



## OVERVIEW AND SCRUTINY MANAGEMENT BOARD 28 NOVEMBER 2019

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

Councillors R Wootten (Vice-Chairman), B Adams, Mrs W Bowkett, Mrs J Brockway, R J Kendrick, C S Macey, C E H Marfleet, N H Pepper and C J T H Brewis.

### **Added Members**

Parent Governor Representative: Miss A E I Sayer.

Councillors: R D Butroid (Executive Support Councillor Community Safety and People Management), M J Hill OBE (Leader of the Council and Executive Councillor for Resources and Communications) and M A Whittington (Executive Support Councillor Resources and Communications) attended the meeting as observers.

Officers in attendance:-

Debbie Barnes OBE (Head of Paid Service), David Coleman (Chief Legal Officer), Katrina Cope (Senior Democratic Services Officer), Verity Druce (Commercial Manager), James Drury (Executive Director Commercial), Helen Edwards (Strategic Finance Manager - Business World), Michelle Grady (Assistant Director for Strategic Finance), Tracy Johnson (Senior Scrutiny Officer), Kevin Kendall (Assistant Director - Corporate Property), Andrew McLean (Interim Assistant Director, Transformation), Jasmine Sodhi (Performance and Equalities Manager), Karen Spencer (Head of Communications), Fiona Thompson (Head of Human Resources), Karen Tonge (Treasury Manager), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer), Sadie Rossington (Business World Project Manager) and Sarah Wells (Business Manager, Corporate Property Team).

### 56 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

Apologies for absence were received from Councillors Mrs K Cook, E W Strengeil, Patricia Barnett (Parent Governor Representative) and Stephen Rudman (Church Representative).

It was reported that, under Regulation 13 of the Local Government (Committee and Political Groups) Regulations 1990, Councillor C J T H Brewis had been appointed as the replacement member for Councillor Mrs K Cook, for this meeting only.

An apology for absence was also received from Councillor B Young (Executive Councillor for Community Safety and People Management).

### 57 DECLARATIONS OF INTEREST

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There were no declarations of interest made at this point in the meeting.

**58 MINUTES OF THE MEETING HELD ON 24 OCTOBER 2019****RESOLVED**

That the minutes of the Overview and Scrutiny Management Board meeting held on 24 October 2019 be approved as a correct record and signed by the Chairman.

**59 ANNOUNCEMENTS BY THE CHAIRMAN, EXECUTIVE COUNCILLOR FOR RESOURCES AND COMMUNICATIONS AND CHIEF OFFICERS**

The Chairman advised that he and Councillor C R Oxby (Vice-Chairman of Environment and Economy Scrutiny Committee) had attended a meeting of the Executive on 5 November 2019, at which the Board's comments on the County Mixed Dry Recyclables had been presented.

Members were informed that Councillors S P Roe and C Matthews were to attend the Centre for Public Scrutiny's Annual Conference on 3 December 2019; as were Tracy Johnson, (Senior Scrutiny Officer) and Daniel Steel, (Scrutiny Officer). Feedback from the Conference would be shared with Scrutiny Panel B at its next meeting on 10 January 2020. It was highlighted that the Board would be receiving a report on the progress of Scrutiny Panel B at its next meeting on 19 December 2019.

The Leader of the Council, Councillor M J Hill OBE advised that Andrew McLean had been appointed to the Assistant Director, Transformation post. The Board extended its congratulations to Andrew, and wished him well in his new role.

The Board also noted that interviews for the post of Chief Executive would be taking place week commencing 2<sup>nd</sup> December 2019.

Debbie Barnes, Head of Paid Service advised that a full written report and recommendations from the Local Government Association's Corporate Peer Challenge, which had taken place in September 2019, would be circulated to all Councillors. The Board was advised that the report had been very encouraging, highlighting the Council's strengths and achievements. It was highlighted that the report supported the emerging "One Council" approach.

**60 CONSIDERATION OF CALL-INS**

None were received.

