

**Guildhall Gainsborough
Lincolnshire DN21 2NA
Tel: 01427 676676 Fax: 01427 675170**

This meeting will be webcast live and published on the Council's website

AGENDA

Prayers will be conducted prior to the start of the meeting.
Members are welcome to attend.

Notice is hereby given that a meeting of the Council will be held in the Council Chamber - The Guildhall, Gainsborough, on **Monday, 27th January, 2025 at 7.00 pm**, and your attendance at such meeting is hereby requested to transact the following business.

To: Members of West Lindsey District Council

1. APOLOGIES FOR ABSENCE
2. MINUTES OF THE PREVIOUS MEETING
To confirm and sign as a correct record the Minutes of the Meeting of Full Council held on 4 November 2024.

(TO FOLLOW)

3. MEMBERS' DECLARATIONS OF INTEREST
Members may make any declarations of interest at this point and may also make them at any point during the meeting.
4. MATTERS ARISING
Setting out the current position of previously agreed actions as at 17 January 2025.

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5. ANNOUNCEMENTS
 - i) Chairman of Council

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- ii) Leader of the Council
- iii) Head of Paid Service

(VERBAL REPORT)

6. PUBLIC QUESTION TIME

Questions, if received, under this Scheme will be published by way of supplement following closure of the deadline.

(TO FOLLOW)

7. QUESTIONS PURSUANT TO COUNCIL PROCEDURE RULE NO. 9

Questions, if received, under this Scheme will be published by way of supplement following closure of the deadline.

(TO FOLLOW)

8. MOTIONS PURSUANT TO COUNCIL PROCEDURE RULE NO. 10

Motion 1 - Protecting British Family Farms and Preserving Rural Communities.

“West Lindsey District Council notes with concern the proposed changes to inheritance tax announced by the Labour Government in the recent Autumn budget of 2024. These changes would scrap Agricultural Property Relief (APR), which has been instrumental in allowing British family farms to remain intact across generations, supporting food security, sustaining rural communities, and aiding environmental stewardship.

This tax is estimated to impact over 70,000 family farms, leaving the average farming family with a tax bill of at least £240,000. It forces many to sell portions of their land or close entirely, paving the way for corporate ownership and lifestyle buyers over family ownership.

This Council believes this inheritance tax will have severe impacts on:

- 1) Food Security: Selling off land or closing farms will risk our national food independence when global stability is already fragile. British family farms are critical to ensuring a steady supply of homegrown food.
- 2) Rural Community Stability: Family farms are the foundation of West Lindsey District Council, and rural Britain, contributing to local jobs, schools, and essential services. Labour's proposed tax risks destabilising communities, eroding the rural way of life, and causing a negative ripple effect across the countryside.
- 3) Environmental Stewardship: Farms cover 70% of the UK's land, with family farms playing a leading role in nature recovery, biodiversity enhancement,

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water quality improvement, and sustainable land management. The sale and fragmentation of these lands would hinder conservation efforts and undermine efforts to combat climate change.

As such I request the Chief Executive and Leader of Council, on behalf of this Council, write to the Chancellor, setting out the District Council's view on this matter and the very negative impacts it will bring to our communities.

I so move
Cllr John Barrett”

Motion 2 -Banking Hub

“Council I note the continuing trend of closing banks across the country. I further note that whilst many people are comfortable and able to bank online, some (often the older generation) still rely on banking in person.

The worrying trend of closing bank branches means people having to travel substantial distances when many are in poor health, unable to drive and therefore having to rely on disjointed public transport links or friends and relatives.

The Market Rasen area recently opened a banking hub in a centrally located building, thanks in part to the support of the Chairman of the Council Stephen Bunney. This banking hub is already proving to be an essential part of the community.

With this in mind, I ask the Chief Executive on behalf of the Council, to consider as part of the wider market place regeneration, a review of the banking facilities available in the Gainsborough and surrounding area and provide a report to CP&R by November 2025 on whether or not a banking hub, similar to that in Market Rasen is necessary and deliverable.

I so move the motion
Cllr Mandy Snee”

Motion 3

West Lindsey District Council transferred the Council Housing stock to West Links Housing which became the Acis Group around 25 years ago, and I'm pleased to say that I was elected and involved in this major change. This created a large capital receipt for the Council changing its outlook from being a debt-ridden authority to a Council which was able to operate 'in the black' and provide quality services that our Council tax payers deserved.

The District Council (over many years predominantly run by the Conservative Group) has maintained a lower than UK average Council tax payment made by residents whilst managing these balances by a process of good decision-making and strategic investment, and this has clearly been illustrated from the papers

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available to the recent Corporate Policy and Review Committee.

Last month the Government announced a white paper regarding Local Government Review which may mean the dissolution of District Councils and the Conservative Group are concerned that if West Lindsey District Council was to be dissolved then the balances of the authority should be utilised within the current boundaries of West Lindsey to the tax payers who have paid into this authority.

Therefore, would the Leader and Administration Group agree with the Conservative Group, that Officers should be charged with handing over the assets in excellent condition to a new unitary council (by way of example a new Leisure Centre In Gainsborough, an indoor swimming pool in Market Rasen, new infra-structure in Caistor and Lincoln fringe areas) with some mechanism for any residual balances to be made available to Parish/Town Councils as a way to ensure that as many areas as possible are covered of the 'old Council'.

I propose we ask Officers to review the options for the Council in light of the Government's white paper and bring forward a paper to CP&R by the end of the calendar year.

I so move
Cllr Ian Fleetwood
Conservative Group Leader
Opposition Group Leader”

9. REPORTS FOR DETERMINATION

- a. Recommendation from the Independent Remuneration Panel - Members Allowance Scheme 2025/26

(PAGES 13 - 30)

- b. Review of the Allocation of seats to Political Groups on Committees /Sub Committees

To note Group Leaders of each Group and the number of Members to be appointed to serve on each Committee in accordance with the provisions of Section 15 of the Local Government Act.

(PAGES 31 - 41)

- c. Appointment of Members to serve on the Committees for the Remainder of the Current Civic Year 2024/2025

In accordance with the provisions of Section 16 of the Local Government and Housing Act 1989, to appoint Members to Committees for the Civic Year, in accordance with the wishes expressed by the Political Groups.

**A report with completed appointments will be issued by way of supplement.*

Agendas, Reports and Minutes will be provided upon request in the following formats:

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- d. Appointment of Committee Chairmen and Vice-Chairman for the remainder of the 2024/25 Civic Year

**A report with completed appointments will be issued by way of supplement.*

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- e. Collection Fund - Council Tax Surplus 2024-25 & Council Tax Base 2025-26

(PAGES 52 - 58)

- f. Recommendation from the Corporate Policy and Resources Committee - Local Council Tax Support Scheme

(PAGES 59 - 72)

- g. Recommendation from the Corporate Policy and Resources Committee - Mid-Year Treasury Update 2024/25

(PAGES 73 - 89)

- h. Recommendation from the Chief Officer Employment Committee - Appointment of an Interim Section 151 Officer

(PAGES 90 - 94)

Ian Knowles
Head of Paid Service
The Guildhall
Gainsborough

Friday, 17 January 2025

Council Matters Arising Schedule

Purpose:

To consider progress on the matters arising from previous Council meetings.

Recommendation: That Members note progress on the matters arising and request corrective action if necessary.

Matters arising Schedule

Meeting	Full Council				
Status	Title	Action Required	Comments	Due Date	Allocated To
Black	Motion to Council - Extension to Household Support Fund	<p>Council passed a motion relating to the Household Support Fund at their meeting on 2 September requiring lobby letters to be issued as follows:</p> <p>This Council instruct the Leader and Chief Executive to write to the Rt. Hon. Sir Edward Leigh MP for Gainsborough Constituency, Rt. Hon. Sir Keir Starmer MP - Prime Minister, Rt. Hon. Rachel Reeves, Chancellor of The Exchequer and The Treasury to petition for the establishment of a further three-year extension to The Household Support Fund from October 2024.</p> <p>Please issue letters and report any response through this Matters arising</p>	<p>Letters have been issued . Progress or responses to the letters will be reported through Council Matters Arising Schedule</p> <p>Letters completed and posted 5/11/2024</p>	04/11/24	Nova Roberts

Black	Motion to Council to improve Gp Access	<p>Council at its meeting on 2 September passed a motion relating to the above - immediate actions requested were</p> <ul style="list-style-type: none"> o To call on the ICB to conduct a comprehensive needs assessment to demonstrate accurate need around GP provision. o Engage with local health authorities, NHS representatives, and community stakeholders to gather input and support for the initiative. 	Initial communication has been sent to the ICB - Council will be updated of any progress through this matters arising	04/11/24	Ian Knowles
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Black	Motion - Winter Fuel Payments	<p>Council at its meeting on 2 September passed a motion in respect of above . Which requested the following: -</p> <p>Instruct the Chief Executive to write to the Chancellor of the Exchequer calling for the policy on linking Winter Fuel Payments to Pension Credit receipt to be immediately paused and introduce a new threshold to determine eligibility for Winter Fuel Payments.</p> <p>Council further requests the Chief Executive write to the local MP covering West Lindsey District area asking them to give their formal support to halting the changes to the Winter Fuel Payment eligibility.</p> <p>Request all group leaders within West Lindsey District Council sign a joint letter to the Chancellor of the Exchequer calling for the new Winter Fuel Payment policy to be suspended and reviewed.</p> <p>Urgently commence a significant awareness campaign to maximise uptake of pension credits. This will include use of council noticeboards, social media, promotion in local press and also targeted letters to those who may be eligible.</p>	<p>Letters requested above have been issued .</p> <p>The Council is now actively promoting pension credit.</p> <p>Any responses received will be reported to council through this matters arising</p> <p>UPDATE: Letters sent from Chief Executive to Rt Hon Rachel Reeves and Sir Edward Leigh 05/11/24 re Winter Fuel Payment Eligibility. Letter from Group Leaders sent to Rt Hon Rachel Reeves re Winter Fuel Payment Eligibility.</p>	(blank)	Ian Knowles
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Black	<p>Motion to Council - BESS Sites Statutory Consultees - Lobbying</p>	<p>Please undertake action to fulfil Council resolution below.</p> <p>Please outline what action has been taken in comments section</p> <p>RESOLVED</p> <p>(a) the District Council lobby the Government (Ministry of Housing, Communities and Local Government (MHCLG) to make Local Fire Authorities statutory consultees in respect of planning applications relating to Renewable Energy Sites and specifically Battery Electric Storage System sites; and</p> <p>(b) the relevant Director for the Service area, write to the Local Government Association and Greater Lincolnshire Local Authorities to highlight the current situation and lack of oversight on such developments and request that they too lobby the Government to bring about this national change.</p> <p>Please issue letters and report any response through this Matters arising</p>	<p>Letters have been issued to MHCLG and Heads of Planning in Greater Lincolnshire. No responses to date . Progress or responses to the letters will be reported through Council Matters Arising Schedule.</p>	27/01/24	Sally Grindrod-Smith
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Black	Motion to Council - Lincolnshire Police Fairer Funding Letters/Lobbying	<p>Council passed a motion relating to the Fairer Funding for Lincs Police at their meeting on 4 November requiring letters to be issued as follows: RESOLVED unanimously that: -</p> <p>(a) the Chief Executive, Leader and Chairman write to the Chief Constable and Police Commissioner to support their lobbying for fairer funding for Lincolnshire police to ensure that they can establish and sustain a truly preventative Neighbourhood Policing Structure, alongside an effective detection service, enhancing community safety and well-being in our District; and</p> <p>(b) the Chief Executive, Leader and Chairman petition Sir Edward Leigh MP, The Home Office and Treasury to provide a realistic funding formula to allow Lincolnshire police to carry out the preventative policing principles laid down by Peel, Rowan and Mayer in 1829 alongside the justice system functions of crime detection.</p> <p>Please issue letters and report any response through this Matters arising</p>	Letters have been issued . Progress or responses to the letters will be reported through Council Matters Arising Schedule	27/01/25	Ian Knowles
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<p>Green</p>	<p>Motion - Lobbying of LNER</p>	<p>Please undertake action to fulfil Council resolution below.</p> <p>Please outline what action has been taken.</p>	<p>Extract from Mins of Mtg 6 /11/23 - RESOLVED unanimously that the District Council lobby LNER, seeking support from all statutory partners, to assess the viability of Barnetby being included in the direct run from Cleethorpes, passing through Market Rasen, to London.</p> <p>Officers are arranging a meeting with LNER to obtain the latest details of the potential new Cleethorpes to London service. This includes understanding which stations will and will not be included as stopping points. Once this is clarified officers will establish a lobbying strategy as required. 22/8/24</p> <p>A commitment to re-introduce a direct Cleethorpes to London service was made by the previous Government with previous ministers stating an expected start date of December 2024. There has not been any update on this position as yet following the election.</p> <p>Officers continue to monitor announcements on rail services by the Government and train operators. When the Government position on this new service commitment is confirmed, officers will work to establish a lobbying strategy as required.</p>	<p>04/11/24</p>	<p>Grant White</p>
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Green	Polling Station Review - Gainsborough North	Officers to continue to find a suitable polling place in the Gainsborough North Ward (DC) to replace Gladstone House due to the points raised by the meeting.	Officers are in positive conversations around hosting the polling station with the John Coupland Hospital, it is hoped a more formalised position can be reported to Council when they meet, on 27 January.	27/01/25	Katie Storr
Green – ON HOLD	Public Participation Schemes - Review of	AGM Mtg 23/5/23 When considering the Annual Review of Constitution, the Leader advised the Administration would wish to undertake a fundamental review of the participation schemes in year Scope and time line of this work to be discussed with Administration	Initial conversation to be held at Chairs Brief as to how the Group would like to proceed - ITEM ON HOLD	(blank)	Katie Storr



Council

27 January 2025

MEMBERS' ALLOWANCES FOR 2025/2026

Report by:

Monitoring Officer

Contact Officer:

Lisa Langdon
Monitoring Officer
01427 676591
Lisa.langdon@west-lindsey.gov.uk

Purpose / Summary:

To review and consider the recommendations made by the Independent Remuneration Panel with regard to Members' allowances for 2025/2026 to be effective from 1 April

RECOMMENDATIONS:

Recommendation 1

That the Basic Allowance Payable to all Members be increased by 5.67% (£382.73) in line with the increase received by the lowest paid staff (From £6750 to £7,132.73)

Recommendation 2

That Vice Chairs of Governance & Audit Committee, Overview & Scrutiny and Corporate Policy & Resources Committee to each receive the full Special Responsibility Allowance for the role (£1,537) as opposed to the current sharing arrangement.

