



**EXECUTIVE
4 JANUARY 2023**

PRESENT: COUNCILLOR M J HILL OBE (LEADER OF THE COUNCIL)

Councillors Mrs P A Bradwell OBE (Executive Councillor for Children's Services, Community Safety, Procurement and Migration) (Deputy Leader), Mrs W Bowkett (Executive Councillor for Adult Care and Public Health), R D Butroid (Executive Councillor for People Management, Legal and Corporate Property), L A Cawrey (Executive Councillor for Fire & Rescue and Cultural Services), C J Davie (Executive Councillor for Economic Development, Environment and Planning), R G Davies (Executive Councillor for Highways, Transport and IT), D McNally (Executive Councillor for Waste and Trading Standards) and Mrs S Woolley (Executive Councillor for NHS Liaison, Community Engagement, Registration and Coroners)

Councillors: P M Dilks (Leader of the Opposition) and R B Parker (Chairman of the Overview and Scrutiny Management Board) attended the meeting as observers

Officers in attendance:-

Debbie Barnes OBE (Chief Executive), Andrew Crookham (Executive Director Resources), Michelle Grady (Assistant Director – Finance), Andy Gutherson (Executive Director Place), Louisa Harvey (ERP System Delivery Manager), Andrew McLean (Assistant Director - Transformation), Heather Sandy (Executive Director of Children's Services), Professor Derek Ward (Director of Public Health), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer), Mark Williams (Business Change Manager for Mosaic) and Rachel Wilson (Democratic Services Officer)

45 APOLOGIES FOR ABSENCE

A apology for absence was received from Glen Garrod, Executive Director for Adult Care and Community Wellbeing. It was noted that Derek Ward, Director of Public Health, was in attendance in his place.

46 DECLARATIONS OF COUNCILLORS' INTERESTS

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

47 ANNOUNCEMENTS BY THE LEADER, EXECUTIVE COUNCILLORS AND EXECUTIVE DIRECTORS

There were no announcements by the Leader, Executive Councillors or Executive Directors.

48 MINUTES OF THE MEETING OF THE EXECUTIVE HELD ON 6 DECEMBER 2022

RESOLVED

That the minutes of the meeting held on 6 December 2022 be signed by the Chairman as a correct record.

49 COUNCIL BUDGET 2023/24

A report on the Council's Budget for 2023/24 was presented by Andrew Crookham, Executive Director – Resources, and Michelle Grady, Assistant Director – Finance. The proposals, which would be subject to consultation, had been based on the provisional local government settlement for 2023/24 which had been issued on 19 December 2022. The announcement of the final settlement was expected in February 2023, and this was anticipated to be in line with the provisional settlement.

Further budgetary information was awaited from the Lincolnshire district councils on likely council tax and business rates income for 2023/24.

The report set out a number of options for consultation, but reserves would need to be used in order to provide a balanced budget. The budget had been brought together following announcements from government in the Autumn Statement, and the provisional local government settlement. It was noted that the latter had provided slightly more funding than originally anticipated, but the high costs of energy were having an impact. The government had set out its plans for 2024/25 but had only provided a one-year settlement.

Paragraphs 1.18 to 1.30 of the report set out some of the key points from the Autumn Statement and the provisional Local Government Finance Settlement. The key point to highlight was in relation to the change to the referendum limit for setting council tax, with the maximum increase now being set at 5% which included the 2% Adult Social Care precept.

In terms of the budget process, it was highlighted that with the assumptions made in relation to the cost pressures, the Council would have a deficit position of over £10m for 2024/25. The full details of all services and cost pressures were set out in Appendix A to the report. Some of the key areas of cost pressures were pay and cost inflation, as well as Adult Social Care pressures, energy costs and streetlighting, highways maintenance and school transport. In relation to the risk around costs for school transport, a review was currently being undertaken by the service area and it was likely that the final costs would be known by the time the final budget proposals are reported to the Executive in February.

Due to the late announcement around the change to the referendum limit for council tax, a number of options were included in the report, which were increases of 2.99%, 3.99% and 4.99% which all included the 2% Adult Social Care precept. All options would require the use of reserves to balance the budget. The financial risks were also set out in the report, of which the main one was the uncertainty around funding beyond 2024/25, there was also a

risk around council tax collection, but officers were working closely with the district councils to manage this.

Details of the Council's reserves were also set out in the report, and a review of the existing earmarked reserves had identified that there were some which were no longer required for their original purpose and so could be used to offset any deficit. It was highlighted that these were cash reserves and therefore could only be used once.

