

WEST LINDSEY DISTRICT COUNCIL

MINUTES of the Meeting of the Corporate Policy and Resources Committee held in the Council Chamber - The Guildhall on 10 February 2022 commencing at 6.30 pm.

Present: Councillor Mrs Anne Welburn (Chairman)
Councillor Jeff Summers (Vice-Chairman)

Councillor Owen Bierley
Councillor Matthew Boles
Councillor Stephen Bunney
Councillor Liz Clews
Councillor Michael Devine
Councillor Ian Fleetwood
Councillor Paul Howitt-Cowan
Councillor John McNeill
Councillor Mrs Mandy Snee
Councillor Robert Waller
Councillor Trevor Young
Councillor Roger Patterson

In Attendance:

Tracey Bircumshaw	Assistant Director of Finance and Property Services and Section 151 Officer
Alison McCulloch	Revenues Manager
Ady Selby	Assistant Director of Commercial and Operational Services
Darren Mellors	Performance & Programme Manager
Claire Bailey	Assistant Planning Services Team Manager
Sue Leversedge	Business Support Team Leader
Katie Storr	Democratic Services & Elections Team Manager
Ele Snow	Senior Democratic and Civic Officer
Andrew Warnes	Democratic and Civic Officer

Apologies: Councillor Tom Regis

Membership: Councillor R. Patterson was substitute for Councillor T. Regis

65 ANNOUNCEMENT FROM CHAIRMAN - URGENT ITEM OF BUSINESS

On opening the meeting, the Chairman made an announcement regarding an urgent item of business to be heard tonight. It was explained that arrangements for handling urgent business at committee or sub-committee meetings were now governed by statute, which required the Chairman's approval before an urgent item could be considered and for the reason for the urgency to be recorded in the minutes. The Chairman stated that the item at

this meeting was the Covid-19 Additional Relief Fund 2021/2022 and it would be heard for consideration as the first of the public reports. It was anticipated that the timescale for this decision would not align with Committee meeting dates, however, the Officer's report was made available at the beginning of the week, ahead of schedule. It was therefore requested to be an urgent item of business, in order to expedite the decision required and to maximise transparency of decision making, rather than the Head of Paid Service taking a delegated decision, as this matter would need to be determined before the end of the current financial year. The Chairman stated her agreement with this request.

66 PUBLIC PARTICIPATION PERIOD

There was no public participation.

67 MINUTES OF PREVIOUS MEETING/S

The minutes of the meeting of the Corporate Policy and Resources Committee held on 16 December 2021 were **APPROVED** and signed as a correct record.

The minutes of the meetings of the Joint Staff Consultative Committee held on 18 November 2021 and 20 January 2021 were duly **NOTED**.

68 DECLARATIONS OF INTEREST

There were no declarations of interest.

69 MATTERS ARISING SCHEDULE

With no comments or questions from Members, the Matters Arising Schedule was **DULY NOTED**.

70 URGENT ITEM - COVID-19 ADDITIONAL RELIEF FUND 2021/2022

The Chairman invited the Revenues Manager to introduce the urgent item of business regarding the proposals for the expenditure of the new Covid-19 Additional Relief Fund 2020/21 (CARF) for business rates. The Committee heard that the Council had been awarded the Business Rates Covid-19 Additional Relief Fund (CARF) grant of £1,408,044 for 2021/22 and this would be allocated in accordance with the guidelines. All identified businesses would be issued with an application form which they should complete and return with a signed declaration of their eligibility, with applications due by 31/03/2022 and the grants being issued in 2022/23. The grant would be accrued as appropriate between 2021/22 and 2022/23, and, in the event of any surplus during the year 2022/23, decisions to award any additional relief would be delegated to the S151 Officer.