Recommendation 3

That the wording of the Member Allowance Scheme (Paragraphs 1-11 be updated as Shown in Appendix 1 to this report to provide additional clarity for both Members and Officers.

All above recommendations to be effective from 1 April 2025.

IMPLICATIONS

Legal:

In accordance with The Local Authorities (Members' Allowances) (England) Regulations 2003, the Council must appoint an Independent Remuneration Panel to make recommendations on the Allowances Payable to Members.

The Council must approve and Publish a Members Allowance Scheme by 31 March each year and can decide to either reject or accept the Panel's recommendation(s).

Financial : FIN/134/25/SL

Recommendation 1 – To increase the current allowance of £6,750 per member by 5.67% to £7,132.73.

Total budget required for 36 members - £256,800

Current Budget within the Medium Term Financial Plan (MTFP) - £249,100

Pressure on the MTFP - £7,700

Recommendation 2 - the proposal will result in an increase of 3 x £1,537 above the existing budget for 2024/2025.

Total budget required - £70,200

Current Budget within the MTFP - £67,200

Pressure on the MTFP - £3,000

Total Pressure on the MTFP from 2025/2026 from recommendations 1 & 2 - £10,700

Recommendation 3

There are no financial implications arising from recommendation 3.

Staffing : The Remuneration Panel is independent from the Council, and is administered through the Democratic Services team

Equality and Diversity including Human Rights : None

Risk Assessment : None

Climate Related Risks and Opportunities : The meetings of the Remuneration Panel are held via Microsoft teams

Title and Location of any Background Papers used in the preparation of this report:

Report to Council January 2025 – website

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1. Background

- 1.1 West Lindsey District Council's Independent Remuneration Panel (IRP), has carried out its annual review of the Council's Scheme of Members' Allowances.
- 1.2 To inform the review, the Panel has considered a number of factors. These include the financial and budgeting situation the Council faces, including a pay award increase of £1290 for staff; a comparison of allowance rates payable at comparable Councils; and the role allowances play in attracting prospective Councillors through upholding democratic processes.
- 1.3 The Panel offered consultation to all members, providing the opportunity for members to make comments via email and also offering the option for members to meet individually with the Panel remotely via MS Teams. On 8 August 2024, four Members met independently with the Panel to give their views. No written views were received from Members.
- 1.4 The comments received by the Panel from Members have been taken into account when arriving at the final Recommendations within this report.
- 1.5 The Panel would like to record its thanks to those Members and Officers who made themselves available to speak with them.

2. Members' Basic Allowances

- 2.1 The pay award received by all staff below Chief Officer level had been a flat payment of £1290.
- 2.2 The Panel noted that this had equated to a 5.67% increase for the lowest paid staff.
- 2.3 Panel Members had long recognised the role allowances played in attracting prospective Councillors and as such have recommended that the Basic Allowance Payable to all Members be increased by 5.67% in line with the increase received by the lowest paid staff.

3 Members Special Responsibility Allowances (SRAs)

- 3.1 The Panel in its last report to Council, in January 2024, had recommended that the Vice Chairs of Overview & Scrutiny and Governance & Audit should receive the full allowance payable for the role to bring parity.
- 3.2 Council at its meeting in January 2024 rejected the Panel's recommendation in respect of this matter and the Vice-Chairman's Allowance for these roles continued to be shared.
- 3.3 Council at its AGM in 2024 approved the introduction of an additional Vice-Chairmanship to the Corporate Policy & Resources Committee with no budget for such having been set in advance, it was agreed with the Leader, that until such time as the

Remuneration Panel considered allowances again, the allowance would be split so as to remain in budget.

- 3.4 Having considered this matter, the Panel have again recommended that the Vice Chairs of Overview & Scrutiny and Governance & Audit receive the full special responsibility allowance. The Panel have also recommended that the additional Vice-Chairman position for the Corporate Policy & Resources Committee, introduced in May 2024, also receive the full special responsibility allowance in order to bring parity to the roles.
- 3.5 The Panel have not recommended any increases to any other Special Responsibilities Allowances Payable (Codes B-M of the Scheme – see appendix one)

Members should note that they may elect to forego their allowance, if they so wished.

4 Wording of the Member Allowance Scheme

- 4.1 The overall wording and phrasing of the Allowance Scheme, which preceded the schedule of allowances payable, had not been reviewed for a number of years and it was this part of the document which provided both Members and Officers with more detailed guidance and clarity about claiming allowances, specifically in respect of subsistence and mileage.
- 4.2 At the request of Officers the Panel had considered amendments which aimed to provide additional clarity. The Panel were supportive of the amendments and suggested further additions/ re-phrasing.
- 4.3 The proposed amended wording is as set out in Appendix One (additions shown in bold underline) along with the revised schedule of proposed allowances.

5. Recommendations

- 5.1 **Recommendation 1** - That the Basic Allowance Payable to all Members be increased by 5.67% in line with the increase received by the lowest paid staff (From £6750 to £7,132.73)
- 5.2 **Recommendation 2** - That Vice Chairs of Governance & Audit Committee, Overview & Scrutiny and Corporate Policy & Resources Committee to each receive the full Special Responsibility Allowance for the role (£1,537) as opposed to the current sharing arrangement.
- 5.3 **Recommendation 3** - That the wording of the Member Allowance Scheme (Paragraphs 1-11) be updated as Shown in Appendix One to this report to provide additional clarity for both Members and Officers.

All above recommendations to be effective from 1 April 2025.

Constitution of West Lindsey District Council

Part VI

**Members' Allowances
Scheme**

Scheme of Members' Allowances 25/26 financial year

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1. Basic Allowance

- 1.1 Every Member of the Council (subject to any election made under Section 9 of this Scheme) shall receive, for the period of this Scheme, the amount shown as Code A in Appendix 1 as a basic allowance.

2. Special Responsibility Allowances

- 2.1 The following Members of the Council (subject to any election made under Section 9 of the Scheme) shall receive for the period of this Scheme the amounts shown and set out in Appendix 1 as special responsibility allowances, namely:

	Code
Leader of Council	B
Deputy Leader(s)	C
Chair of Council	D
Vice Chair of Council	E
Chairman's Civic Allowance	F
Vice Chairman's Civic Allowance	G
Committee Chairs	H
Committee Vice-Chairs	I
Leader of the Opposition	J
Deputy Leader of the Opposition	K
Minority Group Leaders	L

- 2.2. For the Chairs of time-limited sub-committees, one twelfth of the relevant special responsibility allowance will be paid for each month (or part thereof) that the sub-committee is in operation.

3. Co-optees' Allowance

- 3.1 Subject to any election made under Section 9 of this Scheme, any person who is **not an elected member** but is appointed by the Council to a committee or sub-committee shall be paid an allowance, as shown as Code M in Appendix 1, for the period of this Scheme. **For the avoidance of doubt this does not apply to the Remuneration Panel.**
- 3.2 If the co-optee is the Chairman of the committee or sub-committee, he/she shall instead receive the same amount as is paid to Councillors who hold these offices.

4. Dependant Carers' Allowance

- 4.1 Members will be entitled to claim a dependant carers' allowance up to the rate shown at Appendix 1, code N.
- 4.2 Dependant carers' allowance will be paid on the basis of actual claims (up to the maximum amount), subject to the receipt of invoices not from a family member.

5. Travelling Allowances

- 5.1 Members may claim travelling expenses for carrying out approved duties (see Appendix 2). Mileage claimed should normally be from the Member's usual place of residence and for travelling by the shortest practicable route. Members may also claim back the cost of any parking fees or tolls incurred in connection with approved travelling.
- 5.2 The rate for travel by private motor vehicle shall not exceed Code O per mile as set out in Appendix 1.
- 5.3 The rate for travel by motorcycle shall not exceed Code Q per mile as set out in Appendix 1
- 5.4 That rate for travel by bicycle shall not exceed Code R per mile as set out in Appendix 1
- 5.5 Members carrying passengers who would otherwise be entitled to claim a travelling allowance for the same journey may claim a passenger supplement of Code P per passenger (up to a maximum of four) per mile. **Where Members carry passengers the passenger is prohibited from claiming the travelling allowance themselves. Members should travel together and use public transport wherever practicably possible to minimise climate change impact.**
- 5.6 Where rail travel amounts to more than £25, then this should be booked centrally through ~~Committee Admin~~ **the Executive PA team**, giving as much notice as possible of the intention to travel, and utilising any discount rail cards. "Standard fare" tickets should be the default position, unless the cost of First Class, (which includes a meal/wif-fi), is lower than the cost of the "standard fare" plus any subsistence payment that may arise.
- 5.7 **Rail travel will be booked in advance to take advantage of discounted tickets and special offers**
- 5.8 The rate for travel by taxi-cab is the actual fare and gratuity paid. Taxis can only be used **in rare circumstances and** where public transport is not available and the Councillor would otherwise be unable to attend the meeting.
- 5.9 The rates for the use of a hired car shall also be Codes O and P.
- 5.10 **Individuals must submit their own claim and testify to its accuracy**

6. Subsistence Allowances

(For amounts relating to Codes used, see Appendix 1)

- 6.1 Where **meals and refreshments are provided as part of the Course/Conference/event the Member is attending, the Member is required to utilise these consumables and will be unable to claim for additional meals and refreshments**
- 6.2 Where Members, in carrying out an approved duty referred to in Appendix 2, necessarily incur expenditure on meals (**for example where it has not been provided at the Course/Conference/Event**), they may claim subsistence allowance. The rate of subsistence allowance shall not exceed the amounts shown below.

