managed within their current budget allocations and no changes are proposed for the 2024/25 budget.

1.102 Resources:

- IT and property services continue to invest capital resources to support delivery of the service and the wider Council. There are some new spending commitments relating to property referred to in this section which property are leading the delivery of.

1.103 Capital financing charges were recently recalculated prior to the adjustments set out in this report. As the adjustments do not change borrowing, there is not expected to be material changes to the capital financing estimate although this will be confirmed when the revised calculation is completed. In the short-term, interest receipts on treasury investments are expected to continue to be higher due to increases in the bank base rate, but over the medium and long-term higher borrowing rates are expected to increase the cost of capital.

1.104 In previous years, the Council has made voluntary revenue provision payments to reduce the capital financing requirement of the Council. This has the effect of increasing the amount set aside to repay the cost of capital expenditure to a level which is above the minimum required. This can be used in future to decrease the cost of capital financing charges in future years if required. There are no current plans to do so.

Flexible Use of Capital Receipts

- 1.105 The Council previously approved the strategy of using Capital Receipts flexibly to fund revenue transformation projects from 2016/17 to 2019/20, in line with the Government's amended policy. From 2020/21 this was changed so that the strategy is now that capital receipts will only be used to repay loans or fund new capital expenditure. Transformation projects will instead be funded by using existing revenue budgets or earmarked reserves (e.g. development fund). This approach will continue into 2024/25.

Advice of the Executive Director for Resources (section 151 officer)

- 1.106 The report references a continuation of the challenging operating environment which the Council is required to work within. There is significant funding uncertainty beyond 2024/25, which is a major concern across the sector. If maintained by the next Government, the current national spending plans would ensure that the Council endures a period of real-terms reductions in its spending power. This means, all else being equal, the Council's costs would inflate at a faster rate than its funding which would necessitate an ongoing and potentially significant efficiency programme.
- 1.107 Furthermore, the Council provides range of key demand led services which are continuing to report significant increases in volume and complexity of demand, and therefore cost despite being regarded as well-led. At a national level, there are concerns across the sector with regards to social care demand and home to school transport. If the scale of increase in future years reflects the Council's experience of the past few years, there is an inherent risk that spend on these services will crowd out other Council services, which are also valued by the public. It is also possible that the Council is further back on the demand curve from the even higher levels of demand being reported elsewhere.
- 1.108 It should also be noted the Government has paused funding reforms (i.e. the fair funding review and the review of business rates baselines) and reforms to adult social care, with uncertainty around what this could mean for the Council if they were to resume.
- 1.109 The net budget has increased significantly over recent years, which has been met through additional funding which includes council tax price increases and the achievement of transformation and efficiencies. The national policy environment implies that future funding settlements will not increase resource availability to the same extent, and therefore there is a pressing need to identify ways to continue to contain demand. The risk is that, if this cannot be done, the cost of demand led services will continue to step-increase in future years set against relatively flat resources, which could necessitate large cost reductions within non-demand led services.
- 1.110 With that in mind, the advice of any section 151 officer would be to maximise the funding available to the organisation. Within the context of setting this budget, achieving the maximum funding would mean increasing council tax by 5%. The budget proposal currently assumes increasing the rate by 2.99%, although does reference the different options being considered. This would ensure the Council is best placed to navigate any potential future challenges.
- 1.111 Maximising the rate of council tax places a greater burden on residents, at a challenging time economically. However, doing so could ensure the Council is able to provide better quality services for a longer duration if austerity is to return from 2025/26. Also, it's worth noting that when compared to comparator authorities,

Lincolnshire continues to be in the lowest quartile for council tax rates when adjusted for fire precepts.

- 1.112 Finally, it is important to reference the Council's strong financial position and recognise the link between this and the difficult decisions the Council has taken since 2010.

2. Legal Issues:

2.1 Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.
- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact

is identified consideration must be given to measures to avoid that impact as part of the decision making process.

These equality considerations do not preclude changes in services being made, but do require that these be fully appreciated. It is clear that the current and future financial challenges facing local authorities and the need for budget savings may result in changes to service provision and to some reduction in Council services. These may apply to services accessed by all people in Lincolnshire as well as services provided to specific groups. It is possible that there may be an adverse impact on some people and communities including those with a protected characteristic.

In order to meet its obligations, Equality Impact Analyses will be carried out in relation to any proposed changes to services on an individual basis. The specific impacts on people with a protected characteristic will be investigated and the potential mitigation, if any, will be made clear, so that the implications of decisions are fully understood as they affect specific groups and communities. These have been and will continue to be regularly reported to the Executive as part of the decision making processes. Individual proposals will only be implemented after due regard to the legal matters that must be considered, including the public sector equality duty.

As part of its decision-making, the Executive will need to consider whether any alternative approaches could alleviate or at least mitigate the impact of the decision; such as making reductions in other areas which do not have the same impacts, including, particularly, equality impacts. The result could be to require additional resources to be used in certain areas than has been budgeted for.

Consideration of the public sector equality duty and/or consultation may be necessary at the budget setting stage where a decision to reduce spending is significant, sufficiently focussed, and in financial terms, apparently rigid.

It is not considered that this applies to any of the proposed reductions set out in this Report and its Appendices.

In particular, in the event that any of the proposed reductions cannot be achieved, the usual budget management processes such as the use of Earmarked Reserves, or virement, would be followed, and approval sought at the appropriate levels in accordance with Financial Regulations, including full Council where necessary. Furthermore, a contingency has been built into the budget proposals in the form of the Financial Volatility reserve (balance £46.9m) and a base budget contingency of £6m for 2024/25, for when additional funding cannot be found by way of Earmarked Reserves or virement from other service areas.

A full Equality Impact Analysis will be developed in respect of the final budget proposal and in particular any Council Tax proposals in the light of feedback received during the consultation process.

Joint Strategic Needs Analysis (JSNA and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health & Well Being Strategy (JHWS) in coming to a decision.

Individual proposals will only be implemented after due regard to the legal matters that must be considered, including the Joint Strategic Needs Assessment and Joint Health and Wellbeing Strategy.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

Individual proposals will only be implemented after due regard to the legal matters that must be considered, including the duty under section 17 of the Crime and Disorder Act 1998.

3. Conclusion

- 3.1 These budget proposals reflect an estimate of the level of Government funding expected to be available to the Council and a proposal to increase council tax by up to 4.99% in 2024/25.
- 3.2 A thorough review of Council services was carried out during this year's budget process. Unavoidable cost pressures as well as savings have been identified, and the Capital Programme has been reviewed with changes proposed. The budget proposals aim to reflect the Council's priorities whilst operating within the resources available to it.
- 3.3 The budget proposals have been developed alongside, and in accordance with, the draft Medium Term Financial Strategy and a proposed final version of this Strategy will be reported to the Executive in February 2024. Final budget proposals will be reported to the Executive on 6th February 2024.

4. Legal Comments

The Executive is responsible for publishing initial budget proposals for the budget for the purposes of consultation before determining the budget it will recommend to the full Council.

The matters to which the Executive must have regard in reaching its decision are set out in the body of the report.

The recommendations are within the remit of the Executive and are lawful. The Executive has the power to accept the Recommendation, or to agree one of the alternative approaches referred to in the report, subject to the limits on Council Tax increases referred to in the report.

5. Resource Comments

Please refer to the advice of the Council's section 151 officer (points 1.106 – 1.112).

6. Consultation

a) Has Local Member Been Consulted?

N/A

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

There are no scrutiny comments at this stage in the budget process.

d) Risks and Impact Analysis

An Equality Impact Analysis will be complete for the proposed increase in Council Tax. This will be reported to the Executive at its meeting on 6th February 2024.

Further Equality Impact Analyses will need to be undertaken on a service by service basis.

7. Appendices

These are listed below and attached at the back of the report	
Appendix A	Changes to the Cost Base 2024/25
Appendix B	Capital Investment Programme

8. 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
Autumn Statement 2022	https://www.gov.uk/government/publications/autumn-statement-2023
Provisional local government finance settlement: England, 2023 to 2024	https://www.gov.uk/government/collections/provisional-local-government-finance-settlement-england-2024-to-2025
Council Budget 2023/24	Agenda for Executive on Tuesday, 5th December, 2023, 10.30 am (moderngov.co.uk)
Review of Financial Performance 2022/23	Agenda for Executive on Tuesday, 4th July, 2023, 10.00 am (moderngov.co.uk)

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CHANGES TO THE COST BASE 2024/25

APPENDIX A

Adult Care and Community Wellbeing

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Budget Book Line	Service	Change Category (1)	Change Category (2)	Type of Change	BUDGET ADJUSTMENT	2024/25 £
Adult Frailty & Long Term Conditions	Older Persons/Physical Disabilities Services	Cost Pressure	Price Change	Contractual inflation	The financial rate paid to providers of older peoples care and physical disability services increases each year to reflect changes in inflation, national living wage etc. The rate is encompassed in the 3 year residential contracts and/or the homecare prime provider contracts and published in the annual statement attached to the Adult Care Charging Policy. Forecast aligned to LPC forecast for NLW and Bank of England for inflation forecasts. BCF income contributes to this cost increase (see below).	4,936,195
Adult Specialities	Mental Health/Learning Disabilities Service	Cost Pressure	Demand Change	Population need	Demand for adult specialties continues to increase with between 2.3% - 6.0% for learning disability and mental health long term care respectively.	4,535,031
Adult Frailty & Long Term Conditions	Older Persons/Physical Disabilities Services	Cost Pressure	Demand Change	Population need	Offsetting increase in expenditure to reflect anticipated ringfenced ASC market sustainability and improvement grant announced in the Autumn Statement (see below)	3,894,384
Adult Specialities	Mental Health/Learning Disabilities Service	Cost Pressure	Price Change	Contractual inflation	The financial rate paid to providers of mental health and learning disability services increases each year to reflect changes in inflation, national living wage etc. The rate is encompassed in the 3 year residential contracts and/or the homecare prime provider contracts and published in the annual statement attached to the Adult Care Charging Policy. Forecast aligned to LPC forecast for NLW and Bank of England for inflation forecasts.	3,293,969
Adult Specialities	Mental Health	Cost Pressure	Demand Change	Population need	Increased mental health demand and cost full year effect of £3.1m	3,100,000
Adult Specialities	Mental Health/Learning Disabilities Service	Cost Pressure	Price Change	National living wage	NLW increase to £11.44	2,843,000
Adult Frailty & Long Term Conditions	Older Persons/Physical Disabilities Services	Cost Pressure	Price Change	National living wage	NLW increase to £11.44	2,798,000
Adult Frailty & Long Term Conditions	Older Persons/Physical Disabilities Services	Cost Pressure	Demand Change	Population need	Offsetting increase in expenditure to reflect anticipated increase in BCF(see below).	1,655,080
Adult Frailty & Long Term Conditions	Older Persons/Physical Disabilities Services	Cost Pressure	Price Change	National living wage	Additional 1%-1.6% increase in unit price paid to ASC care providers reflecting both the NLW increase to £11.07 and the forecast increase and catch up in inflation. 2023-24 funded through use of ASC reserve.	1,292,000

Budget Book Line	Service	Change Category (1)	Change Category (2)	Type of Change	BUDGET ADJUSTMENT	2024/25 £
Adult Specialities	Safeguarding	Cost Pressure	Demand Change	Population need	Growth in demand for DoLs / LPS previously funded by adult care non-recurrent reserve	1,060,000
Adult Frailty & Long Term Conditions	Older Persons/Physical Disabilities Services	Cost Pressure	Demand Change	Population need	Older peoples residential care is seeing an increase in demand as self-funders capital depletes £0.965m	965,000
Adult Specialities	Mental Health/Learning Disabilities Service	Cost Pressure	Price Change	National living wage	Additional 1%-1.6% increase in unit price paid to ASC care providers reflecting both the NLW increase to £11.07 and the increase in inflation.	934,000
Adult Frailty & Long Term Conditions	Older Persons/Physical Disabilities Services	Cost Pressure	Income	Change in charging income	Adult Social Care Charging Policy is due for refresh 1 April 2024. The council will continue to exclude enhanced benefit income from the calculation of the clients contribution and apply the national minimum income guarantee to ensure people with higher needs are not disproportionately impacted by the income assessment. The Disability Related Expenditure bandings do need uplifting to reflect the increased cost of living and the forecast 0.6m cost of this is included in the budget.	800,000
Adult Frailty & Long Term Conditions	Older Persons/Physical Disabilities Services	Cost Pressure	Demand Change	Population need	Increasing demand for working age adults with physical disabilities (all services) and homecare for older people. Assumed reduction in demand for older peoples residential	780,805
Public Health & Community Wellbeing	Public Health & Community Wellbeing	Cost Pressure	Demand Change	Population need	Offsetting increase in expenditure to reflect anticipated uplift in Public Health grant.	474,161
Public Protection	Public Protection	Cost Pressure	Workforce	Other workforce change	2 FTE Coroners Officers needed to sustain the service turnaround times being delivered following an 18month programme of reduction.	100,000
Adult Specialities	Mental Health/Learning Disabilities Service	Cost Pressure	Price Change	National living wage	Additional 1%-1.6% increase in unit price paid to ASC care providers reflecting both the NLW increase to £11.07 and the increase in inflation.	91,000
Public Protection	Public Protection	Cost Pressure	Workforce	Other workforce change	Assistant Director role 100% LCC funded from Jan24	85,000
Adult Frailty & Long Term Conditions	Older Persons	Saving	Demand Change	System shift	Capital Investment in extra care housing reduces reliance on long term residential placements	(204,000)
Adult Frailty & Long Term Conditions	Older Persons/Physical Disabilities Services	Cost Pressure	Service Development / Efficiency	Service efficiencies	Adult Social Care Charging Policy is due for refresh 1 April 2024. The council will continue to exclude enhanced benefit income from the calculation of the clients contribution and apply the national minimum income guarantee to ensure people with higher needs are not disproportionately impacted by the income assessment. The Disability Related Expenditure bandings do need uplifting to reflect the increased cost of living and the forecast 0.6m cost of this is included in the budget.	(250,000)
Public Health grant income	Public Health & Community Wellbeing	Change in Income	Income	Change in grant income	Assumed increase in public health grant	(474,161)

Budget Book Line	Service	Change Category (1)	Change Category (2)	Type of Change	BUDGET ADJUSTMENT	2024/25 £
Adult Frailty & Long Term Conditions	Older Persons/Physical Disabilities Services	Saving	Demand Change	System shift	Through delivering the strengths based agenda and enabling people to live within their community for longer, ACCW is forecasting the potential to provide care for 5% of residential care demand in a different way.	(993,000)
Better Care Fund	Older Persons/Physical Disabilities Services	Change in Income	Income	Change in grant income	Confirmation that the Adult Social Care Maintenance BCF grant condition will continue. This is forecast income to be received from that condition. This income supports the cost of providing ASC packages of care. Until formal confirmation of amount received, there is a risk that the actual may differ to forecast.	(1,089,015)
Better Care Fund	Older Persons/Physical Disabilities Services	Change in Income	Income	Change in grant income	Anticipated additional increase in BCF arising from the Autumn Statement. There is anticipated to be an expenditure offset, shown on the row above reflecting new burdens expected to be associated with the additional funding.	(1,655,080)
Adult Specialities	Older Persons/Physical Disabilities Services	Cost Pressure	Income	Change in grant income	Anticipated ringfenced ASC market sustainability, improvement and workforce grant. Forms grant income of £14.7m reflected in MTFP. Supporting ASC access to mental health services.	(2,877,000)
Adult Frailty & Long Term Conditions	Older Persons/Physical Disabilities Services	Change in Income	Income	Change in grant income	Anticipated ringfenced ASC market sustainability and improvement grant announced in the Autumn Statement. Forms grant income of £14.7m reflected in MTFP.	(3,894,384)
TOTAL ADJUSTMENT (CURRENT POSITION)						22,200,985

