



**OVERVIEW AND SCRUTINY MANAGEMENT
BOARD
27 JANUARY 2022**

PRESENT: COUNCILLOR R B PARKER (CHAIRMAN)

Councillors T J N Smith (Vice-Chairman), A M Hall, R J Kendrick, C E H Marfleet, N H Pepper, E W Strengiel, R Wootten and T R Ashton

Added Members

Parent Governor Representatives: Miss A E I Sayer

Councillors: M J Hill OBE attended the meeting as an observer

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

Officers in attendance:-

Kiara Chatziioannou (Scrutiny Officer), Andrew Crookham (Executive Director Resources), Michelle Grady (Assistant Director – Finance), Tracy Johnson (Senior Scrutiny Officer), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer) and Emily Wilcox (Democratic Services Officer)

Officers in attendance via Microsoft Teams:-

Jason Copper (Transport and Growth Manager), Kevin Hales (Serco), Keith Noyland (Head of Finance - Communities) and Sophie Reeve (Assistant Director - Commercial)

96 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

Apologies for absence were received from Councillors Mrs J Brockway and C S Macey.

It was reported that, under Regulation 13 of the Local Government (Committee and Political Groups) Regulations 1990, Councillor T R Ashton had been appointed as a replacement for Councillor Mrs J Brockway, for this meeting only.

97 DECLARATIONS OF INTEREST

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

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98 MINUTES OF THE MEETING HELD ON 25 NOVEMBER 2021

The Democratic Services Officer clarified that the comments for the minute 74 did not accurately reflect the discussion that had taken place at the meeting. The Board was therefore being asked to approve the minutes of the meeting on the 25 November 2021, subject to the amendments which were highlighted within the agenda pack.

RESOLVED:

That the minutes of the meeting held on 25 November 2021 be approved as a correct record and signed by the Chairman, subject to the proposed amendments.

99 MINUTES OF THE MEETING HELD ON 16 DECEMBER 2021

RESOLVED:

That minutes of the meeting held on the 16 December 2021 be approved as a correct record and signed by the Chairman.

100 ANNOUNCEMENTS BY THE CHAIRMAN, EXECUTIVE COUNCILLORS AND CHIEF OFFICERS

The Chairman highlighted that he would be presenting the comments made on the Council's budget at the meeting of the Executive at its meeting on the 8th February 2022.

The Executive Support Councillor for Resources, Communication and Commissioning advised Members that they were still able to register their attendance at the public budget consultation event that was taking place on the 28th January.

101 CONSIDERATION OF CALL-INS

None had been received.

102 CONSIDERATION OF COUNCILLOR CALLS FOR ACTION

None had been received.

103 SERVICE REVENUE AND CAPITAL BUDGET PROPOSALS 2022/23

Consideration was given to a report by the Head of Finance – Communities, which invited the Committee to consider a report on the Service Revenue and Capital Budget Proposals 2022/23 which were due to be considered by the Executive on the 8 February 2022.

The report presented the budget proposals for the next financial year for Commercial, Resources and Corporate services. Due to the uncertainty in the funding position for future

years, the proposals had been set for a single year.

A number of new cost pressures had emerged in addition to the pressures identified for 2022/23 in the previous year's budget process. In some areas, savings which could be made through efficiencies with no or minimal impact on the level of service delivery had also been identified.

Some of the more significant cost pressures were information management technology; increased licensing and support costs; increased requirement for document storage; additional staffing resource required to support increased demand and maintain reliability and a need for telephony licensing.

The overall budget proposals had allowed for pay inflation of 2% in 2022/23. However, this was currently being held centrally pending agreement of any pay settlement, following which service budgets would be updated.

There were unavoidable service specific cost pressures for 2022/23 totalling £1.330m which would support the delivery of Council services. These cost pressures were offset by savings and efficiencies of £1.799m which did not negatively impact the level of service delivery. Further detail of the revenue budget for Commercial, Resources and Corporate services could be found at Table A and context was provided within the report.