**61 CONSIDERATION OF COUNCILLOR CALLS FOR ACTION**

None were received.

**62 CONSIDERATION OF EXEMPT INFORMATION**

**RESOLVED**

That, in accordance with Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for agenda item 8 on the grounds that if they were present there could be disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended.

**63      CROWN ESTATE - SURRENDER OF LEASE**

Consideration was given to an exempt report from Kevin Kendall, Assistant Director – Corporate Property, which invited the Board to consider an item on Crown Estate – Surrender of Lease, which was being presented to the Leader of the Council for a decision between 2 December 2019 and 13 December 2019.

Officers responded to questions raised.

It was agreed that the revised County Farm Strategy would be brought to a future meeting of the Overview and Scrutiny Management Board once it had been developed.

In conclusion, the Overview and Scrutiny Management Board supported the recommendations as detailed in the exempt report; and requested that comments from the Overview and Scrutiny Management Board drawn from the discussion should be passed onto the Leader of the Council in relation to this item.

**RESOLVED**

1. That support be given by the Overview and Scrutiny Management Board to the recommendations as detailed in the (exempt) Appendix 1 to the report presented; and that comments from the Overview and Scrutiny Management Board be passed onto the Leader of the Council in relation to this item.
2. That a copy of the revised County Farm Strategy be presented to a future meeting of the Overview and Scrutiny Management Board.

On completion of the exempt item the remainder of the meeting was held in public.

**64      BUSINESS WORLD ERP SYSTEM RE-DESIGN**

The Board gave consideration to a report from Andrew McLean, Interim Assistant Director – Transformation, which invited consideration on the re-design of the Council's Business World ERP system, which was being presented to the Executive on 17 December 2019 for a decision.

Detailed at Appendix A was a copy of the Executive report and associated Appendix for the Board to consider.

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The Board was advised that the report proposed an estimated investment of c£1.8m in order to re-design the Council's Business World Enterprise Resource Planning (ERP) system. It was noted that the existing system was creating a number of significant issues to the effective performance of the system, which was impacting on the efficiency and effectiveness of the departments of the Council and maintained schools which used the system.

It was noted further that the intention was to move to the existing Hoople Ltd., Business World Platform. It was reported that as part of the move, it was proposed that the Council took up part ownership of Hoople so that Hoople became a "Teckal" company of the Council; and then the Council would award a direct contract for the services to Hoople, utilising the appropriate procurement exception.

Details of the alternatives considered and more detailed reasons for the recommendations were shown on pages 44 and 45 of the report. It was reported that, in the absence of relevant in-house expertise to carry out the work itself effectively, the Council would as a result have to employ a third party to support the re-design and provide strong contract management through individuals with relevant system expertise and experience. It was reported further that the Business World System was proven elsewhere in many other organisations and that the issues the Council currently faced with the system were resolvable.

In conclusion, the Board was advised that not addressing the capability issue would result in the Council failing to reap the full benefits of its investment in an ERP system; that maintaining the system as it was currently configured would create significant reputational risk for the Council through the failure to be able to implement system updates; that the current system was not sustainable in its current state; and that a re-design would remove duplicated and inefficient processes. Reassurance was given that Hoople had provided sufficient information and had demonstrated experience to provide the Council with a robust and stable platform, upon which the system could be optimised to provide an enhanced offer.

During discussion, comments confirmed by the Board were as follows:-

- Capacity of Hoople – The Board was advised that Hoople had identified additional resources to ensure that it had capacity to take on the Council's system re-design and the on-going provision of services to the Council;
- Assurance – It was noted that assurance on the Hoople platform and the proposed move over to the platform had been provided by independent consultants;
- Provision for schools – It was reported that a dedicated gateway for Lincolnshire schools would look to be developed once the system re-design and move over to the Hoople platform had been completed for April 2021;
- Costs - It was confirmed that the future recurrent costs would show a saving of around £200,000 per annum, including reduced costs from third party providers as Hoople would provide these services in future instead. It was confirmed further that additional system development costs would only be incurred if Lincolnshire wanted to implement something different to the