Children's Services

Budget Book Line	Service	Change Category (1)	Change Category (2)	Type of Change	BUDGET ADJUSTMENT	2024/25 £
Children's Social Care	Children in Care (CiC) - Placements	Cost Pressure	Demand Change	Population need	To fund the current baseline commitments of CiC placements which reflects the changing landscape with higher CiC numbers; a higher composition in more specialist placements (IFAs, Residential placements, INSA and welfare) and cost base reflecting the unfavourable market conditions. Lincolnshire's CiC is currently 756. The CiC rate per 10,000 is 50.7 (Statistical Neighbours: 65 per 10,000 and England 70 per 10,000).	4,135,704
Children's Social Care	Children in Care	Cost Pressure	Price Change	Other price change	CiC: increase in costs across the composition of placement types supporting this vulnerable group (8-10%): inflationary applied for residential placements and external foster care, and Supported Accommodation based on the cost composition and market conditions; reducing in 2025/26 and future years in accordance with forecasts. The unfavourable market conditions due to the national demand for placements are causing higher levels of inflation within these areas.	1,181,876
Children's Social Care	Social Workers	Cost Pressure	Workforce	Other workforce change	During 2023/23, a 15% market supplement for FAST Social Workers, and a 7% market supplement for CiC and Fostering teams have been agreed to aid recruitment and retention.	1,057,028
Children's Social Care	Fostering and Adoption - foster carer allowances	Cost Pressure	Price Change	Other price change	Funding to reflect the Government's 12.4% increase to the national minimum allowance (NMA) for foster carer allowances in 2023/24 previously funded from corporate contingency and the 2024/25 NMA increase of 6.88%, plus anticipated increases of 3% p.a. from April 2025. Cost of Adoption Allowances (means tested) have been updated to take account of the economic circumstances.	1,037,321
Children's Social Care	Social Workers	Cost Pressure	Workforce	Other workforce change	A new Social Worker Apprentice programme was established in September 2022, creating 14 apprentices, of which 4 will be funded from existing resources. Programme to phase in and will be at maximum capacity by 2025/26.	953,841
Children's Social Care	Strategic Contracts	Cost Pressure	Price Change	Contractual inflation	To fund the increasing cost of strategic provider contracts caused by the higher levels of inflation being experienced now and forecast into the future, compared to when the strategic provider contracts were established (at a fixed price on award), many of which were prior to the market volatility.	584,838
Children's Social Care	Contact Service	Cost Pressure	Price Change	Other price change	Social Care Transport Provision: supervised Family Time is provided in Lincolnshire to support CYP to continue to have positive and sustained relationships with their families when they reside in the care of the Local Authority. This requires travel provision to be provided to the CYP commissioned through the Transport Services team. Poor transport market conditions is a major contributing factor. Other factors for increasing costs include: length of care proceedings, increase of CiC numbers and increase of Family Time ordered post final hearing. Provisional figure.	500,000
Children's Education	Children with Disabilities	Cost Pressure	Demand Change	Population need	To commission a Short Breaks provision for Children with Disabilities at The Maples residential unit, to ensure sufficient capacity to meet existing and future demand. Short Breaks provision is a statutory requirement of the Council. A business case is being made to the ICB for a 30% contribution towards the running of the provision (£0.179m), which has been built into the assumptions	417,751
Children's Social Care	Special Guardianship Orders	Cost Pressure	Demand Change	Population need	Special Guardianship Orders (SGOs) continue to be seen as an important option for permanency for children who need to be removed from their birth parents. The expected increases are based on past trends.	298,724

Budget Book Line	Service	Change Category (1)	Change Category (2)	Type of Change	BUDGET ADJUSTMENT	2024/25 £
Children's Education	Children with Disabilities	Cost Pressure	Price Change	Contractual inflation	The rise in the national living wage / inflation will have a direct impact on the costs for delivering domiciliary care and direct payments in the support for children with disabilities.	181,580
Children's Education	Children with Disabilities	Cost Pressure	Workforce	Other workforce change	A new Social Worker Apprentice programme was established in September 2022, creating 14 apprentices, of which 4 will be funded from existing resources. Programme to phase in and will be at maximum capacity by 2025/26.	93,826
Children's Education	Education: School Improvement	Saving	Service Development / Efficiency	Service efficiencies	Review of delivery and in-accordance with the DfE guidance utilising de-delegation budgets for primary maintained schools differently and efficiencies within the service delivery.	(30,000)
Children's Social Care	Children's Social Care	Saving	Service Development / Efficiency	Service development	General efficiency savings in the delivery of services.	(33,500)
Children's Social Care	Social Care: Targeted Support for Young People	Change in Income	Service Development / Efficiency	Service efficiencies	General efficiency savings in the delivery of services.	(100,000)
Children's Social Care	Social Care: Early Help Services	Change in Income	Service Development / Efficiency	Service efficiencies	Early Help Service: grant funding provides predictability and growth in funding.	(250,000)
Children's Social Care	Children in Care (CiC) - External Placements	Saving	Service Development / Efficiency	Invest to save	Opening of new children's homes (1) September 2023, (2) January 2024. Savings secured through a reduction in placement costs compared to an external residential placement cost.	(290,582)
TOTAL ADJUSTMENT (CURRENT POSITION)						9,738,407

Fire and Rescue

Budget Book Line	Service	Change Category (1)	Change Category (2)	Type of Change	BUDGET ADJUSTMENT	2024/25 £
Fire & Rescue	Control ICCS/CAD Stn End Replacement Project	Cost Pressure	Service Development / Efficiency	Service development	The current arrangements with the EHCRC will come to an end in Mar 2025 with LFR and Humberside FRS withdrawing from the consortium. The current, and final, contract arrangements, with SSS the ICCS/CAD provider, end on the on that date having been extended several times beyond the original contract provisions. There is a procurement risk extending further. The need to provide a control function (to receive 999 calls and dispatch resources etc.) is both critical and a legislative duty under the FSA14. There is a further duty under the CCA04 relating to responding to emergencies which necessitates a control function. Station end equipment, which is the communications equipment to facilitate the dispatching of assets is also aging and beyond its serviceable life creating a further critical risk. The mobile data terminals which crews use to assess risk critical information is also nearing end of life. It has now been decided that LFR will implement its own independent solution but continue to collaborate with Humberside FRS for resilience. The tender process through a CCS framework resulted in only one bid, which is from the incumbent supplier SSS. The cost pressure identified reflects the incremental, ongoing costs over the life of the project net of the current EHCRC contribution. Project implementation costs are excluded as expected to be capitalised and no costs associated with IT internal resources (as not currently recharged) are included.	124,702
Fire & Rescue	Firelink Grant	Change in Income	Income	Change in grant income	The government has announced that the Fire Link grant will be phased out over a five-year period commencing 2022/23. The baseline grant at 2021/22 was £380k p.a. The reduction for 2024/25 corrects the cumulative effect of the reductions already implemented in addition to the reduction effective from 1 April 2024.	93,000
Fire & Rescue	Fire Investigation ISO 17020 Accreditation	Cost Pressure	Demand Change	Other demand change	The Forensic Science Regulator has placed a requirement on any organisation within England and Wales that investigates a fire as part of the Criminal Justice setting to be accredited to ISO 17020. The Police are required to accredit all of their forensic services to ISO 17020 so they have experience of the accreditation process. Due to the complexity of the process and the work needed to maintain it, a regional approach has been adopted in collaboration with Police in most FRS areas. We are currently developing our regional model. Experience from the rest of the sector suggests additional pooled resource is required. Ongoing cost, estimated at 1FTE at Watch manager, is £55k	55,000
Fire & Rescue	DBS Certification	Cost Pressure	Demand Change	Other demand change	Change in regulatory burden caused by an amendment to the Rehabilitation of Offenders Act 1974 (Exceptions), has placed an expectation that all FRS operational staff will require a 'standard level' of DBS check. This will incur a cost pressure of circa £50k for the initial uplift, then £50k every 3 years - circa £20k pa (although this will naturally spread over time).	50,000
TOTAL ADJUSTMENT (CURRENT POSITION)						322,702

Place

Budget Book Line	Service	Change Category (1)	Change Category (2)	Type of Change	BUDGET ADJUSTMENT	2024/25 £
Communities	Home to School Transport	Cost Pressure	Price Change	Contractual inflation	Delivery of educational transport to meet statutory and policy requirements arising from continuing inflation, service demand and challenging market conditions.	3,012,905
Highways	Highways Asset Management	Cost Pressure	Price Change	Contractual inflation	Increased cost arising on highways maintenance contract extension	1,900,000
Highways	Highways Asset Management	Cost Pressure	Price Change	Contractual inflation	Contract Inflation. Cost of plant, labour and materials outstripping budgetary increases.	1,078,000
Communities	Waste Management	Cost Pressure	Price Change	Contractual inflation	Increased cost resulting from market prices on re-procurement of HWRC haulage contracts.	760,000
Communities	Culture	Cost Pressure	Price Change	Contractual inflation	Contract inflation on Libraries contract, linked to CPI and average earnings. 2024/25 pressure includes adjustment for unfunded high level of inflation in 2023/24.	613,654
Communities	Waste Management	Cost Pressure	Price Change	Contractual inflation	Increased cost resulting from market prices on re-procurement of HWRC operating contracts.	456,000
Communities	Planning	Cost Pressure	Workforce	Other workforce change	Restructure of Planning team to provide greater resilience and accommodate the increased demand resulting from Nationally Significant Infrastructure Project (NSIP) applications. Largely funded by an increase in the level of planning fees. (see below)	250,000
Growth	Economic Infrastructure-Business Units	Cost Pressure	Price Change	Energy/utility price	Energy cost inflation previously budgeted within overall Corporate Property energy costs. 2024/25 figure includes the necessary adjustment for inflation already incurred in 2022/23 and 2023/24 and funded from contingency.	211,000
Communities	Home to School Transport	Cost Pressure	Demand Change	Population need	Increase in expenditure to match increase in extended rights to free travel grant	159,500
Communities	Waste Management	Cost Pressure	Demand Change	Other demand change	Increased operational costs due to requirement to separately store and haul hazardous wood waste from 1st April 2024.	150,000
Communities	Environment	Cost Pressure	Price Change	Contractual inflation	Effect of inflation agreed in the rates for the Highways maintenance contract on work commissioned by the PROW team. 2024/25 pressure includes adjustment for unfunded high level of inflation in 2023/24.	116,000
Communities	Waste Management	Cost Pressure	Demand Change	Other demand change	Increased operational costs due to statutory requirement to separately store and haul waste material which contains Persistent Organic Pollutants from 1 December 2024.	100,000
Communities	Planning	Cost Pressure	Demand Change	Other demand change	Cost of the statutory examination of the Minerals and Waste Local Plan by the Planning Inspectorate. This is a short-term pressure created by the cyclical examination of the plan which occurs every 5 -10 years.	100,000
Growth	Economic Infrastructure-Business Units	Cost Pressure	Price Change	Other price change	Insurance cost inflation under corporate insurance arrangements, previously budgeted in "Other Budgets". 2024/25 figure includes the necessary adjustment for inflation already suffered in 2022/23 and 2023/24 and funded from contingency.	72,000
Highways	Highways Asset Management	Cost Pressure	Demand Change	Other demand change	Asset growth - average of 18km of newly adopted road per annum	31,500
Growth	Economic Infrastructure-Business Units	Cost Pressure	Demand Change	Other demand change	Statutory requirement to improve Energy Performance Certificate (EPC) performance for lettable units.	20,000
Highways	Highways	Saving	Service Development / Efficiency	Service efficiencies	Improve our productivity within the Network Compliance team by taking back in house the invoicing transactions from Business Support to the Highways Service.	(50,000)

Budget Book Line	Service	Change Category (1)	Change Category (2)	Type of Change	BUDGET ADJUSTMENT	2024/25 £
Communities	Planning	Change in Income	Income	Change in charging income	Increased fee income resulting from Planning Performance Agreements in respect of NSIPs.	(175,000)
Highways	Highways	Saving	Service Development / Efficiency	Service efficiencies	Improve data capture and streamline invoicing process for 3rd party claims arising from damage to Highways assets following road traffic incidents.	(450,000)
Communities	Waste Management	Change in Income	Income	Change in charging income	Higher profit share from energy sales at EfW resulting from increase in utility prices. Expected to be short-term as prices return to pre-covid / pre Ukraine war rates.	(750,000)
Communities	Waste Management	Change in Income	Service Development / Efficiency	Invest to save	Increased income and haulage cost savings from continued roll-out of separate paper and card recycling collections.	(857,542)
Highways	Highways	Saving	Price Change	Energy/utility price	Signals and street lighting energy costs based on latest ESPO Energy Report. 2024/25 saving includes an adjustment for the 2023/24 price increase not being as high as previously expected. Contracts renew each October.	(2,000,000)
TOTAL ADJUSTMENT (CURRENT POSITION)						4,748,017

Resources

Budget Book Line	Service	Change Category (1)	Change Category (2)	Type of Change	BUDGET ADJUSTMENT	2024/25 £
IMT	Contracts	Cost Pressure	Price Change	Contractual inflation	Additional cost of business as usual activities, which reflects inflation on contracted spend, additional cloud storage costs and additional software costs arising from wider capital investment.	1,013,737
Corporate Property	Property Contract Inflation	Cost Pressure	Price Change	Contractual inflation	Property contract inflation for 2024/25, estimated at 6% accounting for industry indices.	580,445
IMT	Security Costs	Cost Pressure	Demand Change	System shift	Increased investment in cyber security protection.	475,861
IMT	Staffing structure	Cost Pressure	Service Development / Efficiency	Service development	Proposed changes to ensure strengthened leadership capability and capacity, which is offset through the achievement of additional savings within the service (please refer to savings further down the table).	314,783
Transformation	Systems	Cost Pressure	Price Change	Contractual inflation	Additional cost of new software licensing and maintenance, in addition to existing system inflation.	209,440
Corporate Property	Property Contract Inflation	Cost Pressure	Price Change	Contractual inflation	An amalgamation of smaller pressures across the corporate landlord and county farms estate, including increased business rates, increased maintenance costs and minor inflation.	202,144
Corporate Property	Establishment Staffing Increases	Cost Pressure	Demand Change	Other demand change	New posts identified in 'Re-Commissioning of Property Services' report to the Executive in July. The new facilities management posts are not included within the existing contract, and will enable the Council to meet its property statutory and legislative obligations.	195,441
Finance	Finance	Cost Pressure	Price Change	Other price change	External audit scale fee increase resulting from PSAA national auditor appointments	195,000
Commercial	Commercial	Cost Pressure	Service Development / Efficiency	Service development	Move to permanent staffing establishment, removing the reserve funded element (releasing a £1m reserve for alternate use) mitigated by the introduction of a vacancy factor reflecting historic trend data. Additional post identified to enhance workforce transition resilience.	187,661
Commercial	Customer Service Centre	Cost Pressure	Service Development / Efficiency	Invest to save	Software Licence cost for AI technology to enable digital transformation.	114,183
Finance	Finance	Saving	Service Development / Efficiency	Council efficiency programme	Savings Target 1% (split over two years) - financial services	(50,000)
Commercial	Customer Service Centre	Saving	Transformation Programme	Transformation programme	Customer and Digital Transformation (customer digital delivery) - Phase 1 (reduction in call volumes due to channel shift)	(101,000)
Organisational Support	Human Resources	Change in Income	Income	Change in charging income	Increased income from PAL, 0-19 recharges and school recharges	(138,600)
Corporate Property	Insurance	Saving	Service Development / Efficiency	Service efficiencies	Reduction in insurance property premiums following re-procurement	(205,000)
Governance	Legal Services	Change in Income	Income	Change in charging income	Increase in Legal Lincolnshire surplus target following reduction in agency usage and increased income activity	(400,000)

Budget Book Line	Service	Change Category (1)	Change Category (2)	Type of Change	BUDGET ADJUSTMENT	2024/25 £
IMT	Contracts	Saving	Service Development / Efficiency	Service efficiencies	Achievement of cost reductions across service, which reflects the de-commissioning of the IMP system, reduction in Microsoft Unified Support and a reduction in the Serco contract.	(617,964)
Commercial	Customer Service Centre	Saving	Service Development / Efficiency	Service efficiencies	Re-procurement of new CSC contract delivering cost reduction	(832,668)
Corporate Property	Utility Costs	Saving	Price Change	Energy/utility price	Reduction in energy cost estimates based on current usage and price expectations. This reflects a partial unwinding of the 2023/24 budget pressure.	(2,087,516)
TOTAL ADJUSTMENT						(944,053)

Other Budgets

Budget Book Line	Service	Change Category (1)	Change Category (2)	Type of Change	BUDGET ADJUSTMENT	2024/25 £
Other Budgets	Pay Award	Cost Pressure	Price Change	Pay award	Anticipated increase in pay costs as a result of the pay award (4% estimate assumed at global level).	8,778,357
Other Budgets	Pension Liabilities	Cost Pressure	Central & Technical Budget Adjustment	Central & technical adjustment	Cost of pension liabilities increase by inflation annually, partially offset by attrition.	262,152
Other Budgets	Council Tax Support	Cost Pressure	Central & Technical Budget Adjustment	Central & technical adjustment	Contribution to District Council's Single Person Discount counter fraud activity. This cost pressure should be offset by an increase in the Council Tax base (1.5% growth assumed).	71,000
Other Budgets	Eastern Inshore Fisheries & Conservation Authority	Cost Pressure	Central & Technical Budget Adjustment	Central & technical adjustment	Inflation on the annual payment to Eastern Inshore Fisheries & Conservation Authority.	10,474
Contingency	Contingency	Saving	Central & Technical Budget Adjustment	Central & technical adjustment	Proposed reduction in the contingency to £6m as the level of inflation reduces.	(500,000)
Other Budgets	Insurance	Saving	Service Development / Efficiency	Service efficiencies	Reduction in insurance costs following contract re-tender. Modest inflation assumed beyond 2024/25	(980,004)
Other Budgets	Pension Liabilities	Cost Pressure	Central & Technical Budget Adjustment	Central & technical adjustment	Reduction in employer contribution rates following impact assessment of 2023 triennial review, mitigated down by a higher than planned for 2023/24 pay award.	(2,181,842)
Highway maintenance additional spend (2023/24)	Highways	Other	Other	Other change	Reversal of 2023/24 additional temporary investment in highways (shown as a separate line on the budget book).	(7,000,000)
TOTAL ADJUSTMENT (CURRENT POSITION)						(1,539,863)