Other than some re-phasing of existing project expenditure there had been no changes to the previously approved capital programme relating to Commercial, Resources and Corporate services, which could be found at Table B.

A consultation meeting with local business representatives, trade unions and partners was scheduled to take place on the 28th January 2022 and the proposals were now live on Lets talk Lincolnshire, with the opportunity for the public to comment.

The Executive Support Councillor for Resources, Communication and Commissioning hoped that by 2023 the government would have made progress on the levelling up agenda and the fairer funding review and was pleased to see that savings had been made to offset cost pressures within the budget.

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

- The Board supported the Budget proposals, with the exception of Councillor R B Parker who advised that he would be abstaining from the vote on items related to the Council's budget.
- There were very few employees of the Council on the national living wage. Any increase to the national living wage was however likely to impact on the Council's contractors, such as those in the care worker sector which had a bigger proportion of staff on the national living wage. Contract rates were fixed in October 2021 so if the national living wage was increased, there would be a need to look at the contractual arrangements for the particular staff affected. This would result in ongoing recurring

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costs either following the implementation of an increase or when the contract rates were fixed the following October. Any rise in national living wages would also have an impact on the pay scales for staff as it would raise the pay for the lowest grades resulting in smaller pay differentials for the grades above, which could lead to other grades needing to be re-evaluated.

- The Council was still waiting for confirmation of the Highways Maintenance settlement from the Department for Transport. In addition to the Council, the County Council Network and Lincolnshire MPs have been lobbying the government for the reinstatement of the Highways Maintenance funding, which was a national issue, but the current indications were not hopeful. If the government's response was not positive, then there would be a need to look at proposals to address the shortfall.
- The financial settlement included new burdens funding which could be used for cyber security but it was only for one year and it was unknown when it would become available.
- The focus for the savings strategy for the 2022/23 budget was through the smarter working programme. Savings varied for each area depending on the activity undertaken, the amount of travel and the size of the team. Therefore, smaller areas of the Council such as Corporate services were proposing smaller savings compared to some other areas due to having fewer staff and less staff travelling for meetings. The Executive Director – Resources agreed to circulate a breakdown of the efficiencies made, to the Board.
- The Transformation Programme saving was in relation to the specific team set up to deliver projects for delivering savings across the Council and related to the smarter working programme and reduced travelling costs.
- The underlying theme for the budget was to ensure that the Council continued to deliver services at a sufficient level and at a standard the public would like to receive. Within this, there were wider themes such as the smarter working programme, the green agenda, improved communications with the public, and the broader ambitions of the Council in terms of the Greater Lincolnshire devolution agenda.
- The Council had received a better settlement than expected, but there were still concerns with the highways maintenance funding. A lot of the savings in the budget had been previously agreed, and there would be further savings in terms of efficiencies. The smarter working agenda would release larger efficiencies, but there was a need for investment such as in IT to generate those efficiencies.
- The planned reduction in Executive and Management support posts was due to the greater use of technology such as Teams, and a change of model from 1:1 or 1:2 support to a hub model for supporting senior management. This would not have a significant impact on the operation of the Council.

RESOLVED:

1. That the budget proposals for the Commercial, Resources and Corporate services, as set out in the report, be supported.
2. That a summary of the above comments be passed on to the Executive as part of its consideration of this item.

104 COUNCIL BUDGET 2022/23

Consideration was given to a report by the Assistant Director – Finance, which invited the Board to consider a report on the Council Budget 2022/23 which was due to be considered by the Executive on 8 February 2022.

The Final Local Government Finance Settlement was expected to confirm the Provisional Settlement in February 2022, and at the end of January 2022 the Council would receive confirmation of Council Taxbase and Collection Fund balances from our local District Councils. Upon the receipt of this information, the budget proposals for 2022/23 will be confirmed at the meeting of the Executive on 8 February 2022.

