

# Agenda Item 6

## **COUNTY COUNCIL MEETING – 15 DECEMBER 2017**

**Statement from: Councillor M J Hill OBE – Leader of the Council**

### **FAIRER FUNDING CAMPAIGN**

Work continues in earnest to campaign for a "Fair Deal for Lincolnshire". In addition to support from District and Unitary Council authorities within the Greater Lincolnshire area, we have received many letters of support from our Town and Parish Councils. On 18 October I attended a meeting in Westminster with Sajid Javid MP, the Secretary of State for Local Government, Marcus Jones MP, Minister for Local Government, and local Conservative MPs, who listened to, and acknowledged, our case for change. We were informed that the Government is committed to implementing a fairer funding regime for local government, and recognises the particular challenges of delivering services in rural areas.

A change is needed to rectify many years of injustice and bring substantial, and much-needed, additional funding to our county.

We were encouraged by the support shown by Sajid Javid and Marcus Jones for a fair deal for our area, however, we recognise there are challenges to be met and will do all we can to achieve a successful outcome.

### **FINANCE**

#### **External Audit Opinions for 2016/17**

The external auditors of the authority are required to give an opinion each year on both the financial statements of the Council and its arrangements for securing value for money in its operations. The requirement is that these opinions are to be given by 30<sup>th</sup> September each year. Historic problems with Agresso meant finalisation of the financial statements was late in 2015/16 and, in addition, the value for money aspect of the audit opinion was qualified on the basis of a lack of comprehensive and timely budget monitoring information in that year. I am pleased to report that no such issues arose during the 2016/17 external audit review of the financial statements. Those statements were produced on time and received an unqualified opinion. The value for money opinion was also unqualified. Both the external auditors and the Audit Committee have commented favourably on the improvements that had taken place over the previous year to resolve Agresso related issues.

#### **Revenue Budget and Capital Programme for 2018/19**

Members will recall that the September 2016 meeting of the Council resolved to accept the four year funding deal offered by Government which covers our mainstream financial support from that source for 2016/17 and next three financial years. Work is well underway to produce a draft budget for consultation for both 2018/19 and 2019/20. I hope members took the opportunity earlier this month to attend the half day briefing sessions on the proposals. At the time of writing the

Provisional Local Government Grant Settlement is expected in mid-December but is unlikely to deviate from the core aspects of the four year deal. The Executive, at a special meeting on 19<sup>th</sup> December 2017, will be asked to approve a budget as a basis for internal and external consultation during January 2017. Scrutiny Committees will have the opportunity during January to review the proposals for their service areas.

### **Business Rate Pilot Bid**

The Government have stated their intention of fully localising business rate income to local authorities by the end of this Parliament. The current regime is based on 50% localisation. Progress on this matter in terms of legislation has been delayed by the need for the current session of Parliament to concentrate on Brexit related matters. However, in preparing for eventual 100% localisation, the Government have invited expressions of interest from areas willing to trial the new regime. Five pilots already exist in unitary areas and the Government now wish to extend the concept to two tier areas. With that in mind a bid to become a pilot area for 2018/19 has been submitted incorporating the County Council, the seven Lincolnshire Districts and North Lincs unitary authority. The financial benefit of a pilot is that the pilot authorities get to keep all growth in business rates generated in their area. For the Lincs pilot area that could be around £10m next year. The Government will offer a 'no detriment' guarantee so that no pilot authority can be worse off as a consequence of operating the pilot regime. At the time of writing it is not known if the Lincs pilot bid has been successful.

### **Chancellor's Autumn Budget Statement - 22 November 2017**

All members will have received a comprehensive briefing note on the key aspects of the Budget produced by the Society of County Treasurers' Technical Team. This was e-mailed out by Pete Moore on the evening of the 22 November. Any impacts on the finances of the Council arising from the national Budget will be built into the local budget proposals for future years.

## **PROPERTY**

The Council is an integral part of the Blue Light Programme where Fire & Rescue, Lincolnshire Police and East Midlands Ambulance Service are working together to exploit the opportunities of co-locating services across the County. In Lincoln, the flagship project is to bring all three services together under one roof at South Park with a new £19m operational hub for all three services. Planning permission was granted in October and construction will commence in February 2018. The new building will become operational in the summer of 2019. Elsewhere in the County, Louth Fire station became the first joint Fire and Ambulance Station becoming operational on 1 November

The Council has completed a major refurbishment of Lancaster House in Lincoln to create new office accommodation. The property was a strategic acquisition and has allowed staff to vacate leasehold accommodation at Witham Park. Lancaster House sets a new standard for office accommodation for the Council

The Council has successfully completed the re-tendering of the West Deeping mineral site to Breedon Aggregates, realising a capital receipt of £4m over the next four years.