CAPITAL INVESTMENT PROGRAMME

APPENDIX B

* Scheme by Area (all figures in £m)	2023/24			2024/25			Future Years		
	Gross Investment	External Funding	Internal Funding	Gross Investment	External Funding	Internal Funding	Gross Investment	External Funding	Internal Funding
Adult Care and Community Wellbeing									
B Adult Care	0.484	-	0.484	-	-	-	-	-	-
B Safer Communities	0.025	-	0.025	-	-	-	-	-	-
B Registration Celebratory & Coroners Services	0.020	-	0.020	-	-	-	-	-	-
B Better Care Fund	7.585	7.585	-	-	-	-	-	-	-
P Welton - Extra Care Housing	1.159	-	1.159	-	-	-	-	-	-
Sub-total	9.273	7.585	1.688	-	-	-	-	-	-
Children's Services									
B Schools Maintenance Programme	4.888	4.888	-	-	-	-	-	-	-
B Provision of School Places (Basic Need)	1.639	1.939	(0.300)	-	-	-	55.029	29.371	25.658
B Devolved Capital	0.962	0.962	-	-	-	-	-	-	-
B Foster Care	0.120	-	0.120	0.050	-	0.050	0.350	-	0.350
B Other Children's Social care	0.009	-	0.009	-	-	-	-	-	-
B Connect the Classroom	0.464	0.471	(0.007)	-	-	-	-	-	-
B Alternative Provision school expansion	0.300	-	0.300	-	-	-	-	-	-
P SEND Reorganisation	14.531	9.259	5.272	7.845	-	7.845	-	-	-
P Children's Homes	2.011	0.412	1.599	-	-	-	-	-	-
P Lincolnshire Secure Unit	0.116	0.116	-	-	-	-	-	-	-
P Lincs Secure Unit	10.279	7.266	3.013	-	-	-	-	-	-
P New SEMH School	-	-	-	5.286	-	5.286	7.714	-	7.714
P 2 bed crisis Children's Home	-	-	-	0.750	-	0.750	-	-	-
Sub-total	35.319	25.313	10.006	13.931	-	13.931	63.093	29.371	33.722
Fire and Rescue									
B Fire Fleet and Equipment	2.237	-	2.237	3.115	-	3.115	4.718	-	4.718
B Fire & Rescue and Emergency Planning	0.030	-	0.030	-	-	-	-	-	-
P LFR Control Room	-	-	-	4.568	-	4.568	-	-	-
Sub-total	2.267	-	2.267	7.683	-	7.683	4.718	-	4.718

* Scheme by Area (all figures in £m)	2023/24			2024/25			Future Years		
	Gross Investment	External Funding	Internal Funding	Gross Investment	External Funding	Internal Funding	Gross Investment	External Funding	Internal Funding
Other Budgets									
B New Developments Contingency Fund	-	-	-	4.425	-	4.425	30.000	-	30.000
B Capital Fund	-	1.568	(1.568)	-	-	-	-	-	-
Sub-total	-	1.568	(1.568)	4.425	-	4.425	30.000	-	30.000
Place									
B Highways Asset Protection	56.296	45.607	10.689	38.723	38.723	-	-	-	-
B Integrated Transport	4.905	3.337	1.568	3.337	3.337	-	-	-	-
B Boston Development Schemes	0.914	-	0.914	-	-	-	-	-	-
B Network Resilience	1.787	-	1.787	0.240	-	0.240	0.600	-	0.600
B Heritage/archives	1.625	-	1.625	2.000	-	2.000	1.500	-	1.500
B Lincolnshire Enterprise Partnership Contribution	1.536	-	1.536	-	-	-	-	-	-
B Flood & Water Risk Management	0.584	-	0.584	4.922	-	4.922	-	-	-
B Local Flood Defence Schemes	0.504	-	0.504	1.037	-	1.037	3.500	-	3.500
B Other Highways	2.374	-	2.374	-	-	-	-	-	-
B Local Highways Improvements (pinch points) to support Coastal Routes	0.664	-	0.664	-	-	-	16.795	-	16.795
B Equipment & Vehicles at Waste Transfer Stations	0.250	-	0.250	-	-	-	0.543	-	0.543
B Other Transport Initiatives	0.403	-	0.403	-	-	-	-	-	-
B Libraries	0.323	-	0.323	-	-	-	-	-	-
B Energy Efficiency Street Lighting	0.224	-	0.224	-	-	-	-	-	-
B Economic Development- Business Unit Development	0.191	-	0.191	-	-	-	-	-	-
B Fire Suppression at Waste Transfer Stations	0.028	-	0.028	-	-	-	0.160	-	0.160
B Holdingham Roundabout (Sleaford Growth Schemes)	0.070	-	0.070	-	-	-	-	-	-
B Waste	-	-	-	-	-	-	0.135	-	0.135
B Countryside Rights of Way	0.045	-	0.045	-	-	-	-	-	-
B Other Growth and the Economy - Economic Infrastructure	0.044	-	0.044	-	-	-	-	-	-
B A46 Roundabouts	0.021	-	0.021	-	-	-	-	-	-
B Other Environment & Planning	0.006	-	0.006	-	-	-	-	-	-
B Teal Park Lincoln	(0.001)	-	(0.001)	-	-	-	-	-	-
B A18 Safer Road Fund	(0.007)	-	(0.007)	-	-	-	-	-	-

* Scheme by Area (all figures in £m)	2023/24			2024/25			Future Years		
	Gross Investment	External Funding	Internal Funding	Gross Investment	External Funding	Internal Funding	Gross Investment	External Funding	Internal Funding
B A16/A1073 Spalding to Eye Road Improvement	(0.016)	-	(0.016)	-	-	-	-	-	-
B Lincolnshire Waterways	(0.144)	-	(0.144)	-	-	-	-	-	-
B Lincoln Growth Point	(0.256)	-	(0.256)	-	-	-	-	-	-
B Rural Roads Fund	(0.926)	-	(0.926)	-	-	-	-	-	-
B Sutton Bridge Place Marking	-	-	-	0.054	-	0.054	-	-	-
P Grantham Southern Relief Road	21.061	-	21.061	30.036	-	30.036	0.837	-	0.837
P Spalding Western Relief Road (Section 5)	23.718	-	23.718	(3.649)	-	(3.649)	-	-	-
P North Hykeham Relief Road	6.606	3.580	3.026	4.424	3.097	1.327	177.154	97.980	79.174
P Broadband	1.505	-	1.505	1.093	-	1.093	3.770	-	3.770
P Lincoln Eastern Bypass	1.796	-	1.796	2.800	-	2.800	-	-	-
P A16 Levelling Up Fund (LUF)	5.177	-	5.177	-	-	-	-	-	-
P HWRC Skegness	-	-	-	-	-	-	2.000	-	2.000
P Economic Development - Horncastle Industrial Estate Extension	-	-	-	1.500	-	1.500	-	-	-
P Waste - Separated Paper and Card Scheme	1.247	-	1.247	0.465	-	0.465	-	-	-
P A52 Skegness Roman Bank Reconstruction	0.903	-	0.903	-	-	-	-	-	-
P A631 Louth to Middle Rasen Safer Road Fund	0.700	-	0.700	-	-	-	-	-	-
P A46 Welton Roundabouts (Integrated Transport/NPIF)	0.137	-	0.137	-	-	-	-	-	-
P Spalding Western Relief Road Section 1	-	-	-	0.090	-	0.090	27.700	-	27.700
P Skegness Countryside Business Park 2	0.040	-	0.040	-	-	-	-	-	-
P A631 Middle Rasen to Bishops Bridge Safer Roads Fund	0.013	-	0.013	-	-	-	-	-	-
P Spalding Western Relief Road Section 1 S106	-	-	-	-	-	-	(5.520)	-	(5.520)
P Spalding WRR Section 5 S106	-	-	-	(2.100)	-	(2.100)	(2.100)	-	(2.100)
P Electronic Ticket Machines	(0.004)	-	(0.004)	-	-	-	-	-	-
P A1084 Safer Road Fund	(0.011)	-	(0.011)	-	-	-	-	-	-
P HWRC Tattershall	-	-	-	-	-	-	(0.011)	-	(0.011)
P Holbeach Food Enterprise Zone	(0.337)	-	(0.337)	-	-	-	-	-	-
P Waste Transfer Stations	-	-	-	6.100	-	6.100	-	-	-
P Cross Keys Bridge electrification	-	-	-	1.200	-	1.200	-	-	-
P LED swap out	-	-	-	1.500	-	1.500	-	-	-
Sub-total	133.995	52.524	81.471	93.772	45.157	48.615	227.063	97.980	129.083

* Scheme by Area (all figures in £m)	2023/24			2024/25			Future Years		
	Gross Investment	External Funding	Internal Funding	Gross Investment	External Funding	Internal Funding	Gross Investment	External Funding	Internal Funding
Resources & Corporate									
B Property Maintenance	4.632	-	4.632	4.567	-	4.567	22.575	-	22.575
B Improvement Transformation	0.350	-	0.350	3.650	-	3.650	-	-	-
B Infrastructure and Refresh Programme	2.450	-	2.450	3.711	-	3.711	19.616	-	19.616
B County Farm Block	0.531	-	0.531	0.675	-	0.675	2.075	-	2.075
B Replacement ERP Finance System	0.127	-	0.127	-	-	-	-	-	-
B ICT Development Fund	0.013	-	0.013	-	-	-	-	-	-
P School Mobile Classroom Replacement	-	-	-	1.100	-	1.100	2.200	-	2.200
P Property Area Review	0.067	-	0.067	-	-	-	-	-	-
P Waddington Training Facility - Capital	0.378	-	0.378	-	-	-	-	-	-
P Fire Door Replacement	0.311	-	0.311	0.167	-	0.167	-	-	-
P Grantham Fire Project	0.469	-	0.469	-	-	-	-	-	-
P 2023 Device Replacement (Refresh)	2.384	-	2.384	-	-	-	-	-	-
P IMT (Cloud Navigator/Windows 10)	0.077	-	0.077	-	-	-	-	-	-
P Care Management System (CMPP)	0.014	-	0.014	-	-	-	-	-	-
P Orchard House B	0.500	-	0.500	4.500	-	4.500	-	-	-
P RAF Woodhall Spa	-	-	-	1.600	-	1.600	-	-	-
Sub-total	12.303	-	12.303	19.970	-	19.970	46.466	-	46.466
Total Investment	193.157	86.990	106.167	139.781	45.157	94.624	371.340	127.351	243.989

*refers to block or project

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

Report to:	Overview and Scrutiny Management Board
Date:	25 January 2024
Subject:	Service Revenue and Capital Budget Proposals 2024/25

Summary:

The report considers the budget proposals for service revenue and capital budgets which do not form part of other scrutiny committees. To be specific, this relates to budgets within Resources and Corporate Services.

This report is being considered by the Overview and Scrutiny Management Board alongside the Council's overall budget proposal for 2024/25. The proposals set out within this report are also contained within the overall budget proposal.

The economic context continues to be challenging, with continuing impacts from high levels of inflation and the budget proposals make a number of adjustments to reflect the increased cost of providing services. There are also significant cost reductions planned.

The Executive approved budget proposals, including those set out in this report, as its preferred option for the purposes of further consultation at its meeting on 9 January 2024.

Members of the Board have the opportunity to scrutinise the budget proposals and make comment, prior to the Executive meeting on 6 February 2024 when it will make its final budget proposals for 2024/25.

Actions Required:

The Overview and Scrutiny Management Board is asked to consider this report and members are invited to make comments on the budget proposals. These will be considered by the Executive at its meeting on 6 February 2024.

1. Background

- 1.1. At the meeting of the Executive on 9th January 2024, the Council's draft budget proposals for 2024/25 were considered and approved subject to further consultation and scrutiny. The draft budget is being considered by the Overview and Scrutiny Management Board (OSMB) as a separate item on this meeting agenda.
- 1.2. In addition to OSMB considering the full Council budget proposal, each scrutiny committee reporting into the OSMB also receives a report specifically relating to the budget proposal from their respective areas. For example, the Environment and Economy Scrutiny Committee receives a specific report pertaining to the budget proposal within its area of remit.
- 1.3. Resources and Corporate services are scrutinised via OSMB, as set out in the constitution. Therefore, this report specifically considers the factors and assumptions supporting the budget proposal for those areas in 2024/25. It should be noted that many of the factors considered in the Council's budget proposal also apply to Resources and Corporate services, and therefore this report focusses most on the areas most impactful to the budget areas being scrutinised. The feedback from the scrutiny process will inform the final budget proposal to Full Council.
- 1.4. In preparing the whole Council revenue budget proposal for 2024/25, the following factors were considered:
 - The financial strategy
 - The economic, financial and national policy context (Autumn Statement)
 - Forecast spending power (including the LG finance settlement)
 - The financial planning process and medium term financial plan
 - Changes to the cost base
 - Business process improvement and efficient cost base
 - Reserves
 - Advice of the Executive Director for Resources (section 151 officer)

The Economic, Financial and National Policy Context

- 1.5. The economic environment continues to be a significant risk. The economy has been subject to unprecedented inflation, which means that the cost of goods and services have increased at a higher rate than the Government's target, over a prolonged period. This has led to a challenging operating environment, due to its inflationary exposure within the cost base (contracting and staffing costs). The revised inflation forecasts are 4.6% (2023 Q4), 3.1% (2024 Q4), 1.9% (2025 Q4), and 1.5% (2026 Q4). Inflation is not expected to return to below the 2% target for until 2025. The two largest areas of cost within Resources relates to staffing and contracts, therefore the inflationary context is important.
- 1.6. On 22 November 2023, the Government set out their spending plans for the medium term via the Autumn Statement. Following the Autumn Statement, the Department

for Levelling Up, Housing and Communities (DLUHC) translate national spending limits into individual allocations for local authorities via the Local Government finance settlement. The provisional settlement was published 18 December 2023.

1.7. On 18th December 2023, the Department published the draft 'Local Government finance settlement 2024/25' via a written statement to Parliament. This confirmed funding allocations in line with the policy statement. At a national level, core spending power is forecast to increase to £64.1bn from £60.2bn (6.5% overall increase). The key points to note for Lincolnshire are as follows:

- The revenue support grant has been inflated by £1.549m or 6.6% (September CPI), with an additional adjustment rolling in the fire pension grant (£1.437m), a net nil change,
- Business rate baseline funding and multiplier compensation grant is forecast to increase by £8.729m or 6.5%,
- Core spending power includes an assumption that council tax will increase by 5% (£23.148m). However, this is a local decision, so the actual figure would reflect the council's decision and local tax base data,
- The Council will receive an additional one-off New Homes Bonus grant of £0.952m,
- The rural services delivery grant will be maintained at £8.134m,
- The social care grant will increase to £66.848m in 2024/25,
- The ASC market sustainability and improvement fund will increase to £14.735m (which is to be passported through to the service in line with grant conditions),
- The ASC discharge fund will increase to £8.005m (which is to be passported through to the service in line with grant conditions),
- The Services Grant will reduce from £4.508m in 2023/24 to £0.709m in 2024/25. This funding line has been reduced to fund inflationary increases in other lines of the settlement,
- The Council does not benefit from the funding guarantee due to its core spending power increasing by more than 3%.

1.8. In addition, the Government set a policy steer, relating to the following points:

- Authorities are asked to continue to consider how they can use their reserves to maintain services over this and the next financial year, recognising that not all reserves can be reallocated, and that the ability to meet spending pressures from reserves will vary between authorities.
- The Government continues to explore ways to move councils away from establishing '4 day working week' practices, which in their view do not represent good value for taxpayers' money.
- The Exceptional Financial Support framework is available to provide support where a council has a specific and evidenced concern about its ability to set or maintain a balanced budget, including where there has been local financial failure. Where councils need additional support from government, they should

take every possible step to minimise the need for that support to be funded by national taxpayers. As part of that process, the government will consider representations from councils, including on council tax provision.

- 1.9. Funding reform has been mooted by the Government for several years, in recognition that the current funding distribution mechanisms are outdated relative to need and resource availability (i.e. the Review of Relative Needs and Resources or a reset of accumulated business rates growth). The Government confirmed in the policy statement that they remain committed to improving the local government finance landscape in the next Parliament, however the current priority has been to provide one year funding stability.
- 1.10. Overall, the settlement was broadly in line with expectations, even if the sector had hoped for additional funding to support with rising costs particularly due to inflation and demand. Specifically there was no additional funding made available for the cost pressure created by the increase in the National Living Wage announced by the government in the autumn.
- 1.11. The final settlement is due to be published in February 2024, following the standard consultation process.
- 1.12. The Council's financial planning framework seeks to forecast the cost base and funding base over a medium-term period, normally three or four years. At present, the Medium-Term Financial Plan indicates that a balanced budget cannot be achieved in any of the four years from 2024/25 through to 2027/28 without support from reserves and with a 2.99% annual increase in council tax. However, this is prior to receiving confirmation of the tax base position from the Districts for 2024/25.
- 1.13. In view of the continuing uncertainties about future levels of funding and the overall economic context, a one-year budget is proposed for 2024/25.
- 1.14. At its meeting on 9 January 2024 the Executive considered proposals for the Council's revenue and capital budgets to be put forward as a basis for consultation, including the proposed Council Tax increase in 2024/25 of up to 4.99% (inclusive of a 2% adult social care precept) and use of reserves.