Of the £1.6 billion that was granted to funding for local government that was announced for 2022-23, a large proportion - £822m - had been distributed through the new services grant for 2022-23 which would support inflation and uplifting the national living wage. £637 million had also been added into the existing social care grant to support children and adult social care.

The Board was informed that the local government in England would receive an additional £4.8bn in grant funding over the next three years which was described as “for social care and other services”. There would also be additional funding of £3.6bn over three years for adult social care reform, to implement the cap on personal care costs and changes to the means test, which would be weighted towards later years as the costs of the changes grew over time.

Saving strategies were set out in the report with a view to delivering over £25 million worth of savings over the period, in the context of delivering £350 million worth of savings since the period of austerity over the last decade. Savings included capitalising on the Council’s transformation programme and looking at process efficiency and smarter working with the aim of protecting frontline services.

Full details of revenue budget costs were detailed within the report and included total cost pressures including pay inflation of just over £41million with some key cost pressures being for adult care; price inflation; national living wage; and demands on services such as children in care and home to school transport.

The Council could increase its Council tax by up to 6% for 2022/23 and the proposed increase for the adult care precept of 3% would generate around £10 million from the current tax base for funding for the Council.

The Council’s capital programme had been updated to ensure that the ten year programme

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was sustainable and affordable in terms of the revenue cost. No new schemes had been added to the programme but there had been updates to some of the terms of the major road schemes and school requirement schemes to reflect current costs.

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

- It was unknown what the Fairer Funding review would involve and whether it would be a fundamental review including reviewing the localised business rates system, or just a reset of the data and formula used. There was a debate around the weighting of factors such as for deprivation and sparsity which still needed to be resolved.
- In relation to the rising energy costs, the Council used the ESPO framework for purchasing energy. The ESPO contract provided the Council with some certainty around the rates the Council was paying as the prices were fixed for a period of time.
- As a result of the review of the Executive and Management Support arrangements, 30 staff would be leaving the Council on voluntary terms. The remodelling might lead to a change in the delivery of certain services by utilising the technology now available. In addition, the smarter working programme meant that there was reduced mileage and overheads from less staff travelling to meetings.
- The financial volatility reserve was kept between £40million - £50million to enable the Council to continue delivering services. If the Fairer Funding review did not go in favour of the Council, then the Council could be looking at £5million - £10million of savings per year. The financial volatility reserve provided a buffer to enable the Council to transition from the current spending base to the future spending base over a three to four year period.
- The latest staff survey had recently been completed and the key headlines coming out of the data was that the employee wellbeing rating remained strong. There continued to be a lot of support for the smarter working agenda as it gave people the flexibility to deliver their job in the best possible way. The Council had heavily invested in supporting the wellbeing of staff and those support measures would mitigate the lone working issues which had been raised in the last staff survey. Staff were also now able to go into the office when they wanted to.
- The smarter working savings from reduced mileage costs were already included in the budget proposals. Some frontline staff, such as social workers, were still having to travel, plus some service areas did not need to travel as part of their roles, which would impact on the level of savings available.
- The smarter working programme would enable staff to come into service hubs which have been set up to bring staff together to share ideas and work collaboratively. Hybrid working would provide several benefits to staff while delivering savings through reduced travel and a reduced building estate.
- Predicting the business rates collection fund was difficult as each district council varied between having surpluses and deficits. As a result, the budget included an assumption that there would be no surplus or deficit.

RESOLVED:

1. That the Executive's budget proposals, as set out in the report, be supported.
2. That a summary of the above comments be passed on to the Executive as part of its consideration of this item.

105 PERFORMANCE OF THE CORPORATE SUPPORT SERVICES CONTRACT

Consideration was given to a report by the Assistant Director – Commercial which provided an update on the performance of the corporate support services contract for months 77 to 81 of the contract since its commencement in April 2015.

The Board was asked to note that following general suspension of service credits in the early stages of Covid-19 in 2020, there were now no remaining instances of Covid-related mitigation.

The Board was referred to the overall Key Performance Indicator (KPI) summary performance, which was set out at Table 1.