6.3	Code
a) Absence of more than four hours but no more than eight hours – only the cost of one meal can be reimbursed up to a maximum of £15.	S
b) Absence of more than eight hours but no more than 12 hours – only the cost of two meals can be reimbursed up to a maximum of £25.	T
c) Absence of more than 12 hours but no more than 16 hours - only the cost of three meals can be reimbursed up to a maximum of £33.	U
d) Absence of more than 16 hours but not including an overnight stay – only the cost of four meals can be reimbursed up to a maximum of £40.	V
6.3 In the case of an absence overnight from the usual place of residence the rate shall not exceed code W	W
6.4 except that, for such absence overnight in London or for the purposes of attending an annual conference (or annual meeting) of the Local Government Association, the rate shall not exceed code X	X
6.5 The rates specified above shall be reduced by an appropriate amount in respect of any meal provided free of charge by any authority or body during the period to which the allowance relates.	
6.6 Receipts must be provided for subsistence claimed and attached to the claim form. However, when main meals (i.e. a full breakfast, lunch or dinner) are taken on trains during a period for which there is an entitlement to day subsistence, the reasonable actual cost of the meals (including VAT) may be reimbursed in full.	
6.7 For the purpose of this Section, a twenty-four hour period begins and ends at 3am.	
6.8 <u>The cost of alcoholic drinks cannot be claimed.</u>	

7. Payment of Allowances

- 7.1 Beginning in April, one twelfth of the following allowances will be paid on the 21st day of each month (or, where this falls on a Saturday, Sunday or public holiday, the preceding bank working day):
- Basic allowance
 - Special responsibility allowances
 - Co-optees' allowances
- 7.2 Where the term of office of a Councillor or co-optee begins or ends otherwise than at the beginning or end of the period to which this Scheme relates, payment of the allowances will be apportioned on a daily basis up to or from the day the office ends or begins.
- 7.3 The payment of the following allowances will be made on the basis of claims submitted in accordance with Section 10 of this Scheme:
- Dependant carers' allowance
 - Travelling allowance

- Subsistence allowances
 - Reimbursement of the cost of an eye test up to a maximum of £20 in a 2 year period
- 7.4 Payments will be withheld when a Member ceases to be a Member or is in any other way not entitled to receive allowances.
- 7.5 **Payments will be withheld if Claims are not submitted in accordance with the requirements of this Policy.**
- 7.6 **In light of the ongoing usage of hybrid meeting technologies such as MS Teams (and any other technologies that may be used), Members should be aware of which meetings are being held remotely and ensure mileage and travel Claims are not made for remote/hybrid meetings.**
- 8. Avoidance of Duplication of Allowances**
- 8.1 Where, in any period, a Councillor performs approved duties as a member of more than one authority or becomes entitled to payment of travelling and subsistence allowances and to comparable payments from any other authority, the following provisions shall apply for the avoidance of duplication in claims and payments.
- a) Where a Councillor in respect of a duty specified in Appendix 2 also performs at the same time another approved duty which entitles him/her to comparable payments from any other authority, he/she may not claim an allowance from both the Council and the other authority. In order to comply with this paragraph, he/she may claim from whichever authority liable to meet the claim that he/she thinks fit, but from only that one.
 - b) Where a Councillor successively performs in any period duties in respect of each of which he/she is entitled to allowances or comparable payments from any other authority, he/she may not claim in total a greater amount in respect of that period than would have been payable had all the duties performed by him/her as a member of only one of those authorities.
 - c) A Councillor shall not be entitled to take expenditure on travelling into account for the purposes of more than one claim.
 - d) A Councillor shall not be entitled to take any period of absence from his usual place of residence into account for the purpose of more than one claim.
- 8.2 **As detailed in 5.5 above only one person per vehicle can claim mileage expenses at the full rate (O). Where passengers travel together in one vehicle, they cannot both claim the mileage rate (O).**
- 8.3 District Council Members who are also Members of the County Council may claim allowances from each Council for the same 24 hour period provided that the claim on each Council is in respect of separate approved duties and that no other payment is received specifically for performing these duties.
- 8.4 A claim for any payment under this Scheme shall include a statement that the claimant has not made, and will not make, another claim in respect of the matter to which the claim relates.

9. Election to Forego Allowances

- 9.1 Any member who wishes to forego any part of his/her entitlement to any allowance under this Scheme may do so by giving notice in writing to the Monitoring Officer.
- Basic, special responsibility and co-optees' allowances will be paid automatically unless such notice is given.

10. Submission of Claims

- 10.1 All claims should be submitted monthly, in arrears, to the Democratic Services Team (committeeadmin@west-lindsey.gov.uk) to arrive no later than the 2nd of each month wherever possible (*or the previous Friday when the 2nd falls at a weekend or on a bank holiday*), to enable them to be processed in the monthly payroll run for payment on the 21st of the month. Claims received after the above date will not be paid until the following month.
- 10.2 Claims must be submitted within three months of the date on which the duty in respect of which the entitlement to the allowance arises is carried out.

11. Backdating

- 11.1 Where this Scheme is amended and it affects allowances payable for the year in which the amendment is made, entitlement to such allowances as are changed will apply with effect from the beginning of the year in which the amendment is made.

Rates of Allowance

Appendix 1

Amount Code	Description	2025/2026
A	Basic Allowance	£ £7,132.73
B	SRA - Leader of Council	£12,989
C	SRA – Deputy Leader/s (in the event of two or more being nominated, the payment to be shared)	£4,710
D	SRA -Chair of Council	£4,161
E	SRA – Vice-Chair of Council	£1,433
F	Civic Allowance for the Chairman of Council	£1,683
G	Civic Allowance for the Vice-Chairman of Council	£460
H	SRA – Committee Chairs*	£3,247
I	SRA – Committee Vice-Chairs**	£1,537
J	SRA – Leader of the Opposition (in the event of the Council being a 'hung' ¹ Council, the Leaders of the two largest groups be paid the same special responsibility allowance as for the Leader of the Opposition)	£4,710
K	SRA – Deputy Leader of the Opposition	£857
L	SRA – Minority Group Leaders (per group member)	£105
M	Independent Members: Governance & Audit and Standards Committees – a payment of £60.00 for the first four hours of attendance at a meeting/event and a second payment for attendance in excess of four hours. The first four hours would commence from the start time of the meeting (to be paid when not chairing a meeting).	
N	Dependant Carers' Allowance (maximum per hour) - to follow the national living wage plus £1	£NLW +£1
O	Car Allowance (per mile) (the mileage rate to be	£0.45

¹ Hung Council – where no group has the majority of seats

increased or decreased in accordance with any changes to the tax efficient rate authorised by the Inland Revenue)

P	Passenger Supplement - (Flat rate passenger supplement of £0.05 applied to each additional passenger carried)	
Q	Motorcycle Allowance (per mile)	£0.25
R	Bicycle Allowance (per mile)	£0.21

Subsistence -

S	Absence of more than four hours but no more than eight hours – only the cost of one meal can be reimbursed up to a maximum of £15.	
T	Absence of more than eight hours but no more than 12 hours – only the cost of two meals can be reimbursed up to a maximum of £25	
U	Absence of more than 12 hours but no more than 16 hours- only the cost of three meals can be reimbursed up to a maximum of £33	
V	Absence of more than 16 hours but not including an overnight stay – only the cost of four meals can be reimbursed up to a maximum of £40	
W	Overnight	£83
X	Overnight (London or LGA)	£208

*Excluding Licensing Committee and Regulatory Committee Chairs

** Excluding Regulatory Committee Vice Chairs

Licensing Committee Chair	£1625
Regulatory Committee Chair	£1625
Licensing Committee Vice Chair	£768
Regulatory Committee Vice Chair	£768

~~From April 2024 whilst ever the Overview and Scrutiny Committee and Governance and Audit Committee have 2 vice chairmen the allowance (I) to be split equally~~
(Above text to be removed if recommendation 2 in report is supported. Otherwise text should remain and CPR added here)

Note: SRA – Special Responsibility Allowance

Appendix 2

Approved Duties

The following are approved duties for which members may, if they wish, claim dependant carers', travelling and subsistence expenses:

1. The attendance by a Councillor at meetings of the Council, committees, sub- committees and task and finish groups.
2. The attendance by a Councillor at a site visit organised by the Council, a committee, sub-committee or task and finish group or by a member of the Council's management team in pursuance of its business.
3. The attendance by a Councillor at a seminar organised by an officer, committee or sub-committee of the Council to which members of the Council are invited.
4. The attendance of a Councillor at consultation meetings outside their ward organised by an officer, committee or sub-committee of the Council for the purposes of, or in connection with, the discharge of the Council's functions.
5. The attendance of a Chairman of a committee, sub-committee or task and finish group, or, in his/her absence, his/her Vice-Chairman at any meeting of another committee, sub-committee or task and finish group of the Council pursuant to a resolution specifically requesting him/her to attend.
6. The attendance by a Councillor at an official meeting convened by a Government Department to which the Council has been invited to send a representative(s).
7. The attendance by a Councillor as a member of a delegation appointed by the Council, the appropriate policy committee or the Head of Paid Service to attend a meeting with the local MP or a Minister of the Crown for the purpose of, or in connection with, the discharge of the Council's functions.
8. The attendance by a Chairman and Vice-chairman of Council, a committee, sub-committee or task and finish group at a briefing for a particular meeting of the Council, committee, sub-committee or task and finish group as appropriate to the office.
9. The attendance by Group Leaders/Spokespersons and Committee Chairmen (or Deputies or Vice-chairmen if the Group Leader/Spokesperson or Committee Chairman is unable to attend) at Group Leaders'/Spokesperson's and Committee Chairmen's meetings and at liaison meetings with Lincolnshire County Council and/or other bodies similarly organised by the Assistant Directors.
10. The attendance by a Councillor at meetings of the Town/Parish Council(s)/Meeting(s) in his/her ward provided the meeting is not within the Councillor's own parish.
11. The attendance by a Councillor at meetings of an appropriate area summit.
12. The attendance by a Councillor appointed to a LGA Executive by the Council or his/her Group on the LGA.

13. The attendance by Members of the Council at meetings where he/she is engaged on Council business pertinent to their position.
14. The attendance by the appropriate Chairman (or his/her nominee) at any of the following conferences approved by the Council -
 - Chartered Institute of Housing
 - Local Government Association Conference
 - CIPFA Conference
 - Rural Commission Conference
 - Institute of Leisure and Amenity Management Conference
15. The attendance by the Council's nominated representative (or the nominated reserve in his/her absence) at meetings of any of the following outside organisations to which he/she has been appointed by the Council or one of its committees, provided the meeting is outside the Councillor's ward:
 - Age UK Lindsey
 - Ancholme Internal Drainage Board
 - APSE
 - Central Lincolnshire Joint Strategic Planning Committee
 - Citizens' Advice Lindsey
 - District Councils' Network
 - District Health and Wellbeing Network
 - East Midlands Council
 - Flood and Water Management Scrutiny Committee
 - Gainsborough Adventure Playground Association
 - Gainsborough Transport Strategy Board
 - Health Scrutiny Committee for Lincolnshire
 - Heritage Trust of Lincolnshire
 - Housing, Health & Care Delivery Group
 - Humber Strategy Group
 - Humberside International Airport Consultative Committee
 - LEP Lincolnshire Enterprise Partnership
 - LGA General Assembly
 - Lincoln Area Dial-a-Ride Management Committee
 - Lincoln Transport Strategy Board
 - Lincolnshire Branch of the Campaign for the Protection of Rural England
 - Lincolnshire Police and Crime Panel
 - Lincolnshire Waste Partnership
 - Lincolnshire Wolds Countryside Management Project
 - PATROL (CPE)
 - Pensions Committee
 - Rural Services Network
 - Scunthorpe & Gainsborough Water Level Management Board
 - The Conservation Volunteers
 - Trent Valley Internal Drainage Board
 - Trustees of Charles Cooper Trust
 - Trustees of Dixons' Almshouses
 - Trustees of Francis Barker Trust

- Trustees of Gainsborough Education Charity
 - Trustees of W G Rose Memorial
 - Upper Witham Internal Drainage Board
 - West Lindsey Churches Festival
 - Witham Third Internal Drainage Board
 - Wolds Community Transport Association Limited
 - YourVoice@HWL
16. The attendance by the appropriate **Committee** Chairman or his/her nominee at any of the following conferences approved by the Council -
- Chartered Institute of Housing
 - Local Government Association Conference
 - CIPFA Conference
 - Rural **Services Network** Commission Conference
 - **APSE conference**
 - ~~Institute of Leisure and Amenity Management Conference~~
 - DCN conference

Any conference attendance outside the list or places in addition to the Chairman and or nominee is subject to available budget and approval by the relevant committee.

- 17 **Attendance at meetings and events deemed relevant to the appointed position is subject to budget availability and decision by the Chief Executive.**

- 18 **Member training is determined by the Governance and Audit Committee.**

- ~~19 The attendance by a council/committee appointed Member Champion, at a meeting or event deemed relevant to the appointed position.~~

Notes

1. The Scheme will NOT reimburse the costs of meals and/or accommodation where they are paid for as part of a conference fee but the member chooses to eat and/or stay elsewhere.
2. Some of the outside organisations pay travelling and subsistence allowances themselves and the Member should claim from the organisation and not the Council where that is the case.
3. **The Council will not fund alcoholic drinks.**



Council

Monday 27 January 2025

Subject: Review Of The Allocation Of Seats To Political Groups On Committees/Sub -Committees

Report by:

Monitoring Officer

Contact Officer:

Katie Storr
Democratic and Elections Manager and Deputy
Monitoring Officer
katie.storr@west-lindsey.gov.uk

Purpose / Summary:

This report sets out the details of the political groups on the Council, the number of Members to be appointed to serve on each committee and the allocation to different political groups of seats on the committees.

RECOMMENDATION(S):

- 1) that the details of political groups, as set out in Appendix A, be noted;**
- 2) that the number of Members to be appointed to serve on each Committee, arising from the Head of Paid Service's delegated decision, and following consultation will all Group Leaders be noted; and**
- 3) that the allocation to different political groups of seats on committees, as set out in Appendix B, arising from the Head of Paid Service's delegated decision following consultation with all Group Leaders, be noted.**

IMPLICATIONS

Legal:

Council is required to review the allocation to different political groups of seats on committees and sub-committees, in accordance with the provisions of Section 15 of the Local Government and Housing Act 1989, when either a trigger is met (election, resignation change in Group Membership) or at least annually at its annual meeting as set out in the Constitution.

This review is borne out of due notice having been received from Councillor Trevor Bridgwood advising that he wished to leave the Opposition Group (Conservative) and form a new Group alongside the unaligned independent Member, Councillor Jeanette McGhee. Due notice on 22 November 2024 further advised that the Group wished to be known as the Consensus Independent Group.

Financial :

None directly arising as a result of this report.

Staffing :

None directly arising as a result of this report.