2024/25 Revenue Budget

- 1.15. Budgets have been reviewed in detail based on the latest available information to arrive at the proposals set out in this report. A number of new cost pressures have emerged in addition to the pressures identified for 2024/25 in the previous year's budget process. In some areas, savings which can be made through efficiencies with no or minimal impact on the level of service delivery have also been identified. In developing the proposed financial plan, budget holders have considered all areas of current spending, levels of income and council tax plus use of one-off funding (including use of reserves and capital receipts).

1.16. The full list of budget adjustments for Resources can be seen in Appendix A of the Council Budget 2024/25 report.

1.17. The following table shows the proposed revenue budget for Resources and Corporate services, shown by assistant director area:

TABLE A – RESOURCES & CORPORATE REVENUE BUDGETS

	2023/24 Budget £000	Cost Pressures £000	Savings and Additional Income £000	Proposed Budget 2024/25 £000
Revenue Budget				
RESOURCES				
Finance	8,715	195	(50)	8,860
Organisational Support	17,513	-	(139)	17,374
Governance	3,189	-	(400)	2,789
Corporate Property	19,957	978	(2,293)	18,643
Commercial	9,086	302	(934)	8,454
Transformation	6,822	209	-	7,031
Information Technology	16,702	1,804	(618)	17,889
Total (Resources)	81,984	3,489	(4,433)	81,040
CORPORATE				
Corporate Services	3,055	-	-	3,055
TOTAL	85,038	3,489	(4,433)	84,094

1.18. The budget for 2023/24 has been updated throughout the year to reflect base budget adjustments, including for re-alignment of service budgets, and the cost of the 2023/24 pay award which was finalised in late 2023.

1.19. The overall budget proposals have allowed for pay inflation of approximately 4% in 2024/25. This is held centrally pending agreement of any pay settlement, following which service budgets will be updated and it is therefore not currently reflected in the table above.

1.20. There are service specific cost pressures for 2024/25 totalling £3.5m which will support the delivery of Council services, with contract inflation accounting for a significant proportion of this. This is more than offset through savings and efficiencies of £4.4m which do not negatively impact the level of service delivery and are considered further in this report.

1.21. There are no cost pressures or savings to report in respect of Corporate service budgets. In respect of services within Resources, the key cost pressures are as follows:

- As a result of inflation being higher for longer, the cost of contractual arrangements across corporate property, IT and transformation (systems) is expected result in increased cost of £1.544m.
- Following a comprehensive review of IT, a series of necessary changes have been identified to ensure a strengthened approach to service delivery, which better enables the organisation. This includes to leadership and security and is expected to cost £0.791m. This is part mitigated through the achievement of savings across the service.
- The Redmond Review of the effectiveness of external audit and transparency of financial reporting in local authorities identified a need to increase external audit scrutiny of local authorities. This will lead to an increase in the external audit cost, which is forecast to be £0.195m.
- The Council continues to make greater use of cloud storage, which is a demand led cost. The expected increase in cost in 2024/25 is £0.231m.
- In order to meet increased demand from across the organisation and its partners, the Commercial service has been supported by reserve funded temporary posts. The budget proposes that the staffing structure be made permanent, costing £0.188m. This will increase the likelihood of filling vacancies, and enable the commercial reserve to be re-purposed.
- In line with the recommendations set out in the “Re-Commissioning of Property Services” report, the budget proposes an adjustment to improve compliance management not covered by the existing contract (£0.195m), through the creation of new posts. In addition, an amalgamation of minor property pressures which further add to the cost base (£0.202m).

1.22. In respect of services within Resources, the key cost reductions and income increases are as follows:

- As a result of the decrease in wholesale energy prices, the cost of energy on Council properties is expected to be lower than the current budget requirement. Accordingly, the budget proposal assumes a £2.088m cost reduction in energy costs.
- There are forecast savings associated with the re-procurement of the customer service centre contract, in addition to savings associated with the customer and digital transformation programme. The budget proposal assumes savings of £0.934m, with further savings assumed in 2025/26. The savings are predicated

on greater use of technology and have a specific monitoring programme to oversee delivery.

- A review of Legal Lincolnshire fee rates and re-alignment of internal costs and income assumptions is expected to provide a net benefit to Legal Services of £0.4m in 2024/25.
- Within IT, the decommissioning of a legacy system is expected to lead to reduction in cost of circa £0.372m. In addition, the service have also identified reductions in other parts of the cost base totalling £0.246m. There are further savings assumed in 2025/26.
- The cost of insurance within property services has reduced by approximately £0.2m following the re-tendering of the corporate contract.

Capital Programme

1.23. A ten year capital programme has been compiled in line with the principles set out in our Capital Strategy, including the principle of affordability.

1.24. The full gross programme totals £193.2m for 2023/24 plus a further £139.8m for 2024/25, in addition to planned investment beyond 2024/25. After grants and contributions are taken into consideration, the net programme is £106.2m in 2023/24 plus a further £94.6m in 2024/25.

1.25. The current programme has been adjusted to take in to account rephasing and a proposal to distribute the built up contingency balance to fund investment in emergent priority areas. The proposed schemes pertaining to Resources are as follows:

- Waddington Training Centre land purchase (£0.378m)
- Grantham Fire Station works (£0.469m)
- Fire door replacement programme (£0.478m)
- Orchard House B refurbishment (£5m)
- RAF Woodhall Spa development (£1.6m)
- County Farms solar schemes (£0.150m)
- County Farms subsidence (£0.250m)
- Schools Mobile Replacement (£0.3m)

It is worth noting that some schemes are to be delivered by property services on behalf of other services (e.g. fire schemes). Also, most investment is planned to occur in 2024/25, although some relates to other years.

1.26. The table on the following page shows the proposed gross capital programme for the Council's Resources directorate.

TABLE B – RESOURCES CAPITAL PROGRAMME

		Gross Programme 2023/24 £m	Gross Programme 2024/25 £m	Gross Programme Future Years £m
Capital Programme	Scheme Detail			
PROPERTY				
Property maintenance	To fund the planned and reactive maintenance and improvement programme for council properties	4.632	4.567	22.575
Orchard House B Refurbishment	To develop Orchard House B to increase office capacity on campus	0.500	4.500	-
School Mobile Classroom Replacement	Rolling programme of school mobile classroom replacements	-	1.100	2.200
County Farms Block	Rolling programme of maintenance to County Farms estate	0.531	0.675	2.075
RAF Woodhall Spa	To facilitate land purchase, subject to due-diligence checks	-	1.600	-
Fire Door Replacement	To fund replacement of fire doors to enable statutory compliance	0.311	0.167	-
Grantham Fire Project	To fund works to the fire station	0.469	-	-
Waddington Training Facility	To facilitate land purchase, subject to due-diligence checks	0.378	-	-
Property Area Reviews	Kirton Leisure Centre structural works	0.067	-	-
Total (Property)		6.888	12.609	26.850
INFORMATION TECHNOLOGY				
Infrastructure and Refresh Programme	General IT programmes including: IT development, replacement of PCs, other IT equipment and ICT infrastructure.	2.450	3.711	19.616
Improvement Transformation	To support the Transformation Programme by delivering enabling strategies in line with the Council's IMT strategy	0.350	3.650	-
2023 Device Replacement	Rolling programme of laptops for staff	2.384	-	-
Replacement ERP Finance System	Improvements to the ERP Finance system.	0.127	-	-
Care Management System (CMPP)	Installation of the Mosaic system.	0.014	-	-

ICT Development Fund	Improvements to ICT infrastructure and network.	0.013	-	-
IMT (Cloud Navigator/Windows 10)	Upgrade of hardware to Windows 10 system and development of Cloud Navigator to enable digital transformation of services to citizens.	0.077	-	-
Total (IT)		5.415	7.361	19.616
TOTAL		12.303	19.970	46.466

Further consultation

- 1.27. A consultation meeting with local business representatives, trade unions and other partners is scheduled to take place at the end of January 2024.
- 1.28. The proposals will be publicised on the Council website together with the opportunity for the public to comment.
- 1.29. All consultation comments and responses will be available to be considered when the Executive makes its final budget proposals on 6 February 2024.

2. Conclusion

- 2.1. A thorough review of Council services was carried out during this year's budget process. Cost pressures, income changes and efficiencies have been identified, and the Capital Programme has been reviewed. The budget proposals aim to reflect the Directorate priorities aligned to the councils Corporate Plan whilst operating within the resources available to it..
- 2.2. The budget proposals have been developed alongside, and in accordance with, the draft Medium Term Financial Strategy and a proposed final version of this Strategy will be reported to the Executive in February 2024. Final budget proposals will be reported to the Executive on 6 February 2024.

3. Consultation

a) Risks and Impact Analysis

An Equality Impact Assessment will be completed for the proposed increase in Council Tax. This will be reported to the Executive at its meeting on 6 February 2024.

Further risk and impact assessments will need to be undertaken on a service by service basis.

4. 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
Council Budget 2024/25 Executive Report 9 January 2024	Democratic Services

This report was written by Adam Hopley, who can be contacted at adam.hopley@lincolnshire.gov.uk.



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

Report to:	Overview and Scrutiny Management Board
Date:	25 January 2024
Subject:	Approval to Award a Contract for the Managed Service of the Council's Multi-function Devices (MFDs).

Summary:

This report invites the Overview and Scrutiny Management Board to consider and support a report on Approval to Award a Contract for the Managed Service of the Council's Multi-function Devices (MFDs). The Council's contract for the provision of multi-functional devices (MFDs) expires on 31st March 2024 with no further provisions for extension. This report sets out a proposed course of action including the approval to award a new contract and the delegation of the necessary decisions following a procurement exercise.

The report is due to be considered by the Leader of the Council for a decision between 29 January 2024 and 2 February 2024. The views of the Board will be reported to the Leader of the Council, Executive Councillor for Resources, Communications and Commissioning as part of his consideration of this item.

Actions Required:

The Overview and Scrutiny Management Board is invited to:-

- 1) consider the attached report and to determine whether the Board supports the recommendation(s) to the Leader of the Council as set out in the report.
- 2) agree any additional comments to be passed on to the Leader of the Council in relation to this item.

1. Background

The Leader of the Council, Executive Councillor for Resources, Communications and Commissioning is due to consider a report that sets out a proposed course of action including the approval to award a new contract and the delegation of the necessary decisions following a procurement exercise.

Decision making on this matter will be considered by the Leader of the Council prior to a decision being taken between 29 January 2024 and 2 February 2024.

The full report to the Leader of the Council is attached at Appendix A to this report.

2. Conclusion

Following consideration of the attached report, the Board is requested to consider whether it supports the recommendation(s) in the report and whether it wishes to make any additional comments to inform the decision-making process. The Board's views will be reported to the Leader of the Council.

3. Consultation

The Board is being consulted on the proposed decision of the Leader of the Council, Executive Councillor for Resources, Communications and Commissioning which will be taken between 29 January 2024 and 2 February 2024.

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Report to the Leader of the Council, Leader of the Council, Executive Councillor for Resources, Communications and Commissioning between 29 January 2024 and 2 February 2024 - To consider and approve a report on the Approval to Award a Contract for the Managed Service of the Council's Multi-function Devices.

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 Leanne Fotherby, Commercial and Procurement Manager, who can be contacted on leanne.fotherby@lincolnshire.gov.uk.



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

Report to:	Councillor M J Hill OBE, Leader of the Council (Executive Councillor for Resources, Communications & Commissioning)
Date:	29 January to 2 February 2024
Subject:	Approval to Award a Contract for the Managed Service of the Council's Multi-function Devices (MFDs)
Decision Reference:	I031867
Key decision?	Yes

Summary:

The Council's contract for the provision of multi-functional devices (MFDs) expires on 31st March 2024 with no further provisions for extension. This report sets out a proposed course of action including the approval to award a new contract and the delegation of the necessary decisions following a procurement exercise.

Recommendation(s):

That the Leader of the Council and Executive Councillor for Resources, Communications and Commissioning:

1. Approves the award of a contract to Hewlett Packard Apogee for the provision of a fully managed service for the Council's Multi-Functional Devices.
2. Delegates to the Deputy Chief Executive and Executive Director for Resources authority to determine the final form of the contract and approve the entering into of the contract.

Alternatives Considered:

1. Not Awarding the Contract

Scanning, printing and photocopying are essential functions at the Council. Although significant inroads have been made into reducing the volume of physical printing, this has resulted in a greater reliance on document scanning which itself relies on an effective MFD fleet. In addition, there are a number of areas within the Council where physical printing is still required for legal or practical reasons making MFDs an essential tool for Council business. As such this alternative is not recommended.

2. Purchase the fleet of MFDs and procure separate contracts for the associated services

An alternative approach is to purchase the current fleet of MFDs from Konica Minolta and secure separate contracts for the print management software and the maintenance and repair of MFDs. This would however involve a significantly greater degree of operational complexity and management which would be difficult to undertake with the resources and expertise available to the Council (for example we have no recent experience of keeping the MFDs maintained and operational). It is also not clear if this option is possible because there is no contractual obligation for Konica Minolta to sell the current MFD fleet to the Council. Furthermore, the current fleet of MFDs is ageing with machines becoming more unreliable which could potentially adversely affect the running of Council business. It is unlikely that this approach can offer the same value as the bid from Hewlett Packard Apogee and as such is not recommended.

Reasons for Recommendation:

The course of action proposed is compliant with the Public Contract Regulations and the procurement route undertaken is a tried, tested and efficient route to procurement. MFDs are an essential tool in Council business and the Council requires the flexibility to adapt to changes such as the property rationalisation programme, developing technology and the location of teams across the Council's campus and their requirements for MFD devices. The fully managed model provides this flexibility and with the resources and expertise to help the Council to make efficiencies in the usage of MFDs which may be supplemented with a print management policy. Furthermore, the commercial model and price profile of the bid from HP Apogee will allow for further reductions in cost as the Council realises these efficiencies. Indications from comparing such services with other councils are that the bid from HP Apogee offers good value to the Council for this service.

1. Background

1. The Council utilises multi-function devices or 'MFDs' extensively for printing, scanning and photocopying. Across its estate the Council operates 213 MFDs which, in 2023, processed approximately 8 million prints, copies or scans (known as 'impressions').
2. Significant efforts have been made over recent years to reduce usage and to remove devices from the fleet, however where there is a requirement to share hard copy information with others it needs to be done by either printing off hard copies or scanning. Consequently, whilst the Council is using less paper this doesn't see a like for like reduction in impressions where the hard copy (not necessarily originated in the Council) has to be scanned. There remains a number of high usage areas within the Council where printing and or scanning is still required for legal or practical reasons a few examples include:
 - a. SEND amendment notices (after attempting to use email)
 - b. Highways road closure notices which have to be posted to affected addresses

- c. Adult care assessments and case closure letters which cannot be communicated via email
 - d. Children's Life Story Books for Children in Care – large colour documents
 - e. Legal material including large court bundles – although courts and parties to litigation accept electronic versions additional copies requested by the court or the parties are provided in hard copy form by the Council.
 - f. Registration certificates
 - g. School admission appeal papers
3. The Council's contract for the provision of MFDs is with Konica Minolta ('KM') and consists of the following elements:
- a. The provision of MFDs on a lease basis
 - b. The supply of toner and other consumables for MFDs
 - c. The maintenance and repair of MFDs
 - d. The provision of a print management system which is the software interface between the MFD user and the MFD device network
4. In general this contract has performed well and the Council has a good working relationship with KM: account managers have been effective, KPI's have been achieved consistently and requests for changes dealt with quickly.
5. In readiness for the expiry of the contract a procurement exercise has been conducted utilizing the CCS RM6174 (MFDs, Print and Digital Workflow Software Services and Managed Print Service Provision) framework agreement, a well-established route to procurement with 9 major suppliers, ensuring a good level of competition from organisations capable of servicing a large requirement such as the Council's.
6. The Council's requirements have been stipulated as:
- a. An initial contract term of 5 years with options to extend by 2 further periods of 12 months for a total potential contract term of 7 years
 - b. A fully-managed service whereby the supplier is responsible for designing, implementing, and managing the service to deliver the Council's required outputs and outcomes
 - c. Pricing dependent on usage only, with no minimum volume guarantee, and independent of MFD volume, type or location.
 - d. MFD capability to meet or exceed that of existing fleet for each device
7. There are a number of benefits to the fully-managed model, especially given current uncertainty over the location of teams on the Council campus and their requirements for MFD devices. One such benefit is that this model is agnostic of the number and type of devices deployed across the Council (within reason) and provides flexibility to adapt to changing requirements.