There had been no instances where KPIs failed to meet the Minimum Service Level (red status) during the review period. However, there were three KPIs which failed to meet target service level, of which details were provided within the report:

- CSC_KPI_04 % of total Calls that are Abandoned Calls
- CSC_KPI_11 - Portion of Light Touch Reviews, Annual Reviews, and Carer's Assessments started within agreed timescales
- PM_KPI_06 - Number of People Mgt. Records assessed in Spot Checks to contain errors, omissions or inaccuracies.

The Board was advised of the details of those KPI's which had been granted mitigation over the period.

KPI's were subject to a continuous process of review. During the review period, there had been one change which was the discontinuation of IMT_KPI_14 (windows end user devices patched within 21 days of release of critical operating system updates) as the responsibility now sat with Microsoft.

The Director of Services - Serco informed the Board that the previous period had been a challenging period for recruitment within the contact centre, with a higher turnover of staff than other areas. However, the service had managed well and was working hard on transformation activity across the whole contract and was committed to leaving the contract in a positive state.

The Children's and Adult services contact centre had recently changed their operating model to a triage system which had impacted positively on the service and had allowed for an increase in demand whilst not impacting on staff resources.

Within the IMT service, the move to the Cloud system had been a successful programme of

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collaborative work and had brought savings to the Council of £50,000 per month.

Serco continued to work with Barnardo's to mentor young care leavers and would be working with the University of Lincoln and the Council to research different technologies which may help the social care sector.

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

- Serco had made significant progress on the carers set up within adult care. The reason for the reduction in the percentage of annual reviews and carers assessment starting within agreed time scale was due to absence within a highly skilled team and high volumes of work meaning levels were unable to be met. Serco was continuing to assess different operating models for the service and was working to review the KPI's moving forward to cover more of the service offering.
- 0.46% of the total number of calls abandoned equated to around 150 abandoned calls.

RESOLVED:

That the Board be assured about the performance of the corporate support services contract.

106 SCRUTINY COMMITTEE WORK PROGRAMMES

During this item, the Chairman of the Board, Councillor R B Parker, declared a non-pecuniary interest as the County Council's representative on the Usher Gallery Trust.

Consideration was given to a report by the Chairman of the Children and Young People Scrutiny Committee, which invited the Board to consider the future work programme of the Children and Young People Scrutiny Committee. The Board was advised of the following changes to the work programme since the publication of the agenda:

- For the meeting of the Committee on the 22nd of April, there were three additional pre-decision reports scheduled:
 - the Holiday Activities and Food (HAF) Programme
 - Welton Developer Contributions
 - Review of Closed Ordered List commissioning and procurement arrangements for Supported accommodation for Unaccompanied Asylum Seeking Children (UASC) and former-UASC care leavers from October 2022
- the SEND Learning Platform would now be considered on 17 June 2022
- an additional report on water fluoridation in Lincolnshire would be considered at the meeting on 17th June 2022 following concerns raised by the Committee regarding the lack of fluoridated water in some areas of the County

A detailed response to the concerns raised about SEND at the December meeting of the

Board had been provided and would be circulated to the members of the Board.

Consideration was given to the update, in which the following points were noted:

- The vacancy on the Children and Young People Scrutiny Committee was yet to be filled.
- Home to school transport was no longer under the remit of the Children and Young People Scrutiny Committee in terms of budgetary consideration. However, the Chairman of the Committee would consider a future report on the impact of the Local Transport Plan V, if the Committee felt it would be useful.

Consideration was then given to a report by the Chairman of the Public Protection and Communities Scrutiny Committee, which invited the Board to consider an update on the work programme of the Public Protection and Communities Scrutiny Committee as well as the work of the Committee since its last update to the Board.