Equality and Diversity including Human Rights :

None directly arising as a result of this report.

Data Protection Implications :

None directly arising as a result of this report.

Climate Related Risks and Opportunities :

None directly arising as a result of this report.

Section 17 Crime and Disorder Considerations :

None directly arising as a result of this report.

Health Implications:

Title and Location of any Background Papers used in the preparation of this report:

Working Papers and Options considered in January 2025 held by Democratic Services.

Notice to Head of Paid Service advising of wish to form a new Group and Leave the Opposition (Conservative) Group

Risk Assessment :

n/a

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1. Introduction

- 1.1 In accordance with the provisions of Section 15 of the Local Government and Housing Act 1989, the Council is required to review the allocation to different political groups of seats on committees and sub-committees.
- 1.2 The last review of the allocations took place in June 2024 following a Councillor's decision to un-align from the Liberal Democrat Administration and to not join another Group.
- 1.3 This review is borne out of due notice having been received from Councillor Trevor Bridgwood, advising that he wished to leave the Opposition (Conservative) Group and form a new Group alongside the unaligned independent Member, Councillor Jeanette McGhee.
- 1.4 Due notice received on 22 November 2024, under regulation 8 of the Local Government (Committees & Political Groups) Regulations 1990, advised that the new Group wished to be known as the Consensus Independent Group and that Councillor Trevor Bridgwood would be the Group's appointed Leader, and Councillor McGhee its Deputy Group Leader.
- 1.5 Existing political groups for the purposes of the Local Government (Committees & Political Groups) Regulations 1990 are as follows:

Group	No. of Members	Leader	Deputy
The Liberal Democrat Administration Group	18	Councillor Trevor Young	Councillor Lesley Rollings
The Opposition Group	14	Councillor Ian Fleetwood	Councillor Roger Patterson
The Lincolnshire Independent	2	Councillor Paul Key	Councillor Chris Darcel
The Consensus Independent Group	2	Councillor Trevor Bridgwood	Councillor Jeanette McGhee

- 1.5 The Council currently has no unaligned Members.
- 1.6 The Council has delegated authority to the Head of Paid Service to agree, following consultation with the Group Leaders, the overall allocation of seats to groups resulting from the application of rounding.

1.7 Full details of group membership are set out in Appendix A.

2. The Allocations

2.1 In accordance with the provisions of section 15 of the Local Government and Housing Act 1989 (Duty to allocate seats to political groups), the Council is required to give effect, so far as reasonably practicable, to the following specified principles:

- (a) that not all the seats on a Committee/Sub-Committee are allocated to the same political group;
- (b) that the majority of the seats on a Committee/Sub-Committee are allocated to a particular political group where the number of persons belonging to that group is a majority of the authority's membership;
- (c) subject to paragraphs (a) and (b) above, that the number of seats on the ordinary Committees which are allocated to each political group bears the same proportion to the total of all the seats on the ordinary Committees of that authority as is borne by the number of Members of that group to the membership of the authority;
- (d) subject to paragraphs (a) to (c) above, that the number of seats on the Committee/Sub-Committee which are allocated to each political group bears the same proportion to the number of all the seats on that Committee/Sub-Committee as is borne by the number of members of that group to the membership of the authority.

2.2 (b) above applies to a lesser degree as there is no one Group with a majority of seats on the Council. External advice has been undertaken to ensure the application of the rules has been applied equitably.

2.3 All of the Group Leaders were consulted on the number of Members to be appointed to serve on the Committees. Any "trading" required to achieve the mathematical requirement was determined mutually by Group Leaders.

2.4 In order to give effect, so far as is reasonably practicable, to the principles specified above and in consultation with Group Leaders as required by the delegation, it has been determined that the best fit to meet the political balance rules is for the: -

- Planning Committee, Corporate Policy and Resources Committee, Prosperous Communities Committee, and Overview and Scrutiny Committee to comprise 14 Members;
- Chief Officer Employment Committee and Governance and Audit Committee to comprise 8 Members.

- Licensing Committee, Regulatory Committee to comprise 11 Members *
- 2.5 Applying group numbers to the seats available on the Committees gives the allocation set out in Appendix B, which is supported by the Group Leaders as the most reasonably practical in the circumstances.
- 2.6 *As agreed as part of the Annual Review of the Constitution during 2017/2018, the same 11 Members comprise both the Licensing Committee and the Regulatory Committee. Licensing Committee, and due to the linked nature Regulatory Committee, are the only Committees which fall outside of the Political Balance Rules and were not amended as part of this review.

Local Government & Housing Act 1989

The Local Government (Committees and Political Groups) Regulations 1990

Political Groups on the District Council – January 2025

Liberal Democrat Administration Group (18 Councillors)

(Comprising 17 Liberal Democrat Councillors and 1 Independent Councillor)

Liberal Democrat (17)

Councillor Emma Bailey

Councillor Eve Bennett

Councillor Matthew Boles

Councillor Stephen Bunney

Councillor Karen Carless

Councillor Liz Clews

Councillor David Dobbie

Councillor Jacob Flear

Councillor Sabastian Hague

Councillor Lynda Mullally

Councillor Lesley Rollings

Councillor Jim Snee

Councillor Mandy Snee

Councillor Paul Swift

Councillor Moira Westley

Councillor Baptiste Velan

Councillor Trevor Young

Independent Councillor

Councillor Paul Howitt Cowan

The Opposition Group (14 Councillors)

(Comprising 13 Conservative Councillors and 1 Independent Councillor)

Conservative (13)

Councillor John Barrett

Councillor Owen Bierley

Councillor Jackie Brockway

Councillor Frazier Brown

Councillor Adam Duguid

Councillor Ian Fleetwood

Councillor Angela Lawrence

Councillor Paul Lee

Councillor Peter Morris

Councillor Maureen Palmer

Councillor Roger Patterson

Councillor Roger Pilgrim

Councillor Tom Smith

Independent Councillor

Councillor Diana Rodgers

Lincolnshire Independents Group (2 Councillors)

Councillor Chris Darcel

Councillor Paul Key

Consensus Independent Group (2 Councillors)

Councillor Trevor Bridgwood

Councillor Jeanette McGhee

Appendix B

Political Make-up of the Council, on which calculations have been based: -

Political balance on the Council		
Group	No.	%
Lib Dem	18	50.0000%
Conservative	14	38.8889%
Lins Ind	2	5.5556%
Consensus Ind	2	5.5556%
Vacant	0	0.0000%
Council of		36
		100%

Number of Seats allocated to each Group based on vary size Committees and rounding applied.

Single committee spread (or sub-committee)											
Committee Size	%	Rounded to whole	Con		LI		Cons Ind		Vacant		check
			LD								
18	9.000	9	7.000	7	1.000	1	1.000	1	0.000	0	18
17	8.500	8 or 9	6.611	7	0.944	1	0.944	1	0.000	0	#VALUE!
16	8.000	8	6.222	6	0.889	1	0.889	1	0.000	0	16
15	7.500	7 or 8	5.833	6	0.833	1	0.833	1	0.000	0	#VALUE!
14	7.000	7	5.444	5	0.778	1	0.778	1	0.000	0	14
13	6.500	6 or 7	5.056	5	0.722	1	0.722	1	0.000	0	#VALUE!
12	6.000	6	4.667	4 or 5	0.667	1	0.667	1	0.000	0	#VALUE!
11	5.500	5 or 6	4.278	4	0.611	1	0.611	1	0.000	0	#VALUE!
10	5.000	5	3.889	4	0.556	0 or 1	0.556	0 or 1	0.000	0	#VALUE!
9	4.500	4 or 5	3.500	4	0.500	0 or 1	0.500	0 or 1	0.000	0	#VALUE!
8	4.000	4	3.111	3	0.444	0 OR 1	0.444	0 OR 1	0.000	0	#VALUE!
7	3.500	4	2.722	3	0.389	0	0.389	0	0.000	0	7
6	3.000	3	2.333	3	0.333	0	0.333	0	0.000	0	6
5	2.500	3	1.944	2	0.278	0	0.278	0	0.000	0	5
4	2.000	2	1.556	2	0.222	0	0.222	0	0.000	0	4
3	1.500	2	1.167	1	0.167	0	0.167	0	0.000	0	3

Selected Committee Size Option and Balance Across Total Number of Ordinary Committees

Fig 1

V4 Committees (exc O&S)	Places	LD	C	LI	Ind	check
Prosperous Communities	14	7	5	1	1	14
Corporate Policy and Resources	14	7	5	1	1	14
Governance and Audit	8	4	3	1	0	8
Planning	14	7	5	1	1	14
Chief Officer Employment	8	4	3	0	1	8
Total	58.00	29	21	4	4	58
Number of committees requiring variation to achieve overall balance of:		non	plus 2	minus 1	minus 1	
		29	23	3	3	
OSC	14	7	5	1	1	14

Fig 2

GROUP	Proportion	% of C'I	Rounded to whole	% comparator of whole numbers
Lib Dem	29.0000	0.5000	29	0.5
Conservat	22.5562	0.3889	23	0.396552
Lins Ind	3.2222	0.0556	3	0.051724
CI	3.2222	0.0556	3	0.051724
	58.00		58	

TABLE 1 –
ORDINARY COMMITTEES SPLIT PER GROUP HAVING APPLIED ANY VARIATIONS REQUIRED AND AGREED BY GROUP LEADERS (shown in red circle in Fig 1)

	LDA	OGrp	LI	CI	Total
Prosperous Communities (14)	7	5	1	1	14
Corporate Policy and Resources (14)	7	5	1	1	14

Governance and Audit (8)	4	3	1	0	8
Planning (14)	7	7	0	0	14
Chief Officer Employment (8)	4	3	0	1	8
Total no. of seats (58)	29	23	4	4	58

TABLE 2

WITH POLITICAL BALANCE APPLIED	LDA	OGrp	LI	CI	Total
Overview and Scrutiny Committee (14)	7	5	1	1	14

TABLE 3

	LDA	OGrp	LI	CI	Total
Licensing (11)	6	5	0	0	11
Regulatory (11)	6	5	0	0	11
Total no. of seats (22)	12	10	0	0	22

Note the membership of the two committees above has to be identical

Licensing Committees must comprise at least 10 Members in accordance with the LA 2003

These meetings do not have to be politically balanced and did not form part of this review.

Agenda Item 9c



Council

Monday, 27 January 2025

Subject: Appointment Of Members to the Committees for the remainder of the 2024/25 Civic Year

Report by:

Monitoring Officer

Contact Officer:

Katie Storr
Democratic Services & Elections Team Manager
katie.storr@west-lindsey.gov.uk

Purpose / Summary:

This report sets out the wishes expressed by political groups in respect of the appointment of Members to serve on the Committees of the Council for the remainder of the civic year 2024/2025 as result of the allocations having been amended under Section 15 of the Local Government and Housing Act 1989.

RECOMMENDATION(S):

- (1) In accordance with the provisions of section 16 of the Local Government and Housing Act 1989 and the wishes expressed by political groups, Members be appointed to serve on the Council's Committees for the remainder 2024/2025 civic year as set out within this report or provided verbally at the meeting.**

IMPLICATIONS

Legal:

In accordance with the provisions of section 16 of the Local Government and Housing Act 1989 and the wishes expressed by political groups

Financial :

None directly arising from this report

Staffing :

None directly arising from this report

Equality and Diversity including Human Rights :

None directly arising from this report

Data Protection Implications :

None directly arising from this report

Climate Related Risks and Opportunities:

None directly arising from this report

Section 17 Crime and Disorder Considerations:

None directly arising from this report

Health Implications:

None directly arising from this report

Title and Location of any Background Papers used in the preparation of this report :

Notices received from the Group Leaders on the allocation of Committee/ Sub-Committee places – documents available from the Guildhall, Gainsborough (on request).

Risk Assessment :

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

2.4 Licensing Committee (11 Members)

- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor

2.5 Regulatory Committee (11 Members)

- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor

2.6 Planning Committee (14 Members)

- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor
- Councillor

2.7 Prosperous Communities Committee (14 Members)

Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor

2.8 Overview and Scrutiny Committee (14 members)

Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor
Councillor

Agenda Item 9d



Council

Monday, 27 January 2025

Subject: Appointment of Committee Chairmen and Vice-Chairmen for the remainder of the 2024/25 Civic Year

Report by:

Monitoring Officer

Contact Officer:

Katie Storr
Democratic Services & Elections Team Manager
katie.storr@west-lindsey.gov.uk

Purpose / Summary:

Having re-appointed the Committees under Section 16 of the Local Government and Housing Act 1989, this report seeks to re-appoint Chairmen and Vice-Chairmen to each of the Committees for the remainder of the 2024/2025 Civic Year.

RECOMMENDATION(S):

- (1) That Council appoint Chairmen and Vice-Chairmen, as detailed in Table 1 of the report, for the remainder of 2024/25 Civic Year to the following Committees: -
 - (a) Chief Officer Employment Committee
 - (b) Corporate Policy and Resources Committee
 - (c) Planning Committee
 - (d) Governance and Audit Committee
 - (e) Licensing Committee
 - (f) Overview and Scrutiny Committee
 - (g) Regulatory Committee
 - (h) Prosperous Communities Committee

IMPLICATIONS

Legal:

It is the responsibility of Full Council to agree Chairmanships, Vice-Chairmanships annually or following the need to recalculate political balance, resulting in the Committees being re-appointed to, as is the case for this report.