The economic context was set out in the report, and it was recommended that a one-year budget set, however 2025/26 would appear to be a key year in terms of what the future financial envelope of the Council would look like. There was still uncertainty around the fairer funding reform and adult social care, and it would be important for the Council to monitor what could be coming further down the line. Any budget which relied on reserves to balance it was not a good situation and was not something that this Council had had to do for a number of years.

During discussion by the Executive, the following points were made:

- A view was sought on what was likely to be the financial situation from 2025/26 onwards, and the Executive was advised that officers were not expecting to see any growth in public spending at this time.
- With inflation at 10%, but expected to come down during 2023, it was queried what the presumption was for the next financial year and whether departments had been given budgets to manage this. It was noted that an increase in the national living wage was expected, as well as the annual pay award but the Council still had a contingency fund which could be used to deal with any increases. It was also highlighted that a tailing off of energy costs was starting to be seen, and this would be reflected in budgets.
- It was queried how confident officers were that savings targets would continue to be met. The Executive was advised that an annual efficiency target had been introduced.
- It was confirmed that if the Council continued to use reserves over the coming years to balance the budget, the reserves would run out, and there was a risk that without sufficient reserves councils could lose the ability to provide excellent services.
- In relation to the national Fairer Funding Campaign, it was understood that any decision on this had been put back to beyond 2025/26.
- It was commented that the Council did offer good services to the residents of Lincolnshire, and service areas tried very hard to be prudent, and every year would meet the savings targets whilst maintaining the quality of service.
- In relation to the Capital Programme, it was queried how confident officers were that it would be delivered within budget. Children's Services had benefitted from a grant from government for high needs children, with the Building Specialist Provision programme. Increased inflation costs had been built into this and the authority was nearing the end of this programme and there was confidence that this would be completed within the allocated budget. In terms of Place, there were currently delays with the Grantham project, but these were being worked through. With the

North Hykeham Relief Road there were still some key decisions which would need to be made regarding any shortfall or increase in budget.

- It was queried whether any modelling had been carried out around older residents and whether there was likely to be any additional pressure on adult social care following the Covid-19 pandemic and any long-term effects on people that otherwise would have been healthy. It was noted that no modelling on this had taken place nationally, but that Lincolnshire did have an older population. It was also highlighted that Lincolnshire had had a high uptake of the Covid-19 vaccination. Health services were seeing a bigger impact at the moment due to winter. Excess deaths related to Covid-19 had reduced, but there were still excess deaths due to other factors.
- In terms of business rates collection, the statutory date for the return of forms was 31 January 2023, an update on this would be provided at the meeting of Executive on 7 February 2023.

RESOLVED

1. That the following elements of the budget for 2023/24 be approved as the Executive's initial proposals subject to further consultation and scrutiny:-
 - a) The budget requirement pre-use of reserves as set out in Table D;
 - b) The budget savings and cost pressures covering the 2023/24 financial year, as set out in Appendix A of the report;
 - c) The draft capital programme 2023/24 onwards set out in Appendix B of the report.
2. That the advice of the Executive Director for Resources as s151 Officer at paragraphs 1.5 to 1.11 of the report be noted.
3. That the options for the setting of a precept and use of reserves relating to the initial proposals for the 2023/24 budget set out below be noted:
 - Option A (based on a 2% Adult Social Care (ASC) precept and a 0.99% general precept making a total precept for 2023/24 of 2.99% and £10.3m use of reserves)
 - Option B (based on a 2% Adult Social Care precept and 1.99% general precept making a total precept for 2023/24 of 3.99% and £6.9m use of reserves)
 - Option C (based on a 2% Adult Social Care precept and 2.99% general precept making a total precept for 2023/24 of 4.99% and £3.4m use of reserves).

As set out in Table F of the report.

4. That the Executive reserves its position in relation to the above options for the setting of a precept and use of reserves for the 2023/24 budget pending further consultation, scrutiny and final funding announcements.
5. That 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), be approved.

50 RE-COMMISSIONING OF THE SOCIAL CARE CLIENT INFORMATION SYSTEM

The Head of Corporate Systems introduced a report on *Recommissioning of the Social Care Client Information System* which detailed the need for the Council to re-commission its social care client case management system contract and recommended the continuation of the existing Mosaic system. It was noted that the current contract for Mosaic ran until 5 January 2024, with the maximum permitted number of annual extensions already exhausted. Current contract costs for Mosaic were c£0.352m per annum, including Licensing, hosting, and support.