8. 6 bids have been received and analysis of these bids provides the following insights:
 - a. There is a good level of interest in the Council's requirement, with 6 bids received from major MFD suppliers
 - b. That bidders are concerned that the Council has opted not to guarantee any minimum volume of impressions through the contract and as such some have increased the unit rate for low volumes which means there is no opportunity for the Council to make savings by reducing usage.
 - c. There is a high level of variation in bid prices ranging from £175,000 per annum up to £500,000 per annum (based on current MFD usage).
 - d. That certain bidders have adopted an illogical (but not necessarily indeliberate) pricing strategy the result of which will be irrational pricing behaviours through the contract for volume variations (for example we will pay less for more MFD usage).
9. Bids have been evaluated and the winning bidder has been identified as Hewlett Packard Apogee, a large, multinational MFD provider with a location in Lincoln. Their bid was high quality, scoring 62.5% out of 70% available for quality.
10. The estimated cost of this bid based on current usage volumes is £175k per annum yielding a total estimated contract value of £1.225m over 7 years. As well as being the highest quality bid it was also the lowest priced bid.
11. The pricing is fixed for the initial contract term of 5 years. Should the Council exercise the extension options at years 6 and 7 good faith negotiations can take place regarding the contract pricing, however both parties would need to agree any increase in writing for it to become effective. There is no indexation linked to the contract.
12. The cost of the current contract was £480k per annum for the initial term (between 2017 and 2021) reducing to £230k per annum in 2023 as a result of falling volume and reducing MFD lease payments along with Smarter Working target reductions due to changes to how we work and property rationalisation. The Council's budget for 24/25 is £150k per annum in expectation of further efficiencies which might be achieved.
13. Comparisons undertaken with other local authorities including Norfolk, Hertfordshire, Derbyshire and Gloucestershire indicate that this bid represents an advantageous price to the Council for its MFD provision.

Future improvements for additional cost savings

Under the commercial model and price profile of the winning bid, there are a number of routes to potential cost savings which may bring the cost of MFDs to below the budget; measures being considered are:

- a. The implementation of a corporate MFD usage policy to include consideration of:
 - i. restrictions on the number of MFDs per building
 - ii. consolidation of MFDs

- iii. promotion of digital means and technological solutions
 - iv. rationalisation of print activity through the central 'Print and Post' function
 - restrictions to MFD capabilities to ensure appropriate use e.g. restrictions on colour prints
- b. Further reductions in the volume of impressions through targeted communications and actions with specific high-volume users/services
 - c. Proactively encourage customers/the public to interact with us through digital means of communication
 - d. Commission a full review of our current set up through the selected provider – identify the issues and problems and what the 'as is' and 'to be' could be, and how we can use our existing technology to do better (e.g. can we apply rules to print to stop local printing or colour printing).

During this contract period there will be a change in the delivery model for corporate support services which will internalise printing costs. However, these are expected to represent a nil net change.

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 contract supports the Council to enable front line services to be more responsive within the community including services that support individuals who may have a protected characteristic such as people with a disability and younger and older people.

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 contract 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 exercise has been conducted utilising the Crown Commercial Service's RM6174 (MFDs, Print and Digital Workflow Software Services and Managed Print Service Provision) framework agreement and 6 bids were received. The winning bidder has been identified as Hewlett Packard Apogee with a score of 92.5%. The cost of the bid based on current usage volumes is approx. £175k per annum however under the commercial model of the new contract there are a number of routes to potential cost savings which may bring the cost of MFDs to below the budgeted values.

4. Legal Comments:

The Council has the power to enter into the contract proposed which is compliant with the Council's procurement obligations.

The decision is consistent with the Policy Framework and within the remit of the Leader of the Council

5. Resource Comments:

The proposal set out within the report will enable the Council to continue to utilise multi-functional devices to support the delivery of Council services. The contract price is broadly similar to the current budget provision, which has been reduced in recent years to reflect lower printing volumes. As the contract is priced to be dependent on usage only, there continue to be incentives for the Council to further reduce volumes and cost, as set out in the report.

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 by the Overview and Scrutiny Management Board at its meeting on 25 January 2024. The comments of the Board will be reported to the Leader of the Council prior to the decision being taken.

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 Leanne Fotherby, Commercial and Procurement Manager who can be contacted on leanne.fotherby@lincolnshire.gov.uk.



**Open Report on behalf of Andrew Crookham,
Deputy Chief Executive and Executive Director – Resources**

Report to:	Overview and Scrutiny Management Board
Date:	25 January 2024
Subject:	Scrutiny Committee Work Programmes: - <ul style="list-style-type: none">• Adults and Community Wellbeing Scrutiny Committee• Environment and Economy Scrutiny Committee• Health Scrutiny Committee for Lincolnshire• Highways and Transport Scrutiny Committee

Summary:

As set out in the Council's constitution, a key role for this Board is monitoring the 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 Adults and Community Wellbeing Scrutiny Committee, the Environment and Economy Scrutiny Committee, the Health Scrutiny Committee for Lincolnshire and the Highways and Transport Scrutiny Committee.

Actions Required:

- (1) The Board is requested to determine whether it is satisfied with the activity undertaken by:
 - (a) Adults and Community Wellbeing Scrutiny Committee
 - (b) Environment and Economy Scrutiny Committee
 - (c) Health Scrutiny Committee for Lincolnshire
 - (d) Highways and Transport Scrutiny Committee

- (2) The Board is requested to determine whether it is satisfied with the planned work programme of:
 - (a) Adults and Community Wellbeing Scrutiny Committee
 - (b) Environment and Economy Scrutiny Committee
 - (c) Health Scrutiny Committee for Lincolnshire
 - (d) Highways and Transport 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.

Committee Reporting Timetable

The planned reporting timetable until September 2024 is as follows: -

Scrutiny Committee	Monitoring Date	Monitoring Date	Monitoring Date
Adults and Community Wellbeing	25 Jan 24	25 Apr 24	29 Aug 24
Health			
Children and Young People	29 Feb 24	30 May 24	26 Sept 24
Public Protection and Communities			
Environment and Economy	25 Jan 24	12 Mar 24	27 June 24
Highways and Transport			
Flood and Water Management			

Adults and Community Wellbeing Scrutiny Committee

Since 26 October 2023, when a report was last submitted, the Adults and Community Wellbeing Scrutiny Committee has met on 29 November 2023 and is due to meet on 17 January 2024. An update is set out in Appendix A.

Environment and Economy Scrutiny Committee

Since 28 September 2023, when a report was last submitted, the Environment and Economy Scrutiny Committee has met on 24 October and 28 November 2023, and is due to meet on 16 January 2024. An update is set out in Appendix B.

Health Scrutiny Committee for Lincolnshire

Since 26 October 2023, when a report was last submitted, the Health Scrutiny Committee for Lincolnshire 2024 has met on 8 November and 6 December and is due to meet on 24 January 2024. An update is set out in Appendix C.

Highways and Transport Scrutiny Committee

Since 28 September 2023, when a report was last submitted, the Highways and Transport Scrutiny Committee has met on 30 October and 11 December 2023. An update is set out in Appendix D.

2. Conclusion

The Board is asked to consider whether it is satisfied with the previous activity and the planned work programmes of the Adults and Community Wellbeing Scrutiny Committee, the Environment and Economy Scrutiny Committee, the Health Scrutiny Committee for Lincolnshire and the Highways and Transport Scrutiny Committee.

3. Appendices

These are listed below: -

Appendix A	Adults and Community Wellbeing Scrutiny Committee
Appendix B	Environment and Economy Scrutiny Committee
Appendix C	Health Scrutiny Committee for Lincolnshire
Appendix D	Highways and Transport Scrutiny Committee

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 Simon Evans, Health Scrutiny Officer who can be contacted on 01522 553607 or 07717 868930, or via Simon.Evans@lincolnshire.gov.uk and Kiara Chatziioannou, Scrutiny Officer, who can be contacted on 01522 552102 or 07500 571868 or via Kiara.Chatziioannou@lincolnshire.gov.uk

ADULTS AND COMMUNITY WELLBEING SCRUTINY COMMITTEE

A. PREVIOUS ACTIVITY

Since 26 October 2023, when a report was last submitted, the Adults and Community Wellbeing Scrutiny Committee has met on 29 November 2023. The Committee is due to meet on 17 January 2024.

29 November 2023	
<i>Item</i>	<i>Summary of Outcomes</i>
Wellbeing Service Recommissioning	<p>The Committee considered proposals for the recommissioning of the Lincolnshire Wellbeing Services, which was due to be determined by the Executive on 5 December 2023.</p> <p>The Committee supported the proposals and made statements on improving the emphasis on the prevention of falls; the flexibility of the contract, in terms of adding or removing services; seeking feedback from service users; plans for monitoring performance; working with partners, including district councils; and the availability of information on the service.</p>
Service Level Performance against the Corporate Performance Framework 2023-24 Quarter 2	<p>The Committee was advised that 17 of the 18 measures reported had either exceeded or achieved their target. Although the percentage of people aged 40-74 who had been offered and received an NHS health check had met the target of 55%, the Committee observed that this represented a low uptake, and given their importance it was agreed that a report be added to the work programme to explore whether issues such as whether offering appointments in the evening or at weekends might address this.</p>
Care Quality Commission (CQC) Pilot Assessment of Lincolnshire Adult Social Care	<p>In July 2023, Lincolnshire County Council was the first local authority in the country to be assessed by the CQC, as a pilot of the CQC's for assessment processes of local authorities in their delivery of adult social care functions. The CQC's assessment was published on 17 November 2023 (together with the CQC's pilot assessments of four other local authorities). This item provided an initial view of the assessment. The matter would be considered in more detail on 17 January 2024, including actions arising from the assessment, as well as learning from the other four pilot sites.</p>

17 January 2024	
<i>Item</i>	<i>Summary of Outcomes</i>
Adult Care and Community Wellbeing Budget Proposals 2024-25	A summary of the outcomes will be reported at the meeting.
Director of Public Health Annual Report 2023	
Care Quality Commission (CQC) Pilot Assessment of Lincolnshire County Council – Adult Social Care	
Overview of Care Provider Contract Management	

B. FUTURE WORK PROGRAMME

28 February 2024 – 10.00 am			
	<i>Item</i>	<i>Contributor(s)</i>	<i>Notes</i>
1	Residential Care and Community Supported Living Framework Contract 2022- 2025 Rate Uplifts for 2024/25	Alina Hackney, Head of Commercial Services Pam Clipson, Head of Finance, Adult Care and Community Wellbeing	On 5 March 2024, the Executive is due to consider proposals for the rates paid to providers of residential care and community supported living. This item enables the Committee to pass on its views on the proposal to the Executive.

28 February 2024 – 10.00 am			
<i>Item</i>		<i>Contributor(s)</i>	<i>Notes</i>
2	Introduction to the Lincolnshire Carers Service	Anne-Marie Scott, Assistant Director, Assistant Director, Prevention & Early Intervention Public Health	To receive a presentation on support to unpaid family carers, including an introduction to the new support service provider.
3	Service Level Performance Reporting Against the Success Framework 2023-24 Quarter 3	Caroline Jackson, Head of Corporate Performance	This is the quarterly performance report.

24 April 2024 – 10.00 am			
<i>Item</i>		<i>Contributor(s)</i>	<i>Notes</i>
1	TBC		
2	TBC		

5 June 2024 – 10.00 am			
<i>Item</i>		<i>Contributor(s)</i>	<i>Notes</i>
1	TBC		
2	TBC		

24 July 2024 – 10.00 am			
<i>Item</i>		<i>Contributor(s)</i>	<i>Notes</i>
1	Service Level Performance Reporting Against the Success Framework 2023-24 Quarter 4 / Year End	Caroline Jackson, Head of Corporate Performance	This is the quarterly performance report.

ENVIRONMENT AND ECONOMY SCRUTINY COMMITTEE

A. PREVIOUS ACTIVITY

Since 28 September 2023, when a report was last submitted, the Environment and Economy Scrutiny Committee has met on 24 October and 28 November 2023.

24 October 2023	
<i>Item</i>	<i>Summary of Outcomes</i>
<p>Lincolnshire County Council Carbon Report 2022-2023 (Greenhouse Gas Emissions Report 2022-23)</p>	<p>The report provided an update on greenhouse gas emissions from Lincolnshire County Council.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • Indirect greenhouse gas emissions associated with business travel, outsourced services and water treatment (Scope 3) were typically highest, and the Council was expected to be similar. • Direct emissions from Council-owned/controlled sources (Scope 1) and indirect emissions from the generation of purchased electricity, heating and cooling (Scope 2) had made better initial progress in reducing emissions. • Achieving Net Zero was still a challenge; considerable investment was required to convert older buildings to be more energy efficient was anticipated. • Biomass could potentially replace oil-generators in older buildings however it was currently not explored further due to market volatility.
<p>Potential Topics for Scrutiny Review by Scrutiny Panel A</p>	<p>The report invited the Committee to suggest topics for an in-depth scrutiny review by Scrutiny Panel A for consideration and decision by the Overview and Scrutiny Management Board (OSMB) at its meeting on 21 December 2023.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • Members were advised that any proposed topic should not duplicate work being carried out elsewhere by Lincolnshire County Council or any of its partners, nor be overly broad to ensure a timely completion of an in-depth review. • Some suggestions on topics raised by Members included: the effects of draft devolution deal on the environment and economy of Lincolnshire; opportunities to improve the relationship/interface between internal Drainage Boards (IDBs), water boards, the Environment Agency and Highways; Section 19 investigations, issues concerning water ownership, emergency planning consistency and sandbag provision (it was noted, that these in particular would cause a duplication of work due to be

24 October 2023

<i>Item</i>	<i>Summary of Outcomes</i>
	<p>undertaken by the Flood and Water Manager Scrutiny Committee).</p> <ul style="list-style-type: none"> Members were encouraged to suggest the aforementioned to the individual Scrutiny Committees for consideration when making their submissions before the 21 December 2023.
Theddlethorpe Geological Disposal Facility Working Group - 6 Monthly Update	<p>The report offered a 6 monthly update on the work of the Theddlethorpe Geological Disposal Facility Working Group. The report addressed three main developments: proposal of a public test by 2027; further shaping of the work of the Community Partnership, and commencement of site evaluation studies which will inform decisions over the site.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> Members highlighted that the evaluation process of the site could take 15 years according to the report. Nuclear Waste Services (NWS) would notify the public about various aspects of the development by 2027; it was emphasised that the action plan ought to be enacted quickly to ensure all reports and information could be collated in a manner that led to the decision to be taken quicker. The engineering feasibility chart within the report did not include an assessment of rail connections at the Theddlethorpe site. Members noted it would be likely that necessary materials would be transported via rail. Assurance was given that the County Council was involved in a transport feasibility study.

28 November 2023

<i>Item</i>	<i>Summary of Outcomes</i>
Provision of Careers Advice to All Age Groups in Lincolnshire	<p>The report provided an overview on the Careers Advice Provision available in Lincolnshire.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> It was explained that the Council ensured that education providers aligned with the expectation from Department for Education to use the Gatsby Benchmarks; their responses were collated on a national level by The Career and Enterprise Company and reported their performance annually. Metrics were identified following a review of systems globally and were contained within the Gatsby Report. A recent Select Committee Review had agreed to reassess the Benchmarks to ensure they were still suitable. Members welcomed the work of Operation Pumpkin and

28 November 2023

<i>Item</i>	<i>Summary of Outcomes</i>
	requested an update in due course.
Service Level Performance against the Corporate Performance Framework 2023-24 Quarter 2	<p>The report summarised performance of the Service Level Performance measures for 2023-24 Quarter 2 for Economy, Flooding and Waste which are within the remit of the Environment and Economy Scrutiny Committee.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none">• Members requested some presentational changes in the graphs contained within reports for ease of use.• In relation to Economy Measures:<ul style="list-style-type: none">○ The Assistant Director – Growth informed that around £18 million was received in Lincolnshire for the adult education budget per year, from which the Council received around £2 million; the majority was received by colleges, and the Council worked to ensure the qualifications were accessible across the county.○ On behalf of the Committee, the Chairman was willing to work with the Economic Development team to maximise output in the context of UKSPF.• In relation to Environment Measures:<ul style="list-style-type: none">○ The Flood and Water Team was working with external agencies to address the impact of Storm Babet; internal flooding was prioritised.○ Timescales to complete Section 19 Investigations (S19s) depended on complexity and scale, whereas investigations of ‘near misses’ were often commissioned by the Council despite there being no statutory obligation to do so.• In relation to Waste Measures:<ul style="list-style-type: none">○ The Environment Act was expected to introduce separate food waste collection, and it would be required that all producers of materials and packages to fund Local Authorities for disposal and collection costs.○ Members noted the recycling rate was 40.63% which fell below the target of 50%, and they subsequently questioned why the introduction of separate paper and card collection had not impacted this statistic. The Head of Waste informed Members that this did not impact the recycling rate as paper and card were still processed as recycling, however it vastly improved the quality of the material collected.○ The HWRCs processed over 25 types of material and subsequently the Head of Waste suggested that further

28 November 2023

<i>Item</i>	<i>Summary of Outcomes</i>
	education and engagement was required at HWRC for the public.
Scrutiny Panel B - Agriculture Sector Supports in Lincolnshire Scrutiny Review – Executive Response and Action Plan	<p>The report was a reflection on the Executive’s response to the Agriculture Sector Support in Lincolnshire report prepared by Scrutiny Panel B. Members were informed that the Executive had unanimously supported the recommendations of Scrutiny Panel B in its meeting in September 2023.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • The Executive had welcomed the inclusion of the perspectives of young people in agriculture within the report, notably the Agricultural Champions videos. • Executive Members had discussed mental health challenges faced by those in the agricultural sector at length; the Committee was informed that since publication, it had been confirmed that a Mental Health worker would be supporting the Lincolnshire Rural Support Network (LRSN). • The action plan was also welcomed by the Committee as it showed the Council’s commitment to supporting the agricultural industry. • Recent flooding events had highlighted the impact and challenges faced by the agricultural sector.
Horncastle Industrial Estate Extension (Pre-decision Scrutiny) EXEMPT REPORT	<p>Consideration was given to the exempt report, and the Committee raised a number of questions which were answered by the Officers present.</p> <p>The Committee supported the recommendations to the Executive Councillor for Economic Development, Environment and Planning, and the Leader of the Council (Executive Councillor for Resources, Communications and Commissioning) as set out in the report and agreed that comments be passed on to the decision makers.</p>

B. PLANNED ACTIVITY

16 JANUARY 2024– 10:00am			
<i>Item</i>		<i>Contributor(s)</i>	<i>Notes</i>
1	Revenue and Capital Budget Proposals	Pam Clipson, Head of Financial Services	Pre-decision Scrutiny; Executive Decision, 06 Feb 2024.
2	Town Centres Improvements Scrutiny Review – Executive Response Action Plan	Vanessa Strange, Head of Infrastructure Investment Mandy Ramm, Funding and Investment Manager	To receive a report which enables the Committee to comment on the Executive’s response to the Town Centres Improvements Scrutiny Review report prepared by Scrutiny Panel A.