Financial :

Special responsibility allowances are payable to Committee Chairmen and Vice-Chairmen at a rate agreed by the Independent Remuneration Panel. These costs are met from the Members' Allowance budget which is set following any recommendation from the Panel and subsequent approval by Full Council.

The Vice Chairman for both Overview and Scrutiny Committee and the Governance and Audit Committee share the allowance.

The number of Vice-Chairmanships on the Policy and Resources Committee was increased at the AGM in May this has had no impact on the budget at this stage as the allowance will be shared.

This matter will be considered further by the Independent Remuneration Panel in due course and appropriate recommendations made to Council in January 2025 if deemed necessary.

All payable Special Responsibility Allowances in this report can be met from existing budgets.

Staffing :

None directly arising as a result of this report.

Equality and Diversity including Human Rights :

None directly arising as a result of this report.

Data Protection Implications :

None directly arising as a result of this report.

Climate Related Risks and Opportunities:

None directly arising as a result of this report.

Section 17 Crime and Disorder Considerations:

None directly arising as a result of this report.

Health Implications:

None directly arising as a result of this report.

Title and Location of any Background Papers used in the preparation of this report :

Notices received from the Group Leaders on the allocation of Committee/ Sub Committee places – documents available from the Guildhall, Gainsborough (on request).

Risk Assessment :

N/A

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1 Introduction

- 1.1 Following the Constitutional changes agreed in March 2019, Council are now the responsible body for the appointment of Chairmen and Vice-Chairmen to each Committee.
- 1.2 Given the Committees have been re-appointed to under regulation 16 as a result of the political balance being recalculated. It is necessary to appoint Chairmen and Vice-Chairmen to serve on each.
- 1.3 Table 1 below sets out the nominations received from the Administration in advance of the meeting for each available position. Counter nominations may be made in the meeting.

Table 1

Committee	Chairman	Vice Chairman/men
Chief Officer Employment Committee		
Corporate Policy and Resources Committee		X2
Planning Committee		
Governance and Audit Committee		X2
*Licensing Committee		
Overview and Scrutiny Committee		X2
*Regulatory Committee		
Prosperous Communities Committee		X2

Agenda Item 9e



Council

Monday, 27 January 2025

Subject: Collection Fund - Council Tax Surplus 2024-25 & Council Tax Base 2025-26.

Report by:

Director of Corporate Services (Section 151 Officer)

Contact Officer:

Peter Davy
Financial Services Manager

Peter.Davy@west-lindsey.gov.uk

Purpose / Summary:

The report sets out the declaration of the estimated surplus on the Council's Collection Fund relating to Council Tax at the end of March 2025 and how it is shared amongst the constituent precepting bodies.

It also sets out the Council tax base calculation for 2025/26. The tax base is a key component in calculating both the budget requirement and the council tax charge

RECOMMENDATION(S):

- 1) That Members accept that the estimated surplus of £1,868,700 be declared as accruing in the Council's Collection Fund at 31 March 2025 relating to an estimated Council Tax surplus.
- 2) That the Council uses its element of the Collection Fund surplus/deficit in calculating the level of Council Tax in 2025/26.
- 3) Approves, in accordance with the Local Authorities (Calculation of Tax Base) Regulation 1992, as amended, the amount calculated by the Council as its Council Tax Base for the whole of the District area for 2025/26 shall be 32,756.75 as detailed in this report and appendices.

Legal: It is a requirement under the Local Government Finance Act 1992 that the Council calculates the tax base for council tax purposes. It is also a requirement that the resolution determining the calculation be notified to the County Council between 1 December 2024 and 31 January 2025.

It is a requirement under the Local Government Finance Act 1992 that any estimated surplus on the previous year's Collection Fund shall be shared amongst the major precepting bodies.

Financial : FIN/125/25/PD

The estimated surplus in Council tax totals £1,868,700 to be shared as follows:-

Lincolnshire County Council £1,335,700

Police and Crime Commissioner, Lincolnshire £257,400

West Lindsey District Council £275,600

West Lindsey District Council will include its surplus share within its budget 2025/26 and it will be taken into account for Council Tax setting. The surplus share of £275,600 represents a decrease of £14,400 against the 2024/25 budgeted surplus of £290,000.

Staffing : None directly arising as a result of this report

Equality and Diversity including Human Rights : None directly arising as a result of this report

Data Protection Implications : None directly arising as a result of this report

Climate Related Risks and Opportunities: None directly arising as a result of this report

Section 17 Crime and Disorder Considerations: None directly arising as a result of this report

Health Implications: None directly arising as a result of this report

Title and Location of any Background Papers used in the preparation of this report :

Risk Assessment :

The Council is bound by legislation undertake the necessary work to determine the Council Tax Base and to distribute the estimated surplus on the Collection Fund. Failure to do so would mean that the Council would be acting illegally and would be prone to appropriate sanctions

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

X

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

X

1. Collection Fund Surplus for 2024/25

- 1.1 The Council is required to declare an estimate of the surplus or deficit that will occur on the Collection Fund at the end of each year. The Collection Fund records the amount of income collected from Council Tax, together with precept payments to principal authorities. These elements will generate a surplus or a deficit which should be taken into account when determining the Council Tax for the following year.
- 1.2 Any surplus or deficit generated through the Collection fund in relation to Council Tax is shared between the County Council, the Police and Crime Commissioner, Lincolnshire and this Council in the same proportion as the amount of their precepts for 2024/25
- 1.3 A surplus or deficit may occur in the Collection Fund if the Council tax base is larger or smaller than originally anticipated or collection rates are higher or lower than expected.

2 Estimated Council Tax Surplus for 2024/25

- 2.1 The amount calculated as available from the Collection Fund arising up to 31st March 2025 and for distribution during 2025/26 has been calculated as £1,868,700.
- 2.2 This amount will be shared amongst the precepting authorities as follows:

	£
Lincolnshire County Council	1,335,700
Police and Crime Commissioner	257,400
West Lindsey District Council	275,600

	£ 1,868,700

- 2.3 This Council must take its share of the surplus, being £275,600, into account when it sets its element of the Council Tax for 2025/26.

3 The Council's Tax base for 2025/26

- 3.1 The tax base is an important factor in determining the level of Council Tax for the next year. It is expressed as the equivalent of the number of dwellings in Band D.
- 3.2 The calculation takes into account the following factors:-
- 3.2.1 The number of chargeable dwellings in each valuation band in each Parish on 30 November 2024.
- 3.2.2 The number of discounts available to single and other eligible persons and for vacant dwellings.
- 3.2.3 The number of premium properties at the relevant date.

- 3.2.4 The number of valuation band reductions for dwellings adapted for the disabled.
 - 3.2.5 The number of dwellings exempt from liability.
 - 3.2.6 The total amount estimated to be applied for the Council Tax Support Scheme.
 - 3.2.7 The estimated amount of Council Tax collection in the financial year.
 - 3.2.8 The proportion which dwellings in each band bear to Band D, on a full year basis.
- 3.3 The Council Tax Support scheme was introduced in April 2013 enabling actual information to be used as a basis for the estimation in calculating the impact of the reductions on the tax base. These are detailed within the calculation of the tax base at Appendix 1.
 - 3.4 The number of chargeable dwellings in each valuation band has been taken from the valuation list supplied by the Valuation Office on 31 October 2024 and updated by the Council Tax department on 30 November 2024. A summary of the calculation and adjustments taken into account is shown at Appendix 1. The overall tax base for 2025/26 is estimated to be 32,756.75 (32,093.99 2024/25) Band D equivalent properties (increase of 2.07%)
 - 3.5 The number of properties exempt from Council Tax, including Ministry of Defence buildings, has been deducted from the initial tax base. Direct payments in lieu are received from the Ministry of Defence and these are included later in the tax base calculation.
 - 3.6 A loss on collection results in a collection rate from Council Tax of 98.3% (2024/25 98.3%) which has been taken into account, reflecting current levels of collection.
 - 3.7 The Council levies additional amounts for the precepts of Local Councils, and separate tax bases are required for those areas. These are shown at Appendix 2.

Appendix 1

COUNCIL TAX BASE 2025-26

Band	Z	A	B	C	D	E	F	G	H	TOTAL
Number of dwellings	0.00	17,265.00	8,665.00	8,187.00	6,284.00	3,958.00	1,690.00	545.00	66.00	46,660.00
Exempt properties	0.00	(379.00)	(162.00)	(165.00)	(75.00)	(33.00)	(20.00)	(5.00)	(2.00)	(841.00)
No of Chargeable dwellings	0.00	16,886.00	8,503.00	8,022.00	6,209.00	3,925.00	1,670.00	540.00	64.00	45,819.00
Disablement relief	47.00	(9.00)	35.00	(9.00)	(24.00)	(26.00)	(7.00)	1.00	(8.00)	0.00
Adjusted Chargeable dwellings	47.00	16,877.00	8,538.00	8,013.00	6,185.00	3,899.00	1,663.00	541.00	56.00	45,819.00
Discounts on relevant day	(2.75)	(2,130.10)	(777.50)	(586.50)	(335.25)	(167.25)	(69.50)	(27.50)	(5.25)	(4,101.60)
Premiums	0.00	203.00	38.00	22.00	18.00	7.00	3.00	8.00	11.00	310.00
Total Discounts	(2.75)	(1,927.10)	(739.50)	(564.50)	(317.25)	(160.25)	(66.50)	(19.50)	5.75	(3,791.60)
Adjusted Total Dwellings	44.25	14,949.90	7,798.50	7,448.50	5,867.75	3,738.75	1,596.50	521.50	61.75	42,027.40
Reduction in tax base due to CTS	12.51	3,415.53	580.48	269.03	110.65	41.17	12.23	3.67	0.00	4,445.27
Equivalent after reduction due to CTS	31.74	11,534.37	7,218.02	7,179.47	5,757.10	3,697.58	1,584.27	517.83	61.75	37,582.13
Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
Total No of Band D equivalents	17.63	7,689.58	5,614.02	6,381.75	5,757.10	4,519.26	2,288.39	863.05	123.50	33,254.28
Band D contributions in lieu (MOD)	0.00	9.66	27.25	24.44	4.00	0.00	1.44	0.00	1.00	67.79
	17.63	7,699.24	5,641.27	6,406.19	5,761.10	4,519.26	2,289.83	863.05	124.50	33,322.07
Adjusted for Collection rate 98.3%**	17.33	7,568.52	5,545.83	6,297.70	5,663.23	4,442.43	2,250.93	848.38	122.40	32,756.75

*The Total Number of Band D equivalents has been calculated at a Parish Level

**Total No. of Band D equivalent x Collection Rate + Band D Contributions in Lieu

Appendix 2 Parish Tax Base

Parish	2025/26 Tax Base
Aisthorpe	39.72
Bardney - Apley - Stainfield	740.54
Bigby	177.39
Bishop Norton	138.58
Blyborough	32.20
Blyton	403.54
Brampton	32.24
Brattleby	52.98
Broadholme	38.23
Brocklesby	34.74
Brookenby	186.15
Broxholme	31.45
Bullington	11.38
Burton	441.38
Buslingthorpe	22.31
Cabourne	28.32
Caenby	32.82
Caistor	1,039.39
Cammeringham	51.97
Cherry Willingham	1,412.00
Claxby	69.98
Corringham	176.35
Dunholme	857.77
East Ferry	41.21
East Stockwith	68.90
Faldingworth	184.95
Fenton	171.98
Fillingham	94.21
Fiskerton	383.98
Friesthorpe	11.90
Fulnetby	4.32
Gainsborough	5,198.55
Glentham	177.49
Glentworth	127.65
Golto	33.24
Grange de Lings	12.87
Grasby	190.00
Grayingham	60.57
Great Limber	83.65
Greetwell	443.10
Hackthorn - Cold Hanworth	86.02
Hardwick	20.84
Harpswell	23.50
Heapham	43.27
Hemswell	129.41

Parish	2025/26 Tax Base
Hemswell Cliff	184.43
Holton Beckering	45.24
Holton le Moor	63.22
Ingham	363.94
Keelby	717.11
Kettlethorpe	167.32
Kexby	114.41
Kimond le Mire	15.56
Knaith	125.05
Langworth - Barlings - Newball	249.93
Laughton	150.57
Lea	420.15
Legsby	77.67
Linwood	38.07
Lissington	53.41
Market Rasen	1,331.45
Marton - Gate Burton	246.69
Middle Rasen	775.84
Morton	444.42
Nettleham	1,692.37
Nettleton	247.17
Newton-On-Trent	145.98
Normanby le Wold	20.72
Normanby-By-Spital	139.26
North Carlton	94.92
North Kelsey	361.64
North Willingham	55.51
Northorpe	49.91
Osgodby	222.67
Owersby	111.07
Owmbly-By-Spital	119.35
Pilham	25.94
Rand	19.91
Reepham	342.12
Riby	48.62
Riseholme	131.94
Rothwell	72.55
Saxby	18.10
Saxilby - Ingleby	1,690.40
Scampton	378.29
Scothern	388.72
Scotter	1,176.40
Scotton	228.02
Searby cum Owmbly	79.51
Sixhills	14.36