The Chairman of the Overview and Scrutiny Management Board was in attendance to present the comments of the Board following its consideration of this item at its meeting on 15 December 2022. The Board had noted that the marketplace had been explored and that the costings were relatively reasonable, and therefore supported the recommendations to the Executive.

During discussion by the Executive, the following points were highlighted:

- In relation to expected savings, it was noted that the support was being reviewed, including how better forms could be utilised and exploring ongoing efficiencies.
- This system was used primarily for social care records, but it was starting to include more and more data such as education, which helped to develop a single record for each service user.
- There was a need for reassurance that the best use was being made of this system and it was suggested that this was added into the work programme for the relevant scrutiny committee and reported on as part of the digital strategy and transformation programme.

RESOLVED

1. That the re-commissioning of the Mosaic social care client information system, via a direct contract award with Access Group, using the Crown Commercial Service (CCS) DAS framework agreement, be approved, to commence February 2023 for five years initially, with an option to extend for up to two years.
2. That authority be delegated to the Deputy Chief Executive & Executive Director – Resources, in consultation with the Executive Councillor for Resources,

Communication and Commissioning, to take all decisions necessary to conduct the procurement process up to and including the award and entering into of the contract.

51 THE DIRECTOR OF PUBLIC HEALTH'S ANNUAL REPORT 2022 - THE DIVERSE COMMUNITIES OF GREATER LINCOLNSHIRE

The Director of Public Health presented his annual report entitled *The Diverse Communities of Greater Lincolnshire*, which had analysed local data and identified four types of community across Greater Lincolnshire – urban centres, urban industrial centres, coastal communities and rural and market towns. The report described the four types of community and highlighted the key challenges and opportunities for health and wellbeing, that varied across different places. It was hoped this fresh perspective would add value to the work of those supporting health and wellbeing and delivering health and care services across Greater Lincolnshire.

It was highlighted that the Director of Public Health had a statutory responsibility to write this report, and the Council had a statutory responsibility to publish it. This was the first year that the report had been written to cover the three areas in Greater Lincolnshire. It was noted that this report would be shared with health and care partners and discussed with the Chief Executives of health services.

During discussion of this report, the following was raised by the Executive:

- It was commented that this was a fascinating report, particularly in relation to the breakdown of different communities and their needs.
- It was queried whether data had been compared with that of areas like Norfolk, as that was also a very rural area, and whether similar health issues were experienced. This was not something which had been done at this time, however the Director of Public Health could raise this issue with the Association of Directors of Public Health. It was noted that Norfolk was a more affluent area, particularly on the coast. However, as more people were able to work from home more often there was the opportunity to attract inward investment as people moved to the coast from more urban areas.
- The issue of poor air quality was raised, and it was queried whether this was something that the Council should be concerned about, particularly in relation to agricultural areas, and whether there was a need for additional monitoring stations. The Director of Public Health advised that this was something that DEFRA was aware of, particularly in large rural counties. If it was found that there were particular challenges around air quality in Lincolnshire, there was some mobile air quality monitoring equipment which could be used. The Executive was advised that there were no significant concerns for Lincolnshire, but it was appropriate for the Director of Public Health to monitor this as necessary.
- The focus within the report was to ensure that services recognised the variation across Lincolnshire and the different communities that they served.

- A discussion took place regarding the challenges around housing in coastal areas and made reference to the need to ensure that there was a mixed economy. In terms of the consultee process for planning applications, there were only a few areas where the council was a statutory consultee, and any provision for health services would be through money made available through S106 agreements.
- In terms of economic activity, it was noted that in urban areas, seven out of ten people were economically active, however this figure was lower on the coast. A larger proportion of working age people in these areas were living with long term conditions, and so the question was how they could be supported to manage these conditions so they could be economically active again. It was highlighted that one of the reasons for this report was to bring to light some of these issues.
- It was queried whether there was any data on how many people were moving to the coast from other authority areas who already had long term health conditions, and whether there was anything Lincolnshire or the other authorities could do to help with prevention of some of these health conditions before people moved to Lincolnshire.
- It was noted that whilst this report did not contain new information, presenting it in this way reinforced the key messages. It was also highlighted that the Director of Public Health would be invited to attend the staff briefings being held in February, to make all service areas aware and encourage them to explore ways to redesign their services.

RESOLVED

That the contents of the Annual DPH Report be noted and the publication to Lincolnshire County Council's website be approved.

The meeting closed at 11.35 am

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