27 FEBRUARY 2024– 10:00am			
<i>Item</i>		<i>Contributor(s)</i>	<i>Notes</i>
1	Visitor Economy Update (incl. Visit Lincolnshire & Tourism Commission Y2 & Local Visitor Economy Partnership)	Mary Powell, Place and Investment Manager	To receive a report on the visitor economy situation in 2023 in Lincolnshire, prospects for 2024 and the County Council’s Response
2	Greater Lincolnshire Internationalisation Strategy and Action Plan 2022-2024 – Update	Angela Driver, Enterprise Growth manager	To receive a report which enables the Committee to consider the work undertaken to date to develop the Greater Lincolnshire internationalisation Strategy and accompanying Action Plan.
3	Inward Investment Strategic Plan for Team Lincolnshire	Tony Reynolds, Inward Investment Manager	To receive a report which enables the Committee to review and comment on the achievements of the initial 2023-2025 Inward Investment Strategic Plan and investment objectives for Team Lincolnshire.

27 FEBRUARY 2024– 10:00am			
<i>Item</i>	<i>Contributor(s)</i>	<i>Notes</i>	
4	Service Level Performance Reporting Against the Performance Framework 2023 - 2024 – Quarter 3: <i>Economy, Flooding and Waste</i>	Samantha Harrison, Head of Economic Development Chris Miller, Head of Environment Mike Reed, Head of Waste	To receive a report which sets out the performance of the Tier 2 Service Level Performance measures for 2022-2023 Quarter 3 for Economy, Flooding and Waste which are within the remit of the Environment and Economy Scrutiny Committee.
5	Abolishment of the Local Enterprise Partnership (LEP)	Justin Brown, Assistant Director -Growth	To receive a report that discusses the abolishment of LEPs and plans for the future of service delivery in Lincolnshire.
6	Local Electric Vehicle Infrastructure (LEVI) Pilot – Contract Procurement	Justin Brown, Assistant Director -Growth Tanya Vaughan, Senior Commissioning Officer Economic Investment	EXEMPT REPORT Pre-decision Scrutiny: Executive Councillor Decision 4 - 8 March 2024

16 APRIL 2024– 10:00am			
<i>Item</i>	<i>Contributor(s)</i>	<i>Notes</i>	
1	Introduction to East Atlantic Flying Way Heritage Site Bid	Chris Miller, Head of Environment	To receive a report on the East Atlantic Flyway (a bird migration route that includes Lincolnshire coast) as one of seven locations nominated for consideration by UNESCO.
2	Carbon Management Plan	Chris Miller, Head of Environment Dan Clayton, Sustainability Manager	Pre-decision Scrutiny; Executive Councillor Decision TBC
3	Waste Transfer Station Improvements	Mike Reed, Head of Waste	Pre-decision Scrutiny; Executive Councillor Decision 22 – 26 April 2024

28 MAY 2024– 10:00am

28 MAY 2024– 10:00am			
	<i>Item</i>	<i>Contributor(s)</i>	<i>Notes</i>
1	Draft Lincolnshire Minerals and Waste Local Plan: Preferred Approach	Adrian Winkley, Minerals and Waste Policy and Compliance Manager	Pre-decision Scrutiny; Executive Decision TBC
2	LCC Business Centres and Economic Development Portfolio - Performance Report	Simon Wright, Regeneration and Portfolio Manager	To receive a report that provides summary information regarding the Council's portfolio of Business Centres and Industrial units including occupancy levels and letting activity and describes the corporate priorities that govern the management of the portfolio, sets out recent successes and lists the priorities for the portfolio in the forthcoming year.

HEALTH SCRUTINY COMMITTEE FOR LINCOLNSHIRE

A. PREVIOUS ACTIVITY

Since 26 October 2023, when a report was last submitted, the Health Scrutiny Committee for Lincolnshire 2024 has met on 8 November and 6 December and is due to meet on 24 January 2024.

8 November 2023	
<i>Item</i>	<i>Summary of Outcomes</i>
<p>Humber Acute Services Review – Presentation of Consultation Document to the Committee</p>	<p>The consultation by the NHS Humber and North Yorkshire Integrated Care Board on hospital services in Scunthorpe and Grimsby had been launched on 25 September 2023 and was proposing the consolidation of certain services in Grimsby.</p> <p>The Committee noted the Humber and Lincolnshire Joint Health Overview and Scrutiny Committee’s role as the statutory consultee on the Humber Acute Services Review, but agreed to make a response to the consultation as a non-statutory consultee, with a response to be drafted for approval on 6 December 2023.</p>
<p>Lincolnshire Acute Services Review:</p> <ul style="list-style-type: none"> • Orthopaedics • Stroke Services 	<p>This item focused on two elements of the Lincolnshire Acute Services Review: orthopaedics and stroke services.</p> <p><u>Orthopaedics</u></p> <p>Improvements had included the opening of two new theatres in Grantham in 2022, and the completion of 1,110 elective orthopaedics procedures there. The Committee commended United Lincolnshire Hospitals NHS Trust for the high levels of performance and positive patient feedback for the stroke service.</p> <p><u>Stroke Services</u></p> <p>Stroke provision was due to be expanded at Lincoln County Hospital and since September 2023 all new patients requiring specialist care would be treated there. The Committee agreed to receive a further update in twelve months on the impact of the closure of the stroke ward in Boston, including any plans for improvement in advance of the construction of a new unit at Lincoln County Hospital.</p>

8 November 2023	
<i>Item</i>	<i>Summary of Outcomes</i>
General Practice Quality Assurance and Improvement	<p>This item focused on the support given by NHS Lincolnshire Integrated Care Board (ICB) to GP practices in Lincolnshire, in particular those with quality issues, such as a Care Quality Commission (CQC) rating of <i>inadequate</i> or <i>requires improvement</i>. The ICB worked with other bodies such as the Lincolnshire Local Medical Committee to support quality improvements. As part of this item, the Committee also raised issues such as health checks for people aged 45 – 74; prescription medicine; and the standard contracts for GP practices.</p> <p>The Committee thanked the ICB for its presentation and supported its work supporting GP practices in need of improvement.</p>

6 December 2023	
<i>Item</i>	<i>Summary of Outcomes</i>
General Practice Provision in Lincolnshire	<p>As part of the general six monthly update on GP Provision, the Committee was informed that there had been 469,000 appointments in general practice during September 2023, and 71% of these were in person, compared to a national average of 68%. Lincolnshire's <i>Did Not Attend</i> rates were 4%, compared to a national average of 5%.</p> <p>In addition to the general update the Committee considered the <i>Lincolnshire Primary Care System Level Access Improvement Plan</i>, which detailed plans to reduce the number of people struggling to contact their practice; and to provide better information to patients on how their request will be managed.</p> <p>A further update would be provided in six months, and the impact of the <i>Improvement Plan</i> would be reviewed in twelve months.</p>
Specialist Mental Health Services: Learning Disability and Autism	<p>The Committee's working group on Preventing Suicide and Mental Health concluded in March 2023 that the Committee would benefit from a series of reports from Lincolnshire Partnership NHS Foundation Trust (LPFT) on all its services, with a particular focus on new developments in services and meeting any increased demand.</p> <p>The final in the series focused on LPFT's specialist services division, which included learning disability and autism. The Committee thanked LPFT for their presentation and agreed to be advised of any future development in these services.</p>

6 December 2023	
<i>Item</i>	<i>Summary of Outcomes</i>
Humber Acute Services Review – Response to the Consultation	<p>The Committee approved its final response to the consultation affecting services at hospitals in Grimsby and Scunthorpe. The Committee concluded that it was not convinced by the arguments put forward by the NHS Humber and North Yorkshire Integrated Care Board in support of proposals, as a number of impacts such as those on patient travel arrangements and on neighbouring hospitals, including Lincoln County Hospital, had not been addressed.</p> <p>The Committee also agreed to share its final response with the Humber and Lincolnshire Joint Health Overview and Scrutiny Committee for its consideration on 18 December 2023.</p>

6 December 2023	
<i>Item</i>	<i>Summary of Outcomes</i>
East Midlands Ambulance Service: Emergency Ambulance Service	<p>A summary of the outcomes will be reported at the meeting.</p>
East Midlands Ambulance Service: Non-Emergency Patient Transport Service	
Impact of the Use of the RAF Scampton Site for Adult Male Asylum Seekers on NHS Services	
Humber and Lincolnshire Joint Health Overview and Scrutiny Committee Response to Consultation on Humber Hospitals	

B. PLANNED ACTIVITY

21 February 2024		
	<i>Item</i>	<i>Contributor</i>
1	Annual Report of the Director of Public Health	Derek Ward, Director of Public Health, Lincolnshire County Council
2	North West Anglia NHS Foundation Trust Update	Hannah Coffey, Chief Executive, North West Anglia NHS Foundation Trust
3	Joint Health and Wellbeing Strategy	Michelle Andrews, Assistant of Public Health, Lincolnshire County Council Alison Christie, Programme Manager Strategy and Development Lincolnshire County Council
4	Integrated Care Strategy	Michelle Andrews, Assistant of Public Health, Lincolnshire County Council Pete Burnett, Director of Strategic Planning, Integration and Partnerships, NHS Lincolnshire Integrated Care Board

20 March 2024		
	<i>Item</i>	<i>Contributor</i>
1	NHS Dental Services, including Lincolnshire Dental Strategy	Representatives from NHS Lincolnshire Integrated Care Board
2	Voluntary Sector Support for the NHS / Health Services	To be confirmed.
3	Quality Accounts 2024	Simon Evans, Health Scrutiny Officer

17 April 2024		
	<i>Item</i>	<i>Contributor</i>
1	Urgent and Emergency Care Update, including the Outcomes of the Review of Urgent Treatment Centres	Clair Raybould, Director for System Delivery, NHS Lincolnshire Integrated Care Board

17 April 2024		
	<i>Item</i>	<i>Contributor</i>
2	Lincolnshire Suicide Prevention Strategy	Lucy Gavens, Consultant in Public Health at Lincolnshire County Council

15 May 2024		
	<i>Item</i>	<i>Contributor</i>
1		
2		

12 June 2024		
	<i>Item</i>	<i>Contributor</i>
1		
2		

17 July 2024		
	<i>Item</i>	<i>Contributor</i>
1	Implementation of the Mental Health Community Rehabilitation Service	Representatives from Lincolnshire Partnership NHS Foundation Trust
2	GP Provision on Lincolnshire, including: (a) NHS Lincolnshire Integrated Care Board (b) Lincolnshire Local Medical Committee	<ul style="list-style-type: none"> • Sarah-Jane Mills, Director for Primary Care and Community and Social Value, NHS Lincolnshire Integrated Care Board • Dr Reid Baker, Medical Director, Lincolnshire Local Medical Committee

C. HUMBER AND LINCOLNSHIRE JOINT HEALTH OVERVIEW AND SCRUTINY COMMITTEE

The Humber and Lincolnshire Joint Health Overview and Scrutiny Committee met for a second time on 18 December 2023 in Scunthorpe, and Lincolnshire's three representatives (Councillors Carl Macey, Tom Smith and Stephen Bunney) were present. Representatives from all five local authorities outlined their own views. Lincolnshire's statements on the quality of the consultation were not shared by other members present, who indicated that the consultation process in their opinion had been adequate.

The Joint Committee approved a draft response, which had been first circulated on 14 December 2023, without any additional wording to reflect the discussion which had taken place during the meeting. The three Lincolnshire councillors abstained from supporting this approach, as it did not reflect any of the issues raised at the meeting.

HIGHWAYS AND TRANSPORT SCRUTINY COMMITTEE

A. PREVIOUS ACTIVITY

Since 28 September 2023, when a report was last submitted, the Highways and Transport Scrutiny Committee has met on 30 October and 11 December 2023.

30 October 2023	
<i>Item</i>	<i>Summary of Outcomes</i>
Cross Keys Bridge - Improving Resilience	<p>This pre-decision scrutiny report invited the Committee to consider the Cross Keys Bridge - Improving Resilience, prior to a decision being taken by the Leader of the Council between 6 and 12 December 2023.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • Assurance was given that the transition to full electrification eliminated reliance on aging Victorian components that currently bore loads and moved within the hydraulic system, preventing incidents such as coupling breakage, which would not be an issue under the new electric system. • Officers clarified that the electrification process will result in minimal, primarily nighttime closures on the A17, which aligned with the report's emphasis on its importance. This approach was considered less disruptive and more manageable compared to the installation of a parallel hydraulic system alongside the existing one. • Members emphasised the importance of savings resulting from the transition to an electric motor, and officers clarified that the anticipated savings would amount to approximately £40,000 annually in maintenance costs. However, the most significant savings would be in terms of potential reputational and disruption savings. This included mitigating the substantial impacts on the agri-food sector and neighbouring areas if a major issue with the bridge under the hydraulic system were to close the A17, as well as avoiding disruptions to the port of Wisbech due to an inoperable bridge over the river Nene, which would negatively affect the economy. <p>The Committee supported the recommendations to the Leader of the Council (Executive Councillor for Resources, Communications and Commissioning) as set out in the report and agreed that comments be passed on to the decision maker.</p>

30 October 2023

<i>Item</i>	<i>Summary of Outcomes</i>
<p>Highway Works, Professional Services and Traffic Signals Contract Extension</p>	<p>This pre-decision scrutiny report invited the Committee to comment on and consider this item ahead of a decision by the Executive on 7 November 2023.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • Members expressed concerns about the insufficient apprenticeships for local residents in high-volume contracts; officers acknowledged historical challenges but cited recent improvements, such as nine apprentices in the Balfour Beatty contract, and highlighted positive impacts from care leavers and social value volunteering schemes, committing to further reinforcement in the next phase of works. • Disappointment was expressed over contract penalties linked to performance issues, attributing some problems to challenges in retaining and recruiting local staff, emphasising the need for training and mentoring junior staff in light of sector difficulties, and expressing concerns about the current contractor's struggles with procedures and resilience, seeking assurances from the authority for future stability. • Clarity was sought on the £1,785,987 budget pressure in the total contract, its impact on a six-year contract renewal, and how improvements in service delivery would counteract it; officers explained it represented a 3% increase in Balfour Beatty works contract prices, achieved by adjusting specific price list items, aligning with market rates, and incorporating quality improvements to maintain economic balance, emphasising the commitment to delivering a value-for-money service to Lincolnshire residents sustainably. • Additional clarity was requested on the potential costs of not renewing the traffic signals term contract and opting for a new one, with officers assuring that the in-house procurement exercise, managed by the LCC central procurement team and Highways department staff, would incur an estimated £20,000 to £30,000, mainly covering staffing time, while acknowledging associated commercial and financial risks, and highlighting the recommendation to address concerns about resilience in the traffic signals business. <p>The Committee supported the recommendations to the Executive as set out in the report and agreed that comments be passed on to the decision makers.</p>
<p>Anglian Water Performance - Six-Month</p>	<p>The report provided an update on Anglian Water's performance when undertaking work on or next to the highway.</p>