The Council continues to work in partnership with schools across the County to provide places as part of the Basic Need Capital Programme. Last year saw a large expansion in the Primary School sector - with 600 school places provided in September 2016. This year 300 Primary Schools places were created. The next two years will see a significant expansion of the Secondary School Sector, with up to 1000 school places being created to meet the demands of population growth.

The Council continues to lead the One Public Estate programme on behalf of Greater Lincolnshire, working with all public sector partners including health. Asset challenge workshops with all partners are being held in all parts of Greater Lincolnshire until the end of January, identifying rationalisation, regeneration, and housing opportunities from the 4000 property assets.

## **THE COMMERCIAL TEAM**

The team continues to be fully deployed supporting Council priority projects including:

### **Children's Health Services**

The 0-19 Children's Health Service successfully transferred into the Council on 1 October 2017.

### **Geographic Information System (GIS) Replacement Platform**

The new corporate GIS tool, Location Centre, procured through the Government's G Cloud has been rolled out replacing a number of unsupported platforms. The project has migrated over 500 users onto Location Centre, including teams from Highways, Emergency Planning, Property, and Lincolnshire Fire and Rescue. As a result there has been a saving in operating and licensing costs.

### **Highways Alliance**

Highways Services are progressing the work to replace the current Highways Alliance contract, which covers road design, repairs and signalling. The Commercial Team is supporting Highways with the design of the procurement procedure to help ensure that the procedure secures the maximum value for money for the Council.

### **Waste Services**

Further work has been carried out by the Waste Service Group on their forward programme of procurement activity. The Commercial Team are supporting the strategic projects within this programme, including a trial of food waste collection and will provide a critical friend role through the Commissioning and Commercial Board.

## **Heritage Services**

The Council is undertaking work to consider how it might best deliver an excellent and affordable Heritage offer. This work requires the Council to look at various different commercial models for the continued delivery of Lincolnshire's popular Heritage sites. The work is being led by Nicole Hilton who is the Commissioner for the service and is supported by the Commercial Team.

## **Wrangle Bank flood defences**

The Team is supporting a multi-agency procurement involving the Environment Agency, the Witham Fourth Internal Drainage Board and the Council to further develop the flood defences on Wrangle Sea Bank. The procurement has been concluded successfully and a contractor is in place.

## **Procurement Compliance – Procurement Academy Training**

There have been a number of high profile legal cases increasing procurement risk. To manage this an extensive training programme has been put together and made available across the Council.

## **Serco Contract Management**

The overall performance of the contract as measured against the KPIs has continued to improve. October continued the overall performance trend, being the first month since contract start where none of the KPIs reported below Minimum Service Level (red status).

## **CSL Night Time Support**

The Team has faced an increasing level of challenge in respect of the Council's approach to funding sleep in support in community supported living services and in response to this an enhanced night time on-call support rate has been introduced. This recognises that there will be circumstances where the sleep-in support commissioned by the Council will be considered to be working time for the purposes of payment of National Minimum Wage.

## **Community Supported Living Open Select list Re-Opening**

Community Supported Living enables vulnerable adults develop skills to increase their independence in daily living and achieve their aspirations. Following the successful procurement and implementation of the 'Open Select List' during 2015, which resulted in 21 Providers being approved, the open select list was re-opened to new entrants in 2016 and 2017, resulting in an additional 12 providers being approved.

## **Pre-Paid Cards**

The Council's Personalisation Agenda Project Group identified that utilising pre-paid cards to receive direct payments may make direct payments more attractive to more people. The Council currently pay out over £22m (minus Service User Contributions)

a year in direct payments and evidence from other local authorities has shown that an increased take up can deliver overall budget savings.

A procurement exercise has concluded with the new service implemented during June and July 2017. It is hoped this new initiative will allow for greater choice for service users as well as providing stronger protections and controls in ensuring personal budgets are managed well.

This page is intentionally left blank