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standard build. In relation to TUPE, costs would be on a one off basis and these were already starting to be managed through staff turnover and vacancies;

- Concerns were expressed regarding bringing in the Hoople platform - Confirmation was provided that the system was stable elsewhere and worked for multiple clients so there was no reason why it should not work for Lincolnshire. Lincolnshire would need to ensure it embraced changes to the way it needed to operate in order to get the best out of the system;
- Security – The Board was advised that due diligence was being undertaken to ensure that the platform would be secure and that security would be up to date. It was confirmed that if any issues arose, there would be the option to stall implementation, and if required, return to the old system. It was proposed to embed an 18 month notice period for both sides in case there were any issues;
- Penalties – Officers advised that financial penalties would not be part of the agreement as there was a different approach with Hoople. Governance arrangements would be monitored to ensure that the agreement was being delivered;
- Culture change – The Board noted that a change in culture and mind-set was required in how staff use the current system and the new platform would be designed to prevent staff from using workarounds. The Board highlighted that the consequence of workarounds being used from the beginning was that the costs of the new contract were higher. It was confirmed that there would be more corporate oversight in future and the default position would be to not customise systems for staff;
- The Board noted that there were limited options for a HR and finance system, but as the finance side of the system was operating well, Hoople was seen to be the best option as it also used the current system; and
- Contract options - The Board was advised the same options would still be available when the contract ended in 2026, but there might be alternative systems offered in the market place that the Council could look into.

**RESOLVED**

1. That the Overview and Scrutiny Management Board supported the recommendations as presented in the Executive report.
2. That the comments as detailed above be passed to the Executive in relation to this item.
3. That the proposed dates on page 42 of the report for further reports to the Overview and Scrutiny Management Board to monitor the progress of the re-design be agreed.

65     DRAFT CORPORATE PLAN

The Board gave consideration to a report from Verity Druce, Commercial Manager, which invited consideration of the Draft Corporate Plan.

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A copy of the 'To Follow' report had been circulated electronically to members of the Board prior to the meeting.

The following Appendices were attached to the report:-

- Appendix A – latest feedback from the OSMB working group;
- Appendix B – Stakeholder engagement feedback; and
- Appendix C – Lincolnshire County Council Draft Corporate Plan 2020/30.

Debbie Barnes, Head of Paid Service introduced the report and provided some background information behind the draft new Corporate Plan as detailed on pages 2 and 3 of the report.

It was highlighted that the draft new Corporate Plan as detailed at Appendix C outlined the Council's vision, approach, key strategic ambitions and the strategic developments needed to fulfil the aspirations and expectations for communities of Lincolnshire.

It was highlighted that performance measures would be developed throughout the next phase of organisational planning to develop Directorate Plans, linked to the ambitions in the Corporate Plan.

During consideration of the feedback from the Overview and Scrutiny Management Board working group (Appendix A), stakeholder engagement feedback (Appendix B); and the draft new Corporate Plan as presented by Karen Spencer, Head of Communications, the Board made the following recommendations to the County Council on 11 December 2019:-

- For all four ambitions, delete the word 'must' from the first line "This means that we must;"
- Amend the following bullet points under the "enable everyone to enjoy life to the full" ambition;
  - "Make sure housing feels like home" to "Promote safe and secure homes"
  - "Support all children to have a loving home" to "Aspire for all children to have a caring home"
- Amend the following bullet point under the "create thriving environments" ambition;
  - "Make sure families can live safely" to "Assist everyone to live safely"
- Amend the following bullet point under the "we will lead the way with others to..." section of the "provide good value council services" ambition;
  - "Be serious about innovation and making best use of our assets" to "Continue to innovate and make best use of our assets"

The Board also made the following comments on the design of the draft Corporate Plan to the Head of Communications for consideration:-

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- It was questioned whether the photos used were representative of the wider population of Lincolnshire;
- It was questioned whether the photos represented all areas of Lincolnshire. It was highlighted that there were no pictures of Grantham or Boston included in the draft document;
- Consideration should be given to the use of recycled paper when printing copies of the Corporate Plan and how many copies need to be printed. The Head of Communications confirmed that the printing of the Corporate Plan would be funded from the existing budget; and
- It was also questioned whether some of the lozenges were in the correct positions.