30 October 2023

<i>Item</i>	<i>Summary of Outcomes</i>
Review	<p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • Over the past 6-month period improvements in Anglian Water’s performance had been noted and welcomed. • Anglian Water had invested £350,000 in a road closure reduction project to investigate alternatives to road closures. • Anglian Water had invested in traffic management training for its works teams. • It was recognised that better management of signs and cones was needed following the completion of maintenance works. Anglian Water were focused on improving this aspect of works and had received fines for noncompliance. • The Committee felt that too many fines were still being issued in relation to non-permitted road closures. It was clarified that these closures were only actioned as out of hours emergencies and that work was underway to improve the reporting for properly permitted closures. • The Committee recognised the improvements made by Anglian Water and thanked the team for their efforts. • The Committee urged that greater effort could be made to mitigate the impacts of road diversions while works were conducted. They also noted that diversions had a far greater impact in rural locations where the road network was more dispersed.
Potential Topics for Scrutiny Review by Scrutiny Panel A	<p>Consideration was given to a report which enabled the Committee to consider whether to make any suggestions for an in-depth scrutiny review.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • Work was underway in relation to Scrutiny Panel B’s review of traffic management policy. Work was being pursued despite the Government’s overdue white paper not being published, as its publication could not be surely relied upon. • The scrutiny review prioritisation tool was used to quantify overlapping themes and priorities of any suggested reviews for programming. • The matter of parking outside of schools was to factor in Scrutiny Panel B’s review of traffic management policy. <p>Members agreed not to put forward any suggestions for a scrutiny review by Scrutiny Panel A, on the basis of the statement from the Executive Director, as set out in section 6 of the report (p.67 “<i>The Executive Director of Place has not made a suggestion of a topic for consideration by the Committee on this occasion. Reasons for this:</i></p>

30 October 2023

<i>Item</i>	<i>Summary of Outcomes</i>
	<p><i>a) Completion of two Scrutiny Reviews within the remit of Place directorate in 2022/23; b) Review topic (Traffic Management Policy Review) already allocated to Scrutiny Panel B which falls within the remit of Highways (Place) directorate; and c) Two major Transformation Projects currently ongoing within Communities (Place) which will potentially pose significant workload pressures.”)</i></p>
<p>Transport Connect Limited (TCL) - Teckal Company Annual Update</p>	<p>The report provided an update on the Council's wholly owned company, Transport Connect Ltd (TCL). Matters concerning the company's governance, finances, performance, and business planning were outlined.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • The Council's gritter vehicle maintenance requirements had been undertaken by TCL through a contractual arrangement, which offered the Council value for money. • The gritter vehicle maintenance supplier market was currently sparse and costly. • Currently, there were 32 contracts provided by TCL for education needs.
<p>Transport Services Management Information Dashboard</p>	<p>The report provided an update on progress with a new Management Information Dashboard for Transport Services. Work was underway to establish a management information dashboard that presented priority management information relating to educational travel.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • There were known issues concerning school transport provision in the North Hykeham area. Work was underway to resolve these issues. • The key priorities to be completed by the end of December 2023 were to cleanse and validate data concerning passenger numbers and to extract and present data concerning the cost of travel provision.

30 October 2023	
<i>Item</i>	<i>Summary of Outcomes</i>
Highways – Gully Cleansing, Drainage Repair Schemes and Surface Water Flooding	<p>Consideration was given to a report regarding reactive, cyclic, and planned aspects of highways drainage maintenance including low level flooding response.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • The current cycle of maintenance works had cleansed 71,180 gullies. • Recent flooding events had interrupted cyclic cleansing – with 805 assets having been affected. • 180 jobs had been generated by the service since April 2023. • Vehicles parked over gullies and drains had continued to obstruct works from being fully completed and work was underway to explore actions that could be taken to resolve the issue. • A live demonstration regarding the prioritisation toolkit was to be given to the Committee if Members felt that it was of benefit. • The Committee supported further action taken against those responsible for vehicle that obstructed scheduled gully and drain cleansing including fixed penalty notices and towing. • It was clarified that fixed penalty notices could be issued if the Council placed no waiting orders on the areas concerned. However, the Council was currently reliant upon the police to enforce this. • It was recognised that some gully cleansing works were being recorded as completed despite only being partially completed. Work was underway to improve the inspection and sign off, of these works with the contractor.

11 December 2023	
<i>Item</i>	<i>Summary of Outcomes</i>
Highways Infrastructure Asset Management Policy	<p>This pre-decision scrutiny report provided the Committee with the opportunity to comment on the Highways Infrastructure Asset Management Policy prior to a decision by the Executive for Highways, Transport and IT on 13-21 December 2023.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • Members questioned a point on page 24 of the report regarding the removal of redundant assets from the network; officers clarified that "assets" encompassed elements like gully pots and drainage pipes, emphasizing the intention to eliminate non-essential assets while assuring that the wording would be

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<i>Item</i>	<i>Summary of Outcomes</i>
	<p>adjusted for clarity, emphasising the goal was not to remove parts of the network but assets with no engineering relevance.</p> <ul style="list-style-type: none"> • Members sought clarification on a point regarding tree inspections on page 95 of the policy, specifically addressing potential damage to private property; officers confirmed that comprehensive inspections of trees on the highway boundary included assessing potential risks to private landowners. • Members inquired about enhanced community engagement and self-service system development; officers clarified the aim to reduce call handling by using platforms like FixMyStreet, sharing information on tasks like gritting and gully pot maintenance. They mentioned plans to provide self-service details on tasks such as cyclical grass cutting and gully pot maintenance, monitoring feedback through surveys and call volumes, with results to be presented in the next Scrutiny Committee meeting. <p>The Committee supported the recommendations to the Executive Councillor as set out in the report and agreed that comments be passed on to the decision maker.</p>
<p>Highways Infrastructure Asset Management Plan 2023</p>	<p>This pre-decision scrutiny report provided the Committee with the opportunity to comment on the Highways Infrastructure Asset Management Plan prior to a decision by the Executive for Highways, Transport and IT on 13-21 December 2023.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • Members voiced concerns about poor drainage maintenance leading to flooding in specific areas and questioned if the plan addressed these issues; officers acknowledged concerns, explaining the targeted cleanse focused on gully pots and discussing funding options, with a commitment to explore solutions while noting potential budget pressure. Officers took action to enforce efforts with riparian owners and collaborate with the Flooding Team for potential future improvements. • Members expressed dissatisfaction with the perceived lack of observable improvements in highway drainage despite cyclical cleaning, emphasizing the need for more effective action; officers acknowledged the concern, highlighting the shift to a targeted cleanse in the first 12 months and committing to investigate specific locations, pledging collaboration with the local highway manager to address issues and enhance the situation. • The effectiveness of targeted gully cleaning in the last 12 months was scrutinized, focusing on varying cleaning frequencies;

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<i>Item</i>	<i>Summary of Outcomes</i>
	<p>assurance was given that data from gully tanker measurements informed cleaning cycles. While it was deemed too early to assess the full impact, positive steps included increased investment in resources, such as jetting, CCTV footage, and root cutting, with potential additional funding for localized problem-solving. Officers acknowledged capacity challenges during frequent storm events, suggesting the need for discussions between Highways Officers and Councillors to address climate change-related issues and larger storm events.</p> <ul style="list-style-type: none"> • In Lincolnshire, highway responsibility shifts between National Highways and Lincolnshire County Council; members sought a resolution to challenges in maintaining assets. Officers clarified the council's indirect responsibility for National Highway assets but committed to addressing issues with National Highways, recognizing the impact on traffic flow, such as maintaining crucial direction signs on the A46. • Concerns were raised about the need for closer collaboration between the Council and District Councils to address issues like mud on roads and solid silt in drains; members stressed the importance of coordinated cleansing efforts. Officers acknowledged these concerns, committing to a risk-based response approach for hazards and improved coordination with District partners on street sweeping and enforcement. Regarding cycleways, efforts to encourage cycling and seek funding opportunities were mentioned, with acknowledgment of room for improvement in considering markings during maintenance projects. • Members raised concerns about trip hazards on slabbed paving; officers explained the strategy to relay footways where appropriate, addressing challenges in funding for high aesthetics areas like Lincoln High Street. They highlighted efforts to coordinate activities under the Street Works Charter and committed to proactive engagement with Districts for improvement. • Members raised concerns about deviations from the Highways Code of Practice in the document; officers explained that these could result from well-managed infrastructure recommendations, with implementation delegated to each authority. Referring to Appendix B, which reviews approaches of other authorities, officers emphasized that the Council's recommendation positioned it favourably in responsiveness compared to Nottinghamshire, Cambridgeshire, and Northeast Lincolnshire. Despite extending the response time, the Council remained more responsive to some statistically comparable

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<i>Item</i>	<i>Summary of Outcomes</i>
	<p>neighbouring authorities, suggesting a separate discussion for detailed exploration of specific deviations might be beneficial.</p> <ul style="list-style-type: none"> • Members inquired about how the HIAMP addressed challenges posed by inflationary pressures on works and resource management within the plan's priorities; officers referenced the County Council Medium-Term Financial Plan, addressing a 5% inflation pressure for the LCC budget in the next financial year. Officers expressed confidence in meeting objectives, with detailed budgetary information available in the Quarter two performance report for Highways, discussed at the same meeting. <p>The Committee supported the recommendations to the Executive Councillor as set out in the report and agreed that comments be passed on to the decision maker.</p>
<p>Highways Performance Report, Quarter 2 (1 July to 30 September 2023)</p>	<p>This report provided the Committee with the performance data for the Highways service for Quarter 2.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • The Committee was pleased to see targets being met and the improved scores. • It was recognised that recent weather conditions had impacted performance in some areas. • The use of heavy machinery was not always cost effective for use on potholes and minor defect repair jobs across a rural road network.
<p>Highways Major Project Update Report</p>	<p>This report provided the Committee with an update since the last reporting period on all aspects of the highways major project portfolio.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • Members felt that the works at the Springfield and Greencell roundabouts was progressing with minimal disruption to traffic flow. • Assurance was given that officers were confident that funding for Grantham Highstreet would be secured. • The Committee commended the smaller major works, the completion of which contributed towards placemaking improvements. • It was noted that housing developments around the various relief roads that were under construction meant that benefits to traffic flow may be undermined due to the increasing populations within the localities.

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<i>Item</i>	<i>Summary of Outcomes</i>
	<ul style="list-style-type: none"> • Members also felt that work needed to be done to ensure cycle routes were joined up and provided an efficient network for active travel.
<p>Transport Quarter 2 Performance Report 2023/24</p>	<p>Consideration was given to a report which provided the Committee with the performance data for Transport Services for Quarter 2.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • It was noted that: <ul style="list-style-type: none"> ○ Callconnect continued to receive positive feedback. ○ The Sleaford intertown service was being extended. ○ Overall, the network had stabilised and was more sustainable. • Public transport patronage numbers had stabilised, and the taxi and minibus market were improving; however, the educational travel market remained volatile and a high cost. • It was a known issue that commercial providers' timetables did not align very well with school drop off and pick up times in certain areas of Lincoln, in part due to high demands placed on providers. • There was little room for efficiencies on top of the extreme cost pressures faced by the service. • Increases in the number of subsidised passengers had exacerbated existing cost pressures. • A collaboration between Transport Services and Childrens' Services was looking at ways to help SEND children access independent travel to help mitigate pressures on subsidised services. • The Committee commended the Callconnect service and its new app, which granted better access to service users.
<p>Civil Parking Enforcement Annual Report 2022-2023</p>	<p>The report presented the annual Lincolnshire County Council Parking overview.</p> <p>Points raised in presentation/discussion:</p> <ul style="list-style-type: none"> • This year's penalty charges were the highest on record. Increased breaches of parking enforcement had increased in part due to new charges being in place at car parks within the costal county park. Enforcement had nonetheless proven successful and there had been high levels of compliance overall. • Parking patrols during school start and finishing times were prioritised and diverted to other high priority areas outside of term time. • It was recognised that there was a need for more patrols around

11 December 2023	
<i>Item</i>	<i>Summary of Outcomes</i>
	<p>Sincil Bank since parking restrictions had come into force.</p> <ul style="list-style-type: none"> • Extra resources would be needed if parking restrictions continued to increase in the county’s urban areas. • Currently 35,000 hours per year were required by the contractor to deliver parking patrols. This was currently slightly underdelivered; however, delivery was improving. • Underdeliver of the contracted hours was in part due to staffing issues, as there was a high turnover of staff. • It had been recorded that parking patrol staff faced abuse from the public whilst delivering their job. • Penalty charges had not changed since 2008 and needed review to properly enforce restrictions and resource the service. • The service currently ran a ringfenced reserve of £800,000.

B. PLANNED ACTIVITY

29 JANUARY 2024 - 10:00 am			
	Item	Contributor	Type of Report
1.	Revenue and Capital Budget Proposals	Pam Clipson, Head of Financial Services	Pre-decision scrutiny; Executive decision 06 February 2024
2.	Civil Parking Enforcement - 2024 Contract and Notice Processing Solution	Mick Phoenix, Traffic Manager Matt Jones, Parking Services Manager	Pre-decision scrutiny; Executive Councillor decision on 08 – 09 February 2024.
3.	North Hykeham Relief Road – Land Assembly Preparation and Highways Matters	Sam Edwards, Head of Highways Infrastructure and Laboratory Services	Pre-decision scrutiny; Executive decision 06 February 2024
4.	Winter Service Plan Interim Report	Jonathan Evans, Head of Highways Client and Contractual Management Services	Scrutiny Report, on winter service provision, as requested at a previous meeting of the Committee.

04 MARCH 2024 - 10:00 am		
Item	Contributor	Type of Report
1.	Grantham Future High Street Fund - Market Place & Station Approach Projects Sam Edwards, Head of Highways Infrastructure and Laboratory Services Teresa James, Senior Project Leader (Major Schemes)	Pre-decision Scrutiny; Executive Councillor decision between 11-15 March 2024
2.	Public Rights of Way Fees & Charges Chris Miller, Head of Environment Andrew Fletcher, Public Rights of Way and Access Manager	Pre-decision Scrutiny. Executive Councillor decision between 05-14 March 2024.
3.	Service Level Performance Reporting Against the Success Framework 2023-24 Quarter 3 Highways (1 October to 31 December 2023) Jonathan Evans, Head of Highways Client and Contractual Management Services	Service Performance Monitoring Report, which sets out the performance of the highways service Against the Success Framework 2023-24.
4.	Major Work Schemes Report Sam Edwards, Head of Highways Infrastructure and Laboratory Services	Service Performance Monitoring Report, which enables the Committee to consider and comment on Highways major projects' progress and recommend any actions to the Executive Member for Highways, Transport, and IT.
5.	Approach to Transport Strategy Developments – Annual Update Report Sam Edwards, Head of Highways Infrastructure and Laboratory Services	Annual Strategy Position Report, which details the purpose and benefits of the Council's Transport Strategy, and progress made since the last report in January 2023.
6.	Highways Gully Cleansing/Repair and Surface Water Flooding Richard Fenwick, County Highways Manager Shaun Butcher, County Programme Manager	Six-monthly Performance Report which provides the Committee with an update on Gully Cleaning/Repair and Surface Level Flooding.
7.	Road Safety Partnership Update Steven Batchelor, Lincolnshire Road Safety Partnership Senior Manager	Annual Position Report which seeks to provide the Committee with an update on fatal, killed and serious injury

04 MARCH 2024 - 10:00 am		
Item	Contributor	Type of Report
		(KSI) casualty figures for Lincolnshire.

29 APRIL 2024 - 10:00 am		
Item	Contributor	Type of Report
1.	Transport - Quarter 3 Performance Report (1 October to 31 December 2023)	Helen Reek, Interim Head of Transport Services Service Performance Monitoring Report, which sets out the performance of the transport service.
2.	Stamford Transport Strategy	Sam Edwards, Head of Highways Infrastructure and Laboratory Services Charlotte Hughes, Senior Project Leader Highways Infrastructure Scrutiny Report, which provides an update on the Stamford Transport Strategy.

10 JUNE 2024 - 10:00 am		
Item	Contributor	Type of Report
1.	Rail Recovery and Strategic Role in Providing Connectivity, Supporting Lincolnshire Communities and Economy	Jayne Wingad, Rail Policy Officer Richard Bates, Lead Strategic Planner (Network Planning) for Eastern Region Network Rail Representation TBC Scrutiny Report: this item provides an update regarding matters relevant to rail including updates from the Department for Transport.
2.	Parking Enforcement Procedures Manual	Matt Jones, Parking Services Manager Pre-decision scrutiny; Executive Councillor decision 17 - 24 June 2024

29 JULY 2024 - 10:00 am		
Item	Contributor	Type of Report
1.	Winter Service Plan 2024-25	Jonathan Evans, Head of Highways Client and Contractual Management Services Pre-decision scrutiny; Executive Councillor decision Date Range TBC

29 JULY 2024 - 10:00 am

Item	Contributor	Type of Report
<p>2. Service Level Performance Reporting Against the Success Framework 2023-24 Quarter 4 - Highways Performance Report, Quarter 4 (1 January to 31 March 2024)</p>	<p>Jonathan Evans, Head of Highways Client and Contractual Management Services</p>	<p>Service Performance Monitoring Report, which sets out the performance of the highways service Against the Success Framework 2023-24.</p>
<p>3. Major Work Schemes Report</p>	<p>Sam Edwards, Head of Highways Infrastructure and Laboratory Services</p>	<p>Service Performance Monitoring Report, which enables the Committee to consider and comment on Highways major projects' progress and recommend any actions to the Executive Member for Highways, Transport, and IT.</p>
<p>4. Highways Gully Cleansing/Repair and Surface Water Flooding</p>	<p>Richard Fenwick, County Highways Manager Shaun Butcher, County Programme Manager</p>	<p>Six-monthly Performance Report, which provides the Committee with an update on Gully Cleaning/Repair and Surface Level Flooding.</p>
<p>5. Public Transport Annual Update</p>	<p>Helen Reek, Interim Head of Transport Services</p>	<p>Annual Position Report, which provides an annual update on Public Transport since the previous report considered by this Committee on 17 July 2023.</p>



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

Report to:	Overview and Scrutiny Management Board
Date:	25 January 2024
Subject:	Overview and Scrutiny Management Board Work Programme

Summary:

This item serves to apprise the Board of the ongoing initiatives and tasks outlined in its operational agenda for the year 2024.