Recent work of the Committee included:

- Receiving the Lincolnshire Registration and Celebratory Service Annual Report
- Receiving assurances that the Community Hub model was operating successfully
- Recording its unanimous support to the Adoption and Publication of the Domestic Abuse Strategy 2021-2024
- Recording support to the 2022-23 Revenue and Capital Budget Proposals as well as approval of the updated Registration Service Fee Setting for the years up to 2025
- Closely examining through live demonstration, various counterfeit items and unsafe products that have in the past been successfully removed from circulation, owed to the efforts of the Council's dedicated Trading Standards Team
- Receiving a number of success stories of the team supporting local businesses to adapt to the changes in conducting business throughout the pandemic and agreed to promoting and enforcing a positive message to the public about the support offer of the team

The Board was advised of the following additions to the work programme of the Public Protection and Communities Scrutiny Committee:

- Outcomes from Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services inspection of Lincolnshire Fire and Rescue Services which would be considered in April 2022
- Adult Education and Community Engagement and Development, the date of which was yet to be confirmed
- Community Trigger Strategy, the date of which was yet to be confirmed

Consideration was given to the update in which the following points were noted:

- Following a request from a member of the Board, the Chairman of the Public Protection and Communities Scrutiny Committee would schedule an update report on

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the measures in place to combat modern day slavery within Lincolnshire.

- An update from Fire and Rescue had been provided to the Committee at the end of 2021 and a report was scheduled for April 2022.
- The Board was encouraged to hear that an agreement had been signed in partnership with City of Lincoln Council for the Usher Gallery to remain open, with more flexible arrangements including the opportunity for weddings to take place. It was noted that the artwork would be preserved and the Council was working with the Usher Gallery Trust to move forward with upgrading the gallery whilst protecting the wishes of the benefactor and the trust.
- It was suggested that there was a need for clearer signposting and more advertisement to the Usher Gallery and the Collection.

RESOLVED:

1. That the Board's satisfaction be recorded with the activity undertaken since October 2021 by:
 - (a) the Children and Young People Scrutiny Committee; and
 - (b) the Public Protection and Communities Scrutiny Committee.
2. That the Board's satisfaction be recorded with the planned work programme of:
 - (a) the Children and Young People Scrutiny Committee; and
 - (b) the Public Protection and Communities Scrutiny Committee.

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The Board was reminded that the work programme was for information only, however the Head of Democratic Services and Statutory Scrutiny Officer highlighted one amendment to the work programme which was that the Insurance Strategy would now be considered at the meeting of the Board in March.

A member of the Board suggested that a report be scheduled, when appropriate, to identify possible learning from the Covid-19 pandemic.

108 LOCAL TRANSPORT PLAN

Members of the Board were invited to receive the Local Transport Plan, for information only.

The Board received an update from the Vice-Chairman of the Highways and Transport Scrutiny Committee following the Committee's consideration of the item, in which the following points were noted:

- The Committee was satisfied that the consultation exercise that took place as part of the Plan was highly representative with overall figures in excess of 3000 website visitors and with around 750 actual responses to the online survey. This rate of response was above and beyond expectations and it was positive to hear that a wider

audience of the younger population – the under 25's - of the County had engaged with the process.

- The Committee was pleased to hear about ideas and approaches that could be adopted across Lincolnshire, particularly around areas like active travel supporting improvements at the rail network, electric vehicle charging points and consideration to bus usage that was still a critical means of transportation particularly in urban areas across the county.
- Members made some very important and detailed observations and suggested areas of improvements to Officers to be incorporated at the final version.
- It was understood that the Local Transport Plan was a living document and was still being developed and the Committee expressed its wish to see more developments on roads and public transport across the County.

The Board welcomed the inclusion of the defence industry as a strategic opportunity however highlighted the importance of the significant investment in digital infrastructure to make it a viable option.

It was confirmed that an electric vehicle and alternative fuel strategy had been created which had identified a number of locations across the County where the national grid was at its capacity point, meaning if there was an extreme growth in electric vehicles or a major shift towards ground and air source heat pumps as part of new developments, it could cause significant problems. It was agreed that further details be provided and circulated to the Board.

The meeting closed at 12.09 pm

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