Members of the Committee thanked the Revenues Manager and her team for the work undertaken with previously received monies and the speed in which such grants were administered. Having been moved and seconded, the Chairman took the vote and it was unanimously

RESOLVED that

- a) the Business Rates Covid-19 Additional Relief Fund (CARF) of £1,408,044 for 2021/22 be distributed as detailed in the report and in accordance with the guidelines at Appendix A. This being that all identified businesses be issued with an application form to be completed and returned with a signed declaration of their eligibility. All applications to be awarded a % off their business rates liability reducing their outstanding balance due for 2022/23; and
- b) a maximum award be set at £50,000; and
- c) in the event of any surplus during the year 2022/23, decisions to award any additional relief be delegated to the S151 Officer; and
- d) any minor amendments to the scheme be delegated to the S151 Officer in consultation with the Chairman of the CP&R Committee

71 FUNDING THE FUTURE WEST LINDSEY MARKETS MODEL

The Committee heard from the Assistant Director of Commercial and Operational Services regarding a report seeking approval for future funding of the West Lindsey Markets function. It was explained that, at their meeting in January, the Prosperous Communities Committee considered a report regarding the future delivery of street markets in West Lindsey, as the culmination of work undertaken by Officers and a leading sector consultancy, Quarterbridge. Presented in the Prosperous Communities Committee report was a proposal for the future operation of street markets in the District. It included a change of focus to move away from attempts to achieve cost neutrality and more towards an acceptance that the markets were key cultural assets that brought a USP and as such, should be invested in as part of the West Lindsey offer. The proposals had been approved by the committee and as such, the paper this evening was seeking funding approval from the Corporate Policy and Resources Committee.

The Chairman thanked the Assistant Director and invited Councillor O. Bierley, as Chairman of the Prosperous Communities Committee, to make comment. He explained that the proposals had been debated in detail at the meeting and the move to accentuate the markets as a part of the cultural heritage of West Lindsey had been welcomed. He praised the Officers for their work and moved the recommendations.

There was further discussion amongst Members of the Committee, in turns praising the approach as well as questioning the validity of, for example, transportable stalls. It was explained that there were aspirational elements which may not suit the specifics of the markets in the three main towns, however the aims was to maximise the cultural aspects and the financial burden would be reduced over time.

With widespread support from the Committee, and having been moved and seconded, the Chairman took the vote and it was unanimously

RESOLVED that

- a) the proposed Market budget (as detailed at 2.5 of the report) into the Medium Term Financial Plan 2022/23-2026/27 be approved; and

- b) £100k of the Cultural Strategy Reserve to be earmarked to support the future development of Markets be approved.

72 2022/23 PROGRESS & DELIVERY MEASURE SET

The Committee gave consideration to a report from the Performance & Programme Manager, seeking approval for the Progress and Delivery measure set for 2022/23. It was explained that the measures being proposed provided a set of measures that informed the improvement of council services and aimed to drive the right behaviours from Officers. It was noted that all measures had been reviewed with Team Managers and Assistant Directors and had also been reviewed by a cross party Member working group. As part of the group, Members reviewed each measure set and made recommendations which had informed the development of the framework. These recommendations had been used to define the proposed measure set that was contained within the report.

Members heard the specifics of proposed changes to performance measures, such as those for Home Choices, Leisure and ICT. It was also explained that there was a new performance management system being implemented and, should the measures be agreed by the Committee, they would be built into the new system.

The Chairman thanked the Officers involved and invited comments from the Committee. Members discussed the new proposed measures and it was suggested that greater detail could be provided in future reports by way of a narrative appendix. This was supported, as well the suggestion to look at expectations regarding Government benchmarking to be the minimum, putting emphasis on the council to aim to do better than simply meet expectations.

In relation to leisure use statistics, it was confirmed that the methods of measuring users had been reviewed and there would be differentiation between members and non-members, as well as those who used the gym or pool facilities in comparison with, for example, using the sports hall or courts.

Members also discussed the complaints data, requesting that the additional narrative provide information such as whether an 'at-fault' complaint related to, for example a missed bin collection, or whether there were aspects of service review that could be improved upon. This was noted to be additional information to be included in future narratives.

A Member of the Committee referenced the ICT measures in relation to the timescales for low, medium and high priority helpdesk calls and it was agreed that further clarification would be shared with Members after the meeting.