Parish	2025/26 Tax Base
Snarford	14.15
Snelland	30.71
Snitterby	91.41
Somerby	26.03
South Carlton	38.02
South Kelsey	221.82
Spridlington	95.01
Springthorpe	62.62
Stainton le Vale	34.49
Stow	137.90
Sturton-By-Stow	525.35
Sudbrooke	782.41
Swallow	91.24
Swinhope	56.74
Teaby	282.34
Thonock	9.28
Thoresway	43.41
Thorganby	14.78
Thorpe le Fallsows	6.19
Toft Newton	134.17
Torksey	284.72
Upton	177.13
Waddingham	214.24
Walesby	112.97
Walkerith	26.51
Welton	1,662.77
West Firsby	11.75
West Rasen	29.44
Wickenby	84.33
Wildsworth	30.60
Willingham	202.41
Willoughton	118.84
Total	32,756.75



Full Council

Monday 27 January 2025

Subject: Recommendation from the Corporate Policy and Resources Committee - Local Council Tax Support (LCTS) Scheme 2025/26

Report by:

Director of Change Management, ICT & Regulatory Services

Contact Officer:

Alison McCulloch, Revenues Manager

alison.mcculloch@west-lindsey.gov.uk

Purpose / Summary:

To adopt a Local Council Tax Support Scheme for 2025/26 as recommended by Corporate Policy and Resources Committee

RECOMMENDATION(S):

That Council ACCEPTS the recommendation from the Corporate Policy and Resources Committee and adopts Option 1 of the report for the Local Council Tax Support Scheme for West Lindsey District Council for 2025/26.

To summarise Option 1 provides:

To make no changes to the current council tax support scheme apart from to apply any new legislative requirements and the uprating of the non-dependent charges, applicable amounts, and household allowances and deductions, used in the calculation of the reduction in accordance with the Department for Works and Pensions (DWP) annual 'up-ratings'

To apply any additional changes to government welfare benefit regulations during the year which are intended to increase the income of benefit recipients to avoid unintended consequences to customers and

To accept a Full Universal Credit claim received via the Department for Work and Pensions as a claim for Council Tax Support.

Legal:

The Council has to determine a local scheme for council tax reduction by 31 January 2025.

Financial : FIN Ref – FIN/104/25/MT/SSc

The cost of the Local Council Tax Support scheme (LCTS) is shared between Lincolnshire County Council (75%), West Lindsey District Council (WLDC) (12.5%) and Lincolnshire Police (12.5%).

Year	Total	LCC 75%	PCC 12.5%	WLDC 12.5%
2024/25	6,996,533	5,247,399	874,567	874,567
2025/26 Option 1	7,206,429	5,404,821	900,804	900,804
2025/26 Option 2	6,996,533	5,247,399	874,567	874,567

Recommendation is Option1, to apply uprating.

To make no changes to the current council tax support scheme apart from to apply any new legislative requirements and the uprating of the non-dependent charges, applicable amounts, and household allowances and deductions, used in the calculation of the reduction in accordance with the Department for Works and Pensions (DWP) annual 'Up-ratings'

Option 2 do not apply uprating.

If we do not apply the applicable amount up-ratings to working age claimants their Department for Works and Pensions (DWP) income will exceed their applicable amount, and they will be entitled to less council tax support. This in turns means their council tax bills will increase which will require more council tax to be collected.

Staffing :

The changes are minimal and therefore should not impact on staff.

Equality and Diversity including Human Rights :

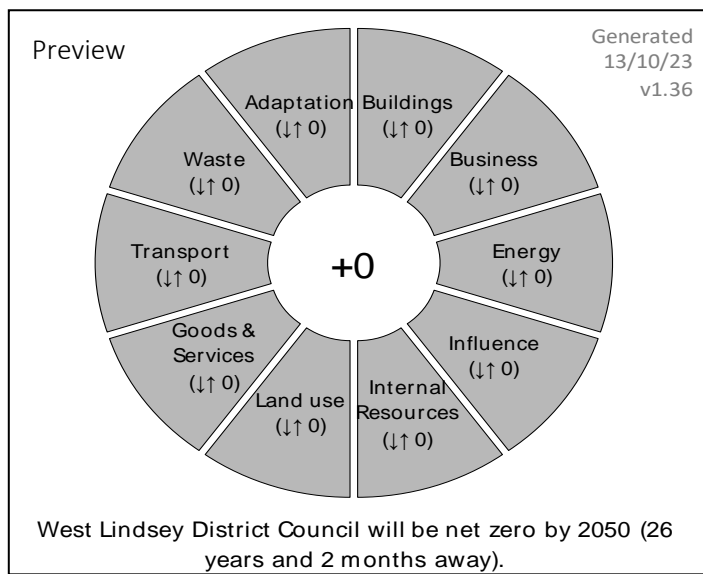
Please see appendix A – Local Council Tax Support Scheme 2025/26 Equality Impact Assessment.

Data Protection Implications :

None arising from this report.

Climate Related Risks and Opportunities :

There will be no impact from this report in respect of environmental terms as this is a financial reduction in the council tax liability for those on low incomes.



Section 17 Crime and Disorder Considerations :

None arising from this report.

Health Implications:

None arising from this report.

Title and Location of any Background Papers used in the preparation of this report:

Local Government Finance Act 2012 -

<https://www.legislation.gov.uk/ukpga/2012/17/contents/enacted>

Risk Assessment :

- a. If Council Tax Support caseloads rise or fall, then WLDC and the other major precepting authorities will have to absorb those expenditure variations through the Collection Fund. It is therefore vital that the financial implications of the scheme decisions made are realistic in terms of bridging the funding gap.
- b. If there is a downturn in the local economy or where there have been major redundancies if a major company ceases trading, Council Tax Support caseloads could rise significantly.
- c. Each Council must approve their local Council Tax Support scheme by 31st January otherwise a default scheme, similar to the current Council Tax Support default scheme applied to customers of pension age, will have to be implemented. Applying a similar scheme to all working age customers would increase the annual expenditure on Council Tax Support.

d. The amount of council tax support awarded last year was £6.6 million; however, this is estimated to increase slightly to £6.9 million by the end of the financial year.

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

Executive Summary

Council Tax Benefit was a national scheme providing means-tested financial help for low-income households to pay their Council Tax liability. This was abolished on 31 March 2013 by the Local Government Finance Act 2012 which placed a legal requirement on every billing authority to adopt a Localised Council Tax Support (LCTS) scheme.

Since the inception of the LCTS scheme on 1st April 2013 relatively minor changes have been made which has enabled claimants to receive a similar level of support each year and enabled the council to maintain an annual council tax collection rate of around 98%.

In 2020, 2021, 2022 and 2023, following the Covid-19 pandemic, the Government awarded a grant to all local authorities for a payment to be paid to all working aged council tax support claimants. This was paid directly to council tax accounts and it also permitted the use of any surplus to support economically vulnerable people and households. No such grant has been made available for 2024/25 and therefore those struggling financially have not had this assistance during the current financial year.

A significant change to the LCTS scheme for 2025/26 is likely to have a negative impact on the collection rate and reduce the yield over the year.

Full Council must approve and adopt the finalised LCTS scheme by 31st January 2025 at the latest.

1 Introduction

- 1.1 The Local Government Finance Act 2012 replaced Council Tax Benefit with a Council Tax support scheme. Unlike Council Tax Benefit (CTB) which is set by Central Government, the new Council Tax support scheme must be defined by individual Local Authorities (albeit with much central prescription).
- 1.2 Pensioners are protected by legislation which means 'local schemes must give the same pre-2013 level of assistance to pensioners'. West Lindsey District Council also made the decision in 2013/14 to protect those in receipt of a War Pension and those claimants receiving a Disability Benefit.

2 Current Situation

We currently have 5,918 council tax support claimants and of these 2,428 are pensioners and 3,490 are working age claimants. This equates to 59% of our total caseload who would be impacted by any changes to the scheme.

Our council tax collection rate for 2023/24 was 97.73% which, although was lower than the previous year, was in the top quartile performance being 74th position out of 296 local authority reported outturns. The national average was only 96.17% so this is considerably higher. Some of this success can be attributed to the Government's hardship award and to the council tax discretionary hardship relief scheme which enabled our most financially vulnerable residents to receive some financial support from the Council.

The Council recognise that many of our residents are feeling the effects of the increased cost of energy, petrol, and food prices. We are working with our partners across the public and voluntary sectors to support our residents, and particularly those who are vulnerable and hardest hit by the cost-of-living crisis. The current West Lindsey scheme is one of the most generous in Lincolnshire and if we were to look at changing the scheme, we may be impacting on those most affected by the cost-of-living increases and adding to their financial burden.

3. Consultation

- 3.1 Consultation was undertaken between 2nd September and 14th October 2024. To undertake this work we used different routes to consult with our stakeholders. The consultation was undertaken using an online survey which was distributed through the Citizen Panel and online through our website and social media.

To ensure we got a wide spread of responses the survey was directly sent to all those currently on the West Lindsey Citizen Panel who emails are held for and we advertised the consultation through social media, a press release and on our website.

3.2 The questions and responses asked are detailed below:

1. Do you agree that the only change that should be made to the scheme is the up rating of all allowances and premiums in line with the Department for Work and Pensions allowances?

Yes	No	Don't Know
79%	8%	13%

2. Are you currently in receipt of Council Tax Support?

Yes	No	Don't Know
10%	88%	2%

3. Any other comments you wish to make regarding the Local Council Tax Support Scheme

3.3 Responses

The survey had 214 responses received through 2 routes. The breakdown of these responses are:

	Sent out	Received back	Percentage response
Online		55	
Citizen Panel	975	159	16%
Total		214	

3.4 Comments from the consultation

During the analysis of this consultation, the comments have been summarised. A full list of the 45 comments received will be available separately upon request.

The main comments received during this consultation are:

- Ensure this does not affect the vulnerable

- Extensions and changes to property should make changes to Council Tax levels to ensure fair for all
- Stop the service
- Increase the single person discount
- Vital service
- Should be a national scheme not local
- What about those who need help but are outside the boundaries of this support?
- Should be simpler to understand how this affects other benefits
- Will this have an effect on the level of Council Tax for everyone else?
- More should be eligible
- Can additional payments be made for those losing the winter payments?
- Wasn't aware there was a scheme/Needs to be more widely publicised
- Too difficult to apply
- The allowance is too low

3.4 The results

These results show that more than three quarters of those who responded believe that the allowances and premiums should be uprated in line with Department for Work and Pensions allowances.

4. Consultation with major preceptors

Before a Council can determine to revise or replace its LCTS scheme it must consult with any major precepting authority which have the powers to issue a precept to it.

Consultation has taken place with both the Lincolnshire County Council and the Police and Crime Commissioner for Lincolnshire and both have submitted responses agreeing to make no change to the scheme for 2024/25 but both would agree to increasing the uprating of all allowances and premiums in line with Department for Work and Pensions allowances (option 1 of this report).

5. Costings

The current estimates for the 2024/25 scheme are £6,996,533 being split as below:

Total	LCC – 75%	PCC – 12.5%	WLDC – 12.5%
£6,996,533	£5,247,399	£874,567	£874,567

6. Options

Two options have been considered for the 2025/26 scheme being to maintain or slightly reduce the level of financial support as detailed below:

6.1 Option 1 (Preferred)

To make no changes to the current council tax support scheme apart from to apply any new legislative requirements and the uprating of the non-dependent charges, applicable amounts, and household allowances and deductions, used in the calculation of the reduction in accordance with the Department for Works and Pensions (DWP) annual 'Up-ratings'.

To also apply any additional changes to government welfare benefit regulations during the year which are intended to increase the income of benefit recipients to avoid unintended consequences to customers.

To treat a claim for Universal Credit sent to West Lindsey from the Department for Work And Pensions as a claim for assistance with Council Tax

Costs/Savings

Initial estimates for 2025/26 show that there would be no direct saving to the council under this option as it would just maintain the current scheme. Any reductions in the cost of the scheme would be due to a reduction in council tax support claimants.

Based on a 3% increase in council tax this equates to an approximate cost of:

Total	LCC – 75%	PCC – 12.5%	WLDC – 12.5%
£7,206,429	£5,404,821	£900,804	£900,804

By treating a claim for Universal Credit as a claim for Council Tax assistance we would save administrative time for the assessment team and possible recovery action by the Council Tax Team – customers 'believe' that they already receive help with their Council Tax because they are entitled to Universal Credit

and are often very late applying for assistance which normally can only be backdated one month if the customer shows good cause.