A general comment raised by the Board was:-

- That the draft Corporate Plan made no reference to working with district councils. Officers advised that the Council worked in partnership with numerous agencies and to highlight one section of the Council's highly valued partnerships would not be reflective of the wider strategic relationships which the Council has.

**RESOLVED**

That the comments raised by the Overview and Scrutiny Management Board at the meeting held on 28 November 2019 be forwarded on to the County Council for consideration at the meeting to be held on 11 December 2019.

**66      PERFORMANCE REPORTING AGAINST THE COUNCIL BUSINESS PLAN - QUARTER 2**

The Board gave consideration to a report from Jasmine Sodhi, Performance and Equalities Manager, which invited the Board to consider the 2019/20 Council Business Plan for Quarter 2 performance, which was due to be considered by the Executive on the 17 December 2019.

Attached at Appendix 1 was a copy of the Executive report and associated Appendices.

The Board was advised that overall, performance for Quarter 2 had been good, of the 14 commissioning strategies, eight had performed well; five had performed well with all but one measure reported achieving the target, and one had mixed performance, some measures being achieved, some measures not being achieved. Details of the headlines relating to performance were shown on pages 78 to 80 of the report.

Appendix B to the report provided a summary of the measures that had not achieved the target in Quarter 2.

During discussion the Board raised the following comments:-

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- Page 85 – A question was asked as to whether this performance indicator took into consideration the restorative justice practice. The Board was advised that the restorative justice practice was separate to this indicator. The Board was reminded of the action taken at its meeting of 29 August, details of which were shown on page 82 of the report; and
- One member extended congratulations to the 'Magical' work being done at Children's Centres. The Board agreed to send a letter to staff in Children's Services to congratulate them on the fantastic work being undertaken in Early Years and Children's Centres to support children in getting the best start in life; and
- Wellbeing Commissioning Strategy - In relation to "alcohol users that left specialist treatment successfully" (Measure 31), the Board commended the excellent result of only 0.9% of all those completing alcohol treatment re-presenting to services.

The Board also agreed that from the Children are Safe and Healthy Commissioning Strategy, the performance measure "children who are subject to a child protection plan" (Measure 24) which had achieved target in Quarter 1, but had not in Quarter 2 would be referred for further consideration to the Children and Young People Scrutiny Committee. The Committee would consider the analysis that was being undertaken on the 100 children placed on a child protection plan and receive an explanation as to why the number of children subject to a children protection plan had increased in Quarter 2.

### RESOLVED

1. That the Children and Young People Scrutiny Committee give consideration to the performance measure "Children who are subject to a child protection plan" to obtain further details relating to the underperformance.
2. That the Board support the recommendations to the Executive as set out in the report.
3. That the comments as detailed above be passed to the Executive in relation to this item.
4. That a letter be sent to staff in Children's Services to congratulate them on the fantastic work being undertaken in Early Years and Children's Centres to support children in getting the best start in life.

### 67 TREASURY MANAGEMENT PERFORMANCE TO QUARTER 2 2019/20

Consideration was given to a report from Karen Tonge, Treasury Manager, which provided details of the activities and performance of treasury management activities for the first half of 2019/20 to 30 September 2019.

In guiding the Board through the report, reference was made to the background behind the Treasury Management Strategy and Annual Investment Strategy 2019/20;

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Interest Rate Forecast - (Appendix A provided the Board with a graph of key interest rate movements over quarter 1 to 30 September 2019 and an economic background and latest interest rate forecast from Link Asset Services); Investments – (Appendix D provided the Board with a full list of investments held at 30 September 2019); Borrowing – (Appendix E provided the Board with borrowing details and latest maturity profile as at 30 September 2019).