Having discussed the proposed measures in detail, and having been moved and seconded, the Chairman took the vote and it was unanimously

RESOLVED that the Progress and Delivery measure set for 2022/23 be approved.

73 BUDGET AND TREASURY MONITORING - QTR 3 2021/2022

The Committee heard from the Business Support Team Leader with the quarter three

outturn report for 2021/22, based on the forecast outturn for revenue and capital budgets as at 31 December 2021. Members heard a summary of the report as follows.

In relation to business as usual, Revenue Budgets, it was explained that the current forecast was a net deficit from reserves for the year of £14,000. Whilst it was forecast to virtually break even at this point, there were significant pressures and savings within that forecast. Across all employee budgets an underspend of £136,000 was forecast. This included a potential 1.75% pay award for 21/22 which was yet to be agreed, and a 2% vacancy factor of £183,000. It was explained that £49,000 of the underspend related to savings from service restructures approved during the year and the remaining underspend was due to a number of vacancies across services.

There Committee heard there were three significant variances which were new when compared to the quarter two monitoring report presented to the Committee in November. Voluntary Revenue Provision being repayment of debt for commercial investment properties: for 2021/22 the total provision was £374,000. It was proposed to use £194,000 of the Commercial Contingency budget to offset this cost. The balance of £180,000 was proposed to be met from in year surplus, if there were sufficient balances at year-end. Alternatively, the balance might be funded from the Valuation Volatility Reserve if required. The forecast outturn reported at Q3 included the provision as a use of in year surplus. Without this transaction, the forecast outturn would be a net contribution to reserves of £166,000.

There had been a reduced spend on legal services, with a forecast underspend of £49,000 for the year, which was partly due to project delays at the beginning of the financial year, and reduced claims against the council within development management.

Fuel costs, and the use of fuel cards during the transition between operational services depot sites had resulted in a forecast £22,000 pressure for the year. There were £308,000 of revenue budget carry forwards detailed at appendix 4 of the report. £196,000 had already been approved during the year, with the remaining £112,000 pending approval at year-end. The forecast outturn at this stage included those carry forwards as though approved.

In relation to covid implications, the Committee heard that there was a total of £1.529m to support services with the ongoing implications of covid 19. It was forecast that the additional costs and loss of income for the year, offset by savings, would total a net pressure of £1.243m. This would leave a balance of £0.286m against the covid support funds held to support covid recovery.

In relation to capital, the forecast outturn on capital schemes totalled £8.877m against a budget of £9.831m, including pipeline schemes which were subject to formal approval. From this quarter, the capital monitoring table at section 3.1.5 had been amended to include details of any contingency budget which had been approved for a scheme, and how much of the contingency had been, or was forecast to be, utilised. This was to provide more transparency around the use of contingency budgets for Members.

No amendments to the capital programme were proposed at this time to reflect forecast underspends or carry forwards, the schemes would be adjusted at quarter four when the capital financing would be finalised. Members were asked to approve the £10,000 spend against the £50,000 Hemswell Masterplan Public Realm Improvements capital scheme budget, for play park works and equipment. This was to aid the play parks adoption by

Hemswell Cliff Parish Council.

The Chairman thanked the Officer and invited comments from the Committee. In response to a question regarding a possible typing error regarding prudential borrowing figures, this was confirmed to be the case. The Section 151 Officer explained that internal borrowing had reduced and the council had used cash in order to reduce borrowing need.

Having been moved and seconded, it was unanimously

RESOLVED that:

REVENUE

- a) the forecast out-turn position of a £0.014m net deficit from reserves as at 31st December 2021 (see Section 2) relating to business as usual activity be accepted;
- b) the use of Earmarked Reserves during the quarter approved by the Chief Finance Officer using Delegated powers (2.4.1) be accepted

CAPITAL

- c) the current projected Capital Outturn as detailed in 3.1.1 be accepted;
- d) the £0.01m spend on Play Park works and equipment at Hemswell Cliff, against the Hemswell Masterplan Public Realm Improvements capital scheme (3.1.3), be approved;
- e) the proposal that no amendments to the capital programme are made at this time be accepted, with the schemes to be adjusted at Quarter 4 2021/2022 when the Capital Financing be finalised;

TREASURY

- f) the report, the treasury activity and the prudential indicators be accepted.