Advantages	Disadvantages
The financial modelling shows that West Lindsey District Council can still bridge the funding by continuing with the current scheme for a further year.	
The existing scheme works well and offers a high level of support for low-income families who may otherwise find themselves in debt.	
There has been a slight decrease this year in the number of households claiming LCTS which suggests that the situation is improving gradually as more claimants return to work or are receiving private pensions that reduces their CTR entitlement.	
This option ensures the LCTS rules stay consistent with the DWP rules which avoids confusion for claimants.	
Retaining existing policy principles of keeping LCTS in line with other key welfare benefits promotes equality.	
The LA will be able to assess anybody in receipt of Universal Credit at the earliest opportunity and update their Council Tax liability accordingly.	

6.2 Option 2

To make no changes to the current scheme for 2025/26 i.e.: do not apply the up-rate household allowances and deductions.

Costs/Savings

Initial estimates for 2024/25 show that there would be a slight saving to the council under this option however, it would effectively create a reduction in income for those affected.

If we do not apply the applicable amount up-ratings to working age claimants their Department for Works and Pensions (DWP) income will exceed their applicable amount and they will be entitled to less council tax support. This in

turns means their council tax bills will increase which will require more council tax to be collected.

Based on no increase in up-ratings this equates to an approximate cost of:

Total	LCC – 75%	PCC – 12.5%	WLDC – 12.5%
£6,996,533	£5,247,399	£874,567	£874,567

Advantages	Disadvantages
Slight reduction in costs to the council	The Council would have three sets of rules to apply for families applying for financial help. This will cause confusion for the claimants, will lead to increased modification to ICT, additional training for the Benefits Team and an additional set of regulations to be prepared and implemented.
	Loss of reputation to the council in that it would show a lack of support to those in most financial hardship during the cost-of-living crisis.
	It would set the West Lindsey scheme outside the schemes adopted by the rest of Lincolnshire in respect to non-uprated incomes – almost all LAs uprate their incomes in line with the Government levels each April.

7. Local Council Tax Support Scheme 2025/26

It is recognised that whatever decision is reached this would only be a scheme for 2025/26. A review of the scheme is undertaken annually when more knowledge of the impact of that year's scheme and collection rates are available. Monitoring will also take place to analyse the impact and any unintended consequences it has had on council taxpayers and benefit recipients.

Appendix A – Local Council Tax Support Scheme 2025/26 - EQUALITY IMPACT ASSESSMENT

<p>Name, brief description and objectives of policy, procedure, function?</p>	<p>For Council to agree the Local Council Tax Support Scheme for West Lindsey DC for 2025/26.</p> <p>To ensure that all council tax payers are treated fairly under the local scheme.</p> <p>To ensure that council tax support is payable to the most vulnerable residents of the district.</p>
<p>Have you consulted on the policy, procedure, function and if so, what were the outcomes?</p>	<p>Consultation has taken place with Lincolnshire County Council and the Crime and Police Commissioner for Lincolnshire who have both agreed to the recommendation.</p> <p>Consultation has taken place digitally with the residents of West Lindsey and the majority of people who completed the consultation agreed with the process of applying the 2025-26 up-ratings of income and allowances.</p>
<p>What barriers may these individuals or groups face, and how can you promote equality (where possible)</p>	
<p>Gender</p>	<p>There is no evidence that this policy would impact on people in any way because of this characteristic.</p>
<p>Age</p>	<p>Working age claimants of Council Tax Support may receive a reduced level of assistance as compared with the former Council Tax Benefit Scheme. This scheme aims to redistribute support and be more generous to those applicants on the lowest incomes.</p> <p>The government has stated that council tax support for older people will not be reduced as a result of the introduction of the council tax reduction scheme reform. This is because the government wants to ensure that low-income pensioners, who would struggle to pay council tax without additional support, and whom the government does not expect to work to increase their income, will continue to receive support for their council tax.</p> <p>Pensioner protection will be achieved by keeping in place national rules which broadly replicate the former council tax benefit scheme.</p>

Disability	There is no evidence that this scheme would impact on people in any way because of this characteristic except in the case of War Pension and those claimants receiving a Disability Benefit who are protected by the Government.
Race	There is no evidence that this policy would impact on people in any way because of this characteristic.
Religion or Belief	There is no evidence that this policy would impact on people in any way because of this characteristic.
Sexual Orientation	There is no evidence that this policy would impact on people in any way because of this characteristic.
Gender Reassignment	There is no evidence that this policy would impact on people in any way because of this characteristic.
Pregnancy, maternity or paternity	There is no evidence that this policy would impact on people in any way because of this characteristic.
Marriage and Civil Partnership	There is no evidence that this policy would impact on people in any way because of this characteristic.
Rural Isolation	There is no evidence that this policy would impact on people in any way because of this characteristic.
Socio-economic factors	There is no evidence that this scheme would impact on people in any way because of this characteristic. However, any person unable to complete the application form will be offered assistance from the Benefits Teams in completing the application form and also be signposted to outside agencies such as Citizens Advice and Money Advice Service
Other (e.g. those with dependants/caring responsibilities, asylum seeker and refugee communities, children in the care system etc)	There is no evidence that this scheme would impact on people in any way because of this characteristic. However, any person unable to complete the local council tax support application form will be offered assistance from the Benefits Team in completing the form and also be signposted to outside agencies such as Citizens Advice, Stepchange and Money Advice Service
Is there any evidence or research that demonstrates why some individuals or groups are, or are not, affected?	There is no evidence or research available. This policy is based on nationally applicable legislation and it covers all applicants who must all meet a set of standards and criteria intended to ensure that evidence of hardship justifies a reduction in council tax liability.

<p>If there is a potential adverse impact, please state why and whether this is justifiable.</p>	<p>There is no potential adverse impact from this policy.</p>
<p>Outcome of EIA</p>	<p> No major change needed <input checked="" type="checkbox"/> Adverse impact but continue <input type="checkbox"/> Adjust the policy /proposal <input type="checkbox"/> Stop and remove the policy/proposal <input type="checkbox"/> </p>
<p>How will you monitor your policy, procedure, function to ensure there is no adverse effect on the protected characteristics (e.g. gender, age, etc) in the future?</p>	<p>Due to the nature of the reductions in the level of support, all working age claimants have the potential to have reductions in their support, however, they can be considered for further assistance under the exceptional hardship policy.</p>



Council

Monday, 27th January 2025

Subject: Recommendation from Corporate Policy and Resources Committee – 14th November 2024 - Mid-Year Treasury Management Report 2024-25

Report by:

Director of Corporate Services (S151 Officer)

Contact Officer:

Peter Davy
Financial Services Manager

peter.davy@west-lindsey.gov.uk

Purpose / Summary:

This report provides the Mid-Year update for Treasury Management Indicators in accordance with the Local Government Act 2003 and stands recommended from the Corporate Policy and Resources Committee

RECOMMENDATION(S):

That Council accept the recommendation from the Corporate Policy and Resources Committee and in doing so note the report, the treasury activity and approve the revised prudential indicators at sections 5.2, 6.1 and 6.2.

IMPLICATIONS

Legal: This report complies with the requirement of the Local Government Act 2003

Financial : FIN/98/25/PD

There are no financial implications as a direct result of this report

Staffing : None arising as a result of this report

Equality and Diversity including Human Rights : None arising as a result of this report

Data Protection Implications : None arising as a result of this report

Climate Related Risks and Opportunities: This is a monitoring report only

Section 17 Crime and Disorder Considerations: This is a monitoring report only

Health Implications: This is a monitoring report only

Title and Location of any Background Papers used in the preparation of this report :

CIPFA Code of Treasury Management Practice 2017

CIPFA The Prudential Code

Local Government Act 2003

Located in the Finance Department

Risk Assessment :

The Mid Year Treasury Management Report reviews our assessment of Treasury Risks

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

x

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

x

1. Executive Summary

1.1 This mid-year report has been prepared in compliance with the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Code of Practice on Treasury Management, and covers the following:

- An economic update for the first part of the 2024/25 financial year;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure, as set out in the Capital Strategy, and prudential indicators;
- A review of the Council's investment portfolio for 2024/25;
- A review of the Council's borrowing strategy for 2024/25;
- A review of compliance with Treasury and Prudential Limits for 2024/25.

1.2 The Bank of England Base rate has reduced during 2024/25, with the potential for further reductions. The current rate is 4.75%.

1.3 There have been no changes to the Treasury Management Strategy Statement and Annual Investment Strategy.

1.4 The forecast out-turn for Capital Expenditure is £27.601m against the approved original budget of £28.216m. The budget was revised to £27.601m at the Corporate Policy and Resources committee on 14th November 2024 with a request of £0.594m to be re-phased over future financial years.

1.5 The Council is projected to have circa £13m invested at the year end and have generated £0.907m in investment Interest. The returns on investments are higher than budgeted due to underspends in the capital programme meaning that cash balances are higher than anticipated. The Council's budgeted investment return for 2024/25 is £0.651m, and performance for the year is forecast to be £0.256m above budget at £0.907m.

1.6 It is anticipated that total external borrowing will be up to £24m depending on capital programme expenditure. If the capital programme does not realise the revised budget then the Council's cash balances will remain higher than anticipated and borrowing will be lower.

2 Background

2.1 Capital Strategy

In December 2017, CIPFA issued revised Prudential and Treasury Management Codes. These require all local authorities to prepare a Capital Strategy which is to provide the following:

- a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
- an overview of how the associated risk is managed;

- the implications for future financial sustainability.

2.2 Treasury Management

The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low-risk counterparties, providing adequate liquidity initially before considering optimising investment returns.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning to ensure the Council can meet its capital spending aspirations. This management of longer-term cash may involve arranging long or short term loans, or using longer-term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

Accordingly, treasury management is defined as:

“The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

2.3 Key Changes to the Treasury and Capital Strategies

There are no changes to report to this committee.

3 Economics and Interest Rates (provided by Link Asset Services)

3.1 The third quarter of 2024 (July to September) saw:

- GDP growth stagnating in July following downwardly revised Q2 figures (0.5% q/q)
- A further easing in wage growth as the headline 3myy rate (including bonuses) fell from 4.6% in June to 4.0% in July;
- CPI inflation hitting its target in June before edging above it to 2.2% in July and August;
- Core CPI inflation increasing from 3.3% in July to 3.6% in August;
- The Bank of England initiating its easing cycle by lowering interest rates from 5.25% to 5.0% in August and holding them steady in its September meeting;
- 10-year gilt yields falling to 4.0% in September.

- 3.2 The economy's stagnation in June and July points more to a mild slowdown in GDP growth than a sudden drop back into a recession. Moreover, the drop in September's composite activity Purchasing Managers Index, from 53.8 in August to 52.9, was still consistent with GDP growth of 0.3%-0.4% for the summer months. This is in line with the Bank of England's view, and it was encouraging that an improvement in manufacturing output growth could be detected, whilst the services PMI balance suggests non-retail services output grew by 0.5% q/q in Q3. Additionally, the services PMI future activity balance showed an uptick in September, although readings after the Chancellor's announcements at the Budget on 30th October will be more meaningful.
- 3.3 The 1.0% m/m increase in retail sales in August was stronger than the consensus forecast for a 0.4% m/m increase. The rise was reasonably broad based, with six of the seven main sub sectors recording monthly increases, though the biggest gains came from clothing stores and supermarkets, which the ONS reported was driven by the warmer-than-usual weather and end of season sales. As a result, some of that strength is probably temporary.
- 3.4 The government's plans to raise public spending by around £16bn a year (0.6% GDP) have caused concerns that a big rise in taxes will be announced in the Budget, which could weaken GDP growth in the medium-term. However, if taxes are raised in line with spending (i.e., by £16bn) that would mean the overall stance of fiscal policy would be similar to the previous government's plan to reduce the budget deficit. Additionally, rises in public spending tend to boost GDP by more than increases in taxes reduce it. Our colleagues at Capital Economics suggest GDP growth will hit 1.2% in 2024 before reaching 1.5% for both 2025 and 2026.
- 3.5 The further easing in wage growth will be welcomed by the Bank of England as a sign that labour market conditions are continuing to cool. The 3myy growth rate of average earnings fell from 4.6% in June to 4.0% in July. On a three-month annualised basis, average earnings growth eased from 3.0% to 1.8%, its lowest rate since December 2023. Excluding bonuses, the 3myy rate fell from 5.4% to 5.1%.
- 3.6 Other labour market indicators also point to a further loosening in the labour market. The 59,000 fall in the alternative PAYE measure of the number of employees in August marked the fourth fall in the past five months. And the 77,000 decline in the three months to August was the biggest drop since November 2020. Moreover, the number of workforce jobs fell by 28,000 in Q2. The downward trend in job vacancies continued too. The number of job vacancies fell from 872,000 in the three months to July to 857,000 in the three months to August. That leaves it 34% below its peak in May 2022, and just 5% above its pre-pandemic level. Nonetheless, the Bank of England is still more concerned about the inflationary influence of the labour market rather than the risk of a major slowdown in labour market activity.
- 3.7 CPI inflation stayed at 2.2% in August, but services inflation rose from a two-year low of 5.2% in July to 5.8% in August, significantly above its long-run

average of 3.5%. Food and fuel price inflation exerted some downward pressure on CPI inflation, but these were offset by the upward effects from rising furniture/household equipment inflation, recreation/culture inflation and a surprisingly large rise in airfares inflation from -10.4% in July to +11.9% in August. As a result, core inflation crept back up from 3.3% to 3.6%. CPI inflation is also expected to rise in the coming months, potentially reaching 2.9% in November, before declining to around 2.0% by mid-2025.