Actions Required:

This particular item is intended solely for informational purposes, providing relevant details about the Boards Work Programme.

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 2024, 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 Key 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 and Kiara Chatziioannou, Scrutiny Officer, who can be contacted on 07500571868 or by e-mail at Kiara.Chatziioannou@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)

25 January 2024– 10:00am			
	Item	Contributor	Purpose
1.	Devolution Capital	Justin Brown, Assistant Director - Growth Linsey Hill-Pritchard, Strategic Programme Manager	Pre-Decision Scrutiny (Executive decision on 6 February 2024)
2.	Council Budget 2024/25	Michelle Grady, Assistant Director - Finance	Pre-Decision Scrutiny (Executive decision on 6 February 2024)
3.	Service Revenue and Capital Budget Proposals 2024/25	Adam Hopley, Strategic Finance Lead – Corporate	Pre-Decision Scrutiny (Executive decision on 6 February 2024)
4.	Award of Multi-Functional Device (MFD) Contract	Andrew Hancy, Head of Business Support Leanne Fotherby, Commercial and Procurement Manager	Pre-Decision Scrutiny (Leader decision between 29 January and 2 February 2024)
5.	Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> • Adults and Community Wellbeing Scrutiny Committee • Health Scrutiny Committee • Environment and Economy Scrutiny Committee • Highways and Transport Scrutiny Committee 	Cllr Hugo Marfleet, Chairman of Adults and Community Wellbeing Scrutiny Committee Cllr Carl Macey, Chairman of Health Scrutiny Committee Cllr Ian Carrington, Chairman of Environment and Economy Scrutiny Committee Cllr Mike Brookes, Chairman of Highways and Transport Scrutiny Committee	Performance Scrutiny

29 February 2024– 10:00am			
	Item	Contributor	Purpose
1.	Corporate Plan Success Framework 2023-2024 – Quarter 3	Caroline Jackson, Head of Corporate Performance	Pre-Decision Scrutiny (Executive decision on 5 March 2024)

29 February 2024– 10:00am			
Item		Contributor	Purpose
2.	Deepings Leisure Centre	Jayne Sowerby-Warrington, Assistant Director - Corporate Property	Pre-Decision Scrutiny (Executive decision on 5 March 2024)
3.	People Management Update - Quarter 3	Tony Kavanagh, Assistant Director – HR and Organisational Support	Performance Scrutiny
4.	Revenue Budget Monitoring Report 2023/24 – Quarter 3 to 31 December 2023	Michelle Grady, Assistant Director - Finance	Pre-Decision Scrutiny (Executive decision on 5 March 2024)
5.	Capital Budget Monitoring Report 2023/24 – Quarter 3 to 31 December 2023	Michelle Grady, Assistant Director - Finance	Pre-Decision Scrutiny (Executive decision on 5 March 2024)
6.	Treasury Management Performance Quarter 3 to 31 December 2023	Karen Tonge, Treasury Manager	Performance Scrutiny
7.	Treasury Management Strategy Statement and Annual Investment Strategy 2024/25	Karen Tonge, Treasury Manager Chris Scott, Link Asset Services	Pre-Decision Scrutiny (Executive Councillor Decision between 11th to 15th March 2024)
8.	Future IT Service Delivery Model	David Matthewman, Chief Information Officer	Pre-Decision Scrutiny (Executive decision on 5 March 2024)
9.	Legal Services Company Update	Chief Legal Officer	Performance Scrutiny
10	Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> • Children and Young People Scrutiny Committee • Public Protection and Communities Scrutiny Committee 	Cllr Rob Kendrick, Chairman of Children and Young People Scrutiny Committee Cllr Nigel Pepper, Chairman of Public Protection and Communities Scrutiny Committee	Performance Scrutiny

12 March 2024– 10:00am – <i>NEW DAY</i>			
Item		Contributor	Purpose
1.	Devolution Deal	Lee Sirdifield, Assistant Director, Corporate	Pre-Decision Scrutiny (Leader decision on 13 March 2024)
2.	Transformation Programme Update	Clare Rowley, Head of Transformation	Performance Scrutiny

12 March 2024– 10:00am – NEW DAY			
Item	Contributor	Purpose	
	Andrew McLean, Assistant Director – Corporate Transformation, Programmes and Performance		
3.	Property Services Contract Year Seven Report	Stuart Wright, Contract Manager - Corporate Property	Performance Scrutiny
4.	Update on IMT Services - Project Portfolio	Donna Fryer, Head of Portfolio and Resources	Performance Scrutiny
5.	Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> • Environment and Economy Scrutiny Committee • Highways and Transport Scrutiny Committee • Flood and Water Management Scrutiny Committee 	Cllr Ian Carrington, Chairman of Environment and Economy Scrutiny Committee Cllr Mike Brookes, Chairman of Highways and Transport Scrutiny Committee Cllr Tom Ashton, Chairman of Flood and Water Management Scrutiny Committee	Performance Scrutiny

25 April 2024– 10:00am			
Item	Contributor	Purpose	
1.	Overview and Scrutiny Annual Report 2023-24	Nigel West, Head of Democratic Services and Statutory Scrutiny Officer	Performance Scrutiny
2.	Corporate Support Services Contract Report	Arnd Hobohm, Corporate Support Services Contract Manager	Performance Scrutiny
3.	Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> • Adults and Community Wellbeing Scrutiny Committee • Health Scrutiny Committee 	Cllr Hugo Marfleet, Chairman of Adults and Community Wellbeing Scrutiny Committee Cllr Carl Macey, Chairman of Health Scrutiny Committee	Performance Scrutiny

30 May 2024– 10:00am			
Item	Contributor	Purpose	
1.	People Management Update - Quarter 4	Tony Kavanagh, Assistant Director – HR and	Performance Scrutiny

30 May 2024– 10:00am			
		Organisational Support	
2.	Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> Children and Young People Scrutiny Committee Public Protection and Communities Scrutiny Committee 	Cllr Rob Kendrick, Chairman of Children and Young People Scrutiny Committee Cllr Nigel Pepper, Chairman of Public Protection and Communities Scrutiny Committee	Performance Scrutiny

27 June 2024– 10:00am			
	Item	Contributor	Purpose
1.	Corporate Plan Success Framework 2023/24 – Quarter 4	Caroline Jackson, Head of Corporate Performance	Pre-Decision Scrutiny (Executive decision on 2 July 2024)
2.	Review of Financial Performance 2023/24	Michelle Grady, Assistant Director - Finance	Pre-Decision Scrutiny (Executive decision on 2 July 2024)
3.	Treasury Management Annual Report 2023/24	Karen Tonge, Treasury Manager Chris Scott, Link Asset Services	Performance Scrutiny
4.	Overview and Scrutiny Work Programmes <ul style="list-style-type: none"> Environment and Economy Scrutiny Committee Highways and Transport Scrutiny Committee 	Cllr Ian Carrington, Chairman of Environment and Economy Scrutiny Committee Cllr Mike Brookes, Chairman of Highways and Transport Scrutiny Committee	Performance Scrutiny

For more information about the work of the Overview and Scrutiny Management Board please contact Kiara Chatziioannou, Scrutiny Officer, on 07500571868 or by e-mail at Kiara.Chatziioannou@lincolnshire.gov.uk

FORWARD PLAN OF KEY DECISIONS FROM 1 JANUARY 2024

PUBLISH DATE 1 JANUARY 2024

DEC REF	MATTERS FOR DECISION	DATE OF DECISION	DECISION MAKER	PEOPLE/GROUPS CONSULTED PRIOR TO DECISION	DOCUMENTS TO BE SUBMITTED FOR DECISION	HOW AND WHEN TO COMMENT PRIOR TO THE DECISION BEING TAKEN	RESPONSIBLE PORTFOLIO HOLDER AND CHIEF OFFICER	KEY DECISION YES/NO	DIVISIONS AFFECTED
I030292	Council Budget 2024/25	9 January 2024	Executive	Overview and Scrutiny Management Board	Report	Assistant Director - Finance E-mail: michelle.grady@lincolnshire.gov.uk	Leader of the Council (Executive Councillor: Resources, Communications and Commissioning) and Executive Director - Resources	Yes	All Divisions
I030628	Civil Parking Enforcement - 2024 Contract and Notice Processing Solution	Between 08-09 February 2024	Executive Councillor: Economic Development, Environment and Planning	Finance Legal HR Corporate Commercial Board Highways and Transport Scrutiny Committee	Report	Traffic Manager E-mail: mick.phoenix@lincolnshire.gov.uk	Executive Councillor: Highways, Transport and IT and Executive Director - Place	Yes	All Divisions
I030817	Early Years Funding Formula Childcare Reforms	Between 15 January 2024 and 17 January 2024	Executive Councillor: Children's Services, Community Safety, Procurement and Migration	DLT Exec DLT Children and Young People Scrutiny Committee	Report	Interim Head of Service - Early Years E-mail: nicky.myers@lincolnshire.gov.uk	Executive Councillor: Children's Services, Community Safety, Procurement and Migration and Executive Director of Children's Services	Yes	All Divisions
I029445	Waste Transfer Station Improvements	Between 22 April 2024 and 26 April 2024	Executive Councillor: Waste and Trading Standards	Environment and Economy Scrutiny Committee	Report	Head of Waste E-mail: mike.reed@lincolnshire.gov.uk	Executive Councillor: Waste and Trading Standards and Executive Director - Place	Yes	All Divisions
I030410	Welton William Farr - New Sixth Form Block and Dining Remodelling	Between 22 January 2024 and 26 January 2024	Leader of the Council (Executive Councillor: Resources, Communications and Commissioning)	Children and Young People Scrutiny Committee	Report	Head of Property Development E-mail: dave.pennington@lincolnshire.gov.uk	Leader of the Council (Executive Councillor: Resources, Communications and Commissioning) and Executive Director - Resources	Yes	Welton Rural
I031864 New!	Community Care Nurse Specialist Service	Between 31 January 2024 and 2 February 2024	Executive Councillor: Adult Care and Public Health		Report	Senior Commercial and Procurement Officer E-mail: mark.fowell@lincolnshire.gov.uk	Executive Councillor: Adult Care and Public Health and Executive Director - Adult Care and Community Wellbeing	Yes	All Divisions
I030650	North Hykeham Relief Road - Land Assembly Preparation and Highway Matters	6 February 2024	Executive	Local councillors and appropriate statutory bodies Highways and Transport Scrutiny Committee	Report	Head of Highways Infrastructure E-mail: sam.edwards@lincolnshire.gov.uk	Executive Councillor: Highways, Transport and IT and Executive Director - Place	Yes	Eagle and Hykeham West

DEC REF	MATTERS FOR DECISION	DATE OF DECISION	DECISION MAKER	PEOPLE/GROUPS CONSULTED PRIOR TO DECISION	DOCUMENTS TO BE SUBMITTED FOR DECISION	HOW AND WHEN TO COMMENT PRIOR TO THE DECISION BEING TAKEN	RESPONSIBLE PORTFOLIO HOLDER AND CHIEF OFFICER	KEY DECISION YES/NO	DIVISIONS AFFECTED
I030272	Future IT Service Delivery Model	5 March 2024	Executive	Corporate Leadership Team Informal Executive Overview and Scrutiny Management Board Leader of the Council Executive Councillor for Highways, Transport and IT	Report	Chief Information Officer E-mail: david.matthewman@lincolnshire.gov.uk	Executive Councillor: Highways, Transport and IT and Executive Director - Resources	Yes	N/A
I030085	Deepings Leisure Centre	5 March 2024	Executive	Overview and Scrutiny Management Board	Report	Assistant Director - Corporate Property E-mail: jayne.sowerby-warrington@lincolnshire.gov.uk	Leader of the Council (Executive Councillor: Resources, Communications and Commissioning) and Executive Director - Resources	Yes	Deepings East; Deepings West and Rural
I030835 New!	Devolution Capital	6 February 2024	Executive	Overview and Scrutiny Management Board	Report	Assistant Director - Growth E-mail: justin.brown@lincolnshire.gov.uk	Leader of the Council (Executive Councillor: Resources, Communications and Commissioning) and Executive Director - Place	Yes	All Divisions
I031865 New!	Award of Contract for Educational Travel to St Francis School	6 February 2024	Executive	Informal Executive and Corporate Leadership Team	Exempt report	Assistant Director - Communities E-mail: nicole.hilton@lincolnshire.gov.uk	Executive Councillor: Highways, Transport and IT and Executive Director - Place	Yes	N/A
I030025	Local Electric Vehicle Infrastructure (LEVI) Pilot - Contract Procurement	Between 4 March 2024 and 8 March 2024	Executive Councillor: Highways, Transport and IT	Environment and Economy Scrutiny Committee Affected Local Members Relevant Officers	Exempt report	Senior Commissioning Officer tanya.vaughan@lincolnshire.gov.uk	Executive Councillor: Highways, Transport and IT and Executive Director - Place	Yes	Birchwood; Boston Coastal; Boston North; Boston Rural; Boston South; Boston West; Boultham; Carholme; Hartsholme; Horncastle and the Keals; Skegness North; Skegness South; Sleaford; St Giles; Stamford East; Stamford West
030837 New!	Residential Care and Community Supported Living Framework Contract 2022- 2025 Rate Uplifts for 2024/25	5 Mar 2024	Executive	Adult Care and Community Wellbeing Scrutiny Committee; Lincolnshire Care Association	Report	Senior Strategic Commercial and Procurement Manager Tel: 07879 412886 Email: carl.miller@lincolnshire.gov.uk	Executive Councillor: Adult Care and Public Health and Executive Director - Adult Care and Community Wellbeing	Yes	All Divisions
I030841 New!	Grantham Future High Street Fund - Market Place & Station Approach Projects	Between 11 Mar 2024 and 15 Mar 2024	Executive Councillor: Highways, Transport and IT	Highways and Transport Scrutiny Committee	Report	Senior Project Leader (Major Schemes) E-mail: teresa.james@lincolnshire.gov.uk	Executive Councillor: Highways, Transport and IT and Executive Director - Place	Yes	Grantham East; Grantham North; Grantham South; Grantham Wes

DEC REF	MATTERS FOR DECISION	DATE OF DECISION	DECISION MAKER	PEOPLE/GROUPS CONSULTED PRIOR TO DECISION	DOCUMENTS TO BE SUBMITTED FOR DECISION	HOW AND WHEN TO COMMENT PRIOR TO THE DECISION BEING TAKEN	RESPONSIBLE PORTFOLIO HOLDER AND CHIEF OFFICER	KEY DECISION YES/NO	DIVISIONS AFFECTED
I030411	Primary School Mobile Replacement Scheme	Between 22 January 2024 and 26 January 2024	Leader of the Council (Executive Councillor: Resources, Communications and Commissioning)	Children and Young People Scrutiny Committee	Report	Head of Property Development E-mail: dave.pennington@lincolnshire.gov.uk	Leader of the Council (Executive Councillor: Resources, Communications and Commissioning) and Executive Director - Resources	Yes	All Divisions
I028654	Gosberton House Academy - New Block Extension and External Works as part of the SEND Building Communities of Specialist Provision Strategy	Between 18 March 2024 and 22 March 2024	Leader of the Council (Executive Councillor: Resources, Communications and Commissioning)	Children and Young People Scrutiny Committee	Exempt Report	Head of Property Development E-mail: dave.pennington@lincolnshire.gov.uk	Leader of the Council (Executive Councillor: Resources, Communications and Commissioning) and Executive Director - Resources	Yes	
I030828 New!	Lincolnshire Leaving Care Service from April 2025	Between 3 Jun 2024 and 7 Jun 2024	Executive Councillor: Children's Services, Community Safety, Procurement and Migration	Representatives from Children's Services teams (social care and IROs); care leavers and other stakeholders involved in services for care leavers; Children's Services DLT	Report	Senior Commissioning Officer E-mail: Bridie.fletcher@lincolnshire.gov.uk	Executive Councillor: Children's Services, Community Safety, Procurement and Migration and Executive Director of Children's Services	Yes	All Divisions
I030731 New!	Parking Enforcement Procedures Manual	Between 17 June 2024 and 24 June 2024	Executive Councillor: Highways, Transport and IT	Place DLT Highways and Transport Scrutiny Committee	Report	Parking Services Manager E-mail: Matt.jones@lincolnshire.gov.uk	Executive Councillor: Highways, Transport and IT and Executive Director - Place	Yes	All Divisions

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