74 CORPORATE POLICY AND RESOURCES COMMITTEE DRAFT BUDGET 2022/2023 AND ESTIMATES TO 2026/2027

The Business Support Team Leader introduced the second budget report of the evening, setting out the proposed budget for 2022/23 and the forecast budget for the following 4 years for services within both the Prosperous Communities and Corporate Policy and Resources Committees. The Prosperous Communities committee budgets were recommended to this committee for approval at their meeting in January. Members heard that the budgets excluded central support and capital charges in order to show the controllable cost of services only, and to aid year on year comparison. The figures included those pressures and savings which had been approved throughout the year.

The net movement from the 2021/22 base budget was a decrease of £201,000, however this included an increase of £197,000 for approved use of earmarked reserves for projects as

well as an increase in Pension Deficit contribution of £42,000. The overall pension deficit had increased by £91,000 across both committees following the actuarial review in 2019, and was allocated to services on the basis of staffing levels. The next actuarial review was due later in the year, which would provide the actual contribution rates for 2023/24 to 2025/26. For the purposes of the MTFP it had been estimated on a 1% increase in employer contribution rates every 3 years and an increase of 9% pa on the secondary contribution.

Excluding these items, there was a decrease of £440,000 from the 21/22 base budgets for services within this committee. This movement was made up of approved pressures, offset by increased income. A significant increase in expenditure related to movements within the establishment budgets of £174,000. This included the impact of a 1.75% pay award for 21/22, which was yet to be agreed, and an estimated further 2% pay award for 22/23, which was an increase in expenditure of around £149,000 for 2022/23.

There had also been an increase in National Insurance rates, which increased employee costs within the committee by around £29,000 per year, however the government had announced a grant to contribute towards this cost which had been rolled into the new Services grant.

Other significant movements are as detailed in section 2 of the report included covid support grants totalling £675,000 which were received in 21/22 with the corresponding expenditure budgets within this committee. This was for 21/22 only so these budgets had been removed from 22/23, resulting in a reduction in expenditure budgets of £675,000, offset by reduced grant income held outside of committee budgets, therefore there was no impact across council budgets as a whole. Investment property rental income had increased by (£39,000) to reflect contractual rent increases across the current portfolio and tenants and the Housing Benefits Admin grant had increased by (£35,000) as confirmed in the allocation letter from DWP received in December.

Members were advised that the budget for markets would be updated for the financial implications of the 'Future of West Lindsey Markets' report which had been presented earlier in the evening, before the draft budget was presented to Council in March.

Members were asked to approve the use of earmarked reserves for 2022/23 and 2023/24 to provide financial support to SLM leisure funded from the covid support reserves as detailed at section 4 of the report, and also to recommend the 2022/23 budgets for both committees to Council, for inclusion in the overall council budget for 2022/23.

The Chairman thanked the Officer and invited comments from the Committee. Members enquired as to the inclusion of climate and environmental sustainability criteria and it was explained that the following report on the agenda included this in greater detail but it was part of Officer considerations.

There was discussion regarding the capital budget for projects and confirmation that specific business cases would be presented to Members of the Committee for approval. It was highlighted that there was further information in the following report.

The Chairman read aloud the recommendations as printed and, having been moved and seconded, took the vote. With eight in favour and five abstentions, it was

RESOLVED that

- a) the use of Earmarked Reserves for 2022/2023 and 2023/2024 to provide financial support to SLM Leisure, funded from the Covid Support Reserve as detailed at section 4, be approved;
- b) the Corporate Policy and Resources Committee budget 2022/2023 be accepted and recommended to Council for inclusion in the overall Council budget 2022/2023;
- c) the Prosperous Communities Committee Budget 2022/2023 be accepted and recommended to Council for inclusion in the overall Council budget for 2022/2023;
- d) any minor changes be delegated to the Chief Finance Officer in consultation with the Chairman of the Corporate Policy and Resources Committee;
- e) the 2023/2024 to 2026/2027 estimates for both this Committee and those of Prosperous Communities Committee be recommended to Council for inclusion in the Medium Term Financial Plan 2022/2023 to 2026/2027 (as amended by any decisions taken on this agenda).