Confirmation was given that the impact on the Council of the forthcoming Parliamentary Election and Brexit was still uncertain.

**RESOLVED**

That the Treasury Management Performance Report to Quarter 2 2019/20 be received.

**68      SCRUTINY COMMITTEE WORK PROGRAMMES**

The Board gave consideration to a report which advised of the work that been undertaken by the Children and Young People Scrutiny Committee.

Appendix A to the report provided the Board with highlights of activity conducted and provided details of future work planned up to 6 March 2020.

The Chairman of the Children and Young People Scrutiny Committee advised that at the last meeting of the Children and Young People Scrutiny Committee, consideration had been given to two reports, the first being an update on the implementation of the Transitions scrutiny review, at which there had been discussion relating to the use of the term "Local Offer", which was the Department of Education's language to describe the services available for children and young people with special educational needs and disabilities (SEND). The Committee had highlighted the need to ensure that the "Local Offer" was easy to find on the Council's website. The Committee had agreed to a further update being received at the 5 June 2020 meeting and that a representative from the Clinical Commissioning Group should be invited to attend the said meeting, to provide an update on the recommendation relating to improved health outcomes.

The Board was advised that the second report related to the draft Child in Employment and Entertainment Policy. The Committee had raised concerns regarding the outdated legislation and to the fact that it did not cover self-employment or internet usage. The Committee had also highlighted that the document was not clear on when the Council would prosecute. Officers had confirmed that there was discretion for the Executive Director of Children's Services to decide when or when not, to prosecute. It was highlighted that prosecution would take place when a child was being exploited or missing school. The Board was advised that comments raised from the Committee were being passed on to the Executive Director of Children's Services for her consideration before approving the policy.

The Chairman of the Children and Young People Scrutiny Committee advised that the Inclusive Lincolnshire Strategy had been deferred from 17 January 2020 to the 24

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April 2020 meeting. It was noted that in its place the Committee would be considering two pre-decision scrutiny reports entitled "Schools Funding Changes 2020/21" and "School Admission Policies and Co-ordinated Schemes for 2021 Intake".

Also, the Chairman of the Children and Young People Scrutiny Committee reminded the Board that the Committee would also be looking at the performance indicator 'Children who are subject to a child protection plan', as agreed by the Board in the earlier performance item on the agenda.

The "outstanding" judgement from the recent Ofsted inspection of Children's Services was highlighted to the Board and it was agreed to send a letter from the Board to Children's Services to congratulate staff on the outcome.

It was questioned whether the Committee had seen a response to the national SEND funding review. The Head of Paid Service confirmed that a response had been submitted to the national review which could be circulated to the Children and Young People Scrutiny Committee.

**RESOLVED**

1. That the previous activity and the content of the planned future work programmes of the Children and Young People Scrutiny Committee be received by the Board, subject to the changes as detailed above.
2. That a letter from the Board be sent to staff in Children's Services to congratulate them on the recent Ofsted inspection outcome.
3. That the response to the national SEND funding review be circulated to the Children and Young People Scrutiny Committee.

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PROGRAMME**

The Head of Democratic Services and Statutory Scrutiny Officer presented the Board's prospective work programme as detailed in Appendix A on pages 142 to 147 of the report.

Appendix B to the report provided details of Scrutiny Panel Activity as at 20 November 2019. Appendices C and D provided details of working group activity as at 20 November 2019 and a copy of the Forward Plan of Key Decisions from 2 December 2019 for the Board to consider.

The Board was advised that there was one change to the work programme presented. It was reported that the report on Property Services Contract had been deferred from the 19 December 2019 meeting to the 27 February 2020 meeting.

It was highlighted that the 30 January 2020 meeting would be focussing on the Council's budget and that the Board would be receiving five reports in relation to this

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ahead of the Executive on 4 February 2020 and the County Council on 21 February 2020.

**RESOLVED**

That the Work Programme as presented in Appendix A be agreed subject to the amendment as detailed above.

The meeting closed at 1.05 pm

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