75 EXECUTIVE BUSINESS PLAN AND MEDIUM TERM FINANCIAL PLAN 2022/23

The Committee gave consideration to the final budget report of the evening, presented by the Assistant Director of Finance and Property Services and Section 151 Officer. She explained that the purpose of the Executive Business Plan was to set out the actions the Executive would take to deliver the Corporate Plan objectives over the next 3 years. The purpose of the Medium Term Financial Plan (MTFP) was to set a robust overall framework for the Council's Financial Strategy and spending plans over the next 5 years in support of delivering the Corporate Plan. The report set out the revised financial plans within the Financial Analysis for changes in Government Funding, the economic environment, local engagement and the priorities for the Council. The plan reflected the revisions to previous estimates and covered the period 2022/23 to 2026/27. The Medium Term Financial Analysis included the draft budget for 2022/23 for scrutiny and consideration prior to recommending to Council.

Members heard that the report presented a balanced budget for 2022/23, without the requirement to support it with funds from the General Fund Balance. It addressed the financial implications arising from the recommended revisions to the MTFP and the requirement to determine the Council Tax for 2022/23 taking into account the approved Tax Base 31,038.46 and Council Tax Surplus £0.225m. It was noted that the Provisional Settlement was announced on 16 December 2021 and had been incorporated into this report, the grants were in line with expectations for a one year settlement with the addition of a Services Grant of £0.208m and a further allocation of Local Services Grant of £0.136m.

The 2022/23 Draft Budget totalled £14.977m and was fully funded and presented a balanced budget. Contributions to Earmarked Reserves totalled £2.637m and Use of Earmarked Reserves totalled £1.692m and were projected to be £16.163m at the end of 2022/23. The

movement on the General Fund Balance was a reduction of £0.777m and was forecast to be £3.320m at the end of 2022/23. The Capital Programme totalled £33.458m over the Medium Term Financial Plan and was fully funded.

In response to questions from Members regarding the civic car and recent increases in car prices, it was explained it was an estimate and would be reviewed but was the amount available in current budgets. There had also been a question regarding the extension of Gainsborough cemetery and this was clarified to be the responsibility of the District Council and was needed to increase the number of plots available. The extension was not to purchase additional land but rather to extend access routes to areas of the existing cemetery.

A Member of the Committee enquired as to future indications of Officer resourcing, to which it was explained that there would be some efficiencies made due to natural wastage.

The Chairman thanked all for their comments and, having been moved and seconded, it was

RESOLVED that

- a) the approval of the Executive Business Plan and Medium Term Financial Plan 2022/23 – 2026/27 be recommended to Council;
- b) the review of Reserves and the proposed use and contributions to both the General Fund Balance and Earmarked Reserves as detailed at 2.8 within the Medium Term Financial Plan be approved;
- c) a balanced Revenue Budget for 2022/23 (Appendix A) be recommended to Council;
- d) the Capital Programme 2022/23 – 2026/7 (Appendix 4) be recommended to Council;
- e) the Statement of the Chief Finance Officer on the Robustness of Estimates and Adequacy of Reserves be accepted;
- f) the Pay Policy Statement (Appendix 6) be recommended to Council;
- g) any housekeeping or changes required due to the final financial settlement and any approvals elsewhere on this agenda, to this Draft Executive Business Plan and Medium Term Financial Plan, be delegated to the Assistant Director of Finance, Business Support and Property Services (S151 Officer) in consultation with the Chairman of the Corporate Policy and Resources Committee prior to the final consideration by Council on 7 March 2022.

76 COMMITTEE WORK PLAN

With no comments or questions, the work plan was **DULY NOTED**.

Corporate Policy and Resources Committee – 10 February 2022
Subject to Call-in. Call-in will expire at 5pm on

The meeting concluded at 7.58 pm.

Chairman