- 3.8 The Bank initiated its loosening cycle in August with a 25bps rate cut, lowering rates from 5.25% to 5.0%. In its September meeting, the Bank, resembling the ECB more than the Fed, opted to hold rates steady at 5.0%, signalling a preference for a more gradual approach to rate cuts. Notably, one Monetary Policy Committee (MPC) member (Swati Dhingra) voted for a consecutive 25bps cut, while four members swung back to voting to leave rates unchanged. That meant the slim 5-4 vote in favour of a cut in August shifted to a solid 8-1 vote in favour of no change.
- 3.9 Looking ahead, CPI inflation will likely rise in the coming months before it falls back to its target of 2.0% in mid-2025. The increasing uncertainties of the Middle East may also exert an upward pressure on inflation, with oil prices rising in the aftermath of Iran's missile attack on Israel on 1 October. China's recent outpouring of new fiscal support measures in the latter stages of September has also added to the upshift in broader commodity prices, which, in turn, may impact on global inflation levels and thus monetary policy decisions. Despite these recent developments, our central forecast is still for rates to fall to 4.5% by the end of 2024 with further cuts likely throughout 2025. This is in line with market expectations, however, although a November rate cut still looks likely, December may be more problematic for the Bank if CPI inflation spikes towards 3%. In the second half of 2025, though, we think a more marked easing in inflation will prompt the Bank to speed up, resulting in rates eventually reaching 3.0%, rather than the 3.25-3.50% currently priced in by financial markets.
- 3.10 Our forecast is next due to be updated around mid-November following the 30 October Budget, 5 November US presidential election and the 7 November MPC meeting and the release of the Bank of England Quarterly Monetary Policy Report.
- 3.11 Looking at gilt movements in the first half of 2024/25, the 10-year gilt yield declined from 4.32% in May to 4.02% in August as the Bank's August rate cut signalled the start of its loosening cycle. Following the decision to hold the Bank Rate at 5.0% in September, the market response was muted, with the 10-year yield rising by only 5bps after the announcement. This likely reflected the fact that money markets had priced in a 25% chance of a rate cut prior to the meeting. The yield had already increased by about 10bps in the days leading up to the meeting, driven in part by the Fed's "hawkish cut" on 18 September. There is a possibility that gilt yields will rise near-term as UK policymakers remain cautious due to persistent inflation concerns, before declining in the longer term as rates fall to 3.0%

3.12 The FTSE 100 reached a peak of 8,380 in the third quarter of 2024, but its performance is firmly in the shade of the US S&P500, which has breached the 5,700 threshold on several occasions recently. Its progress, however, may pause for the time being whilst investors wait to see who is elected the next US President, and how events in the Middle East (and Ukraine) unfold. The catalyst for any further rally (or not) is likely to be the degree of investors' faith in AI.

4. Interest Rate Forecasts

4.1 The Council's treasury advisor, Link Group, have provided the following forecasts on 3rd October 2024. The latest forecast sets out a view that both short and long-dated interest rates will be elevated for some little while, as the Bank of England seeks to reduce inflation in the economy.

4.2 The current and previous PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1st November 2012.

Link Group Interest Rate View	28.05.24									
	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
BANK RATE	4.50	4.00	3.50	3.25	3.25	3.25	3.25	3.00	3.00	3.00
3 month ave earnings	4.50	4.00	3.50	3.30	3.30	3.30	3.30	3.00	3.00	3.00
6 month ave earnings	4.40	3.90	3.50	3.30	3.30	3.30	3.30	3.10	3.10	3.20
12 month ave earnings	4.30	3.80	3.50	3.40	3.40	3.40	3.40	3.20	3.30	3.40
5 yr PWLB	4.50	4.30	4.10	4.00	3.90	3.90	3.90	3.90	3.90	3.80
10 yr PWLB	4.60	4.40	4.30	4.10	4.10	4.10	4.00	4.00	4.00	3.90
25 yr PWLB	5.00	4.80	4.70	4.50	4.50	4.40	4.40	4.40	4.30	4.30
50 yr PWLB	4.80	4.60	4.50	4.30	4.30	4.20	4.20	4.20	4.10	4.10

Additional notes by Link on this forecast table: -

Our latest forecast on 28 May sets out a view that short, medium and long-dated interest rates will fall back over the next year or two, although there are upside risks in respect of the stickiness of inflation and a continuing tight labour market, as well as the size of gilt issuance.

4.3 PWLB Rates (provided by Link Asset Services)

4.4 Gilt yields and PWLB certainty rates were less volatile than at this time last year. Overall, the 10, 25 and 50-year part of the curve endured a little volatility but finished September very much as it started in April.

4.5 Where there was some movement downwards, this came in the shorter part of the curve as markets positioned themselves for Bank Rate cuts in the second half of 2024 and into 2025, although the continued stickiness of inflation and the prevailing tight labour market is a concern for those looking for more sizeable falls ahead.

4.6 At the beginning of April, the 5-year certainty rate was the cheapest part of the curve at 4.72% whilst the 25-year rate was relatively expensive at 5.28%. May saw yields at their highest across the whole curve.

4.7 Conversely, 17 September saw the low point for the whole curve, with the 5-year certainty rate falling to 4.31% before rebounding to 4.55% by the end of the month. Similarly, the 50-year certainty rate fell to 4.88% but finished the month at 5.13%, slightly higher than at the start of April.

4.8 At this juncture, we still forecast rates to fall back over the next two to three years as inflation dampens, although there is upside risk to our Bank Rate forecast at present. The CPI measure of inflation is expected to fall below 2% in the second half of 2025, however, and we forecast 50-year rates to stand at 4.20% by the end of September 2026. The major caveats are that there is considerable gilt issuance to be digested by the market over the next couple of years, and geo-political uncertainties – which are generally negative for inflation prospects – abound in Eastern Europe and the Middle East, in particular.

5. Treasury Management Strategy Statement and Annual Investment Strategy update

5.1 The Treasury Management Strategy Statement (TMSS) for 2024/25, which includes the Annual Investment Strategy, was approved by the Council on 4 March 2024.

5.2 The underlying TMSS approved previously requires revision in the light of economic and operational movements during the year. The proposed changes and supporting detail for the changes are set out below:

Prudential Indicator 2024/25	Original £'000	Revised Prudential Indicator £'000
Authorised Limit	29,155	29,155
Operational Boundary	24,155	24,155
External Debt	19,155	19,000
Investments	(13,000)	(13,000)
Net Borrowing	6,155	6,000

Capital Financing Requirement	36,340	36,070
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6 The Council's Capital Position (Prudential Indicators)

This part of the report is structured to update:

- The Council's capital expenditure plans;
- How these plans are being financed;
- The impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow;
- Compliance with the limits in place for borrowing activity.

6.1 Prudential Indicator for Capital Expenditure

This Table shows the revised estimates for capital expenditure and the changes since the capital programme was agreed in March. It draws together the main strategy elements of the capital expenditure plans, highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements of this capital expenditure. The borrowing element of the table increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision). This direct borrowing may also be supplemented by maturing debt and other treasury requirements.

Capital Expenditure by Cluster £'000	2024/25 Original Estimate £'000	2024/25 Revised Estimate £'000
Our People	10,802	8,488
Our Place	19,114	18,453
Our Council	800	660
Total capital expenditure	30,716	27,601
Financed by:		
Capital receipts	450	740
Capital grants	19,526	15,521
Earmarked Reserves	9,393	9,579
S106	1,204	1,761

Total Financing	30,573	27,601
Borrowing need	143	0

6.2 Changes to the Prudential Indicators for the Capital Financing Requirement (CFR)

The table below shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. It also shows the expected debt position over the period, which is termed the Operational Boundary.

During the half year ended 30 September 2024, the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy. The Director of Corporate Services (S151) reports that no difficulties are envisaged for the current or future years in complying with prudential indicators.

	2024/25 Original Estimate £'000	2024/25 Revised Estimate £'000
Prudential Indicators		
Capital Expenditure	30,716	27,601
Capital Financing Requirement (CFR)	36,340	36,070
Of Which Commercial Property	19,099	19,099
Annual Change in CFR	-866	-952
In year Borrowing Requirement	19,155	19,000
Under/(Over) Borrowing	17,185	17,070
Ratio of financing costs to net revenue stream	9.55%	9.16%
Incremental impact of capital investment decisions		
Increase/ Reduction(-) in Council Tax (band change per annum)	0	-£3.30

Please note the above prudential indicators assume a revenue provision will be made for the repayment of debts in 2024/25 of £0.952m.

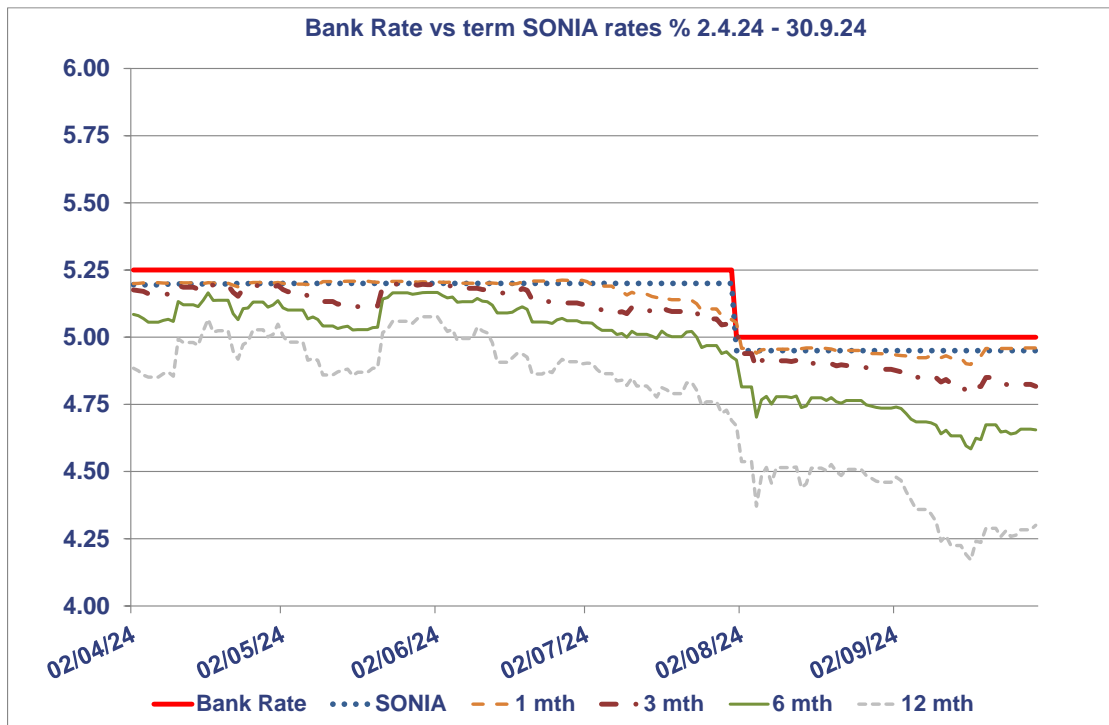
6.3 Limits to Borrowing Activity

The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose. Gross external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2024/25 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Council has approved a policy for borrowing in advance of need which will be adhered to if this proves prudent.

A further prudential indicator controls the overall level of borrowing. This is the Authorised Limit which represents the limit beyond which borrowing is prohibited and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

7. Investment Portfolio 2024/25

- 7.1 In accordance with the CIPFA Treasury Management Code of Practice, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs.
- 7.2 As shown by the interest rate forecasts in section 4.2, rates are at levels not seen since before the financial crash of 2008 and the austerity measures which followed. It is anticipated rates will now decrease slowly and settle around 3% in the medium term. This means investment returns are higher than in previous years and this combined with larger investment balances than expected means increased investment income in 2024/25 is anticipated.
- 7.3 The Council held £21.7m of investments as at 30 September 2024 (£20.2m at 1st April 2024). The annualised investment rate for the first six months of the year is 5.233% against the Sterling Overnight Indexed Average (SONIA) average rate of 5.12%. The weighted average interest rate is 5.218%.



7.4 The Council's budgeted investment return for 2024/25 is £0.651m, and performance for the year is forecast to be £0.256m above budget at £0.907m, this is due to higher balances than expected.

7.5 The Director of Corporate Services (S151) confirms that the approved limits within the Annual Investment Strategy were not breached during the first six months of 2024/25.

8 Investment Counterparty criteria

8.1 The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

8.2 Treasury Officers continue to mitigate investment risk in accordance with Treasury Management Practices.

9. Borrowing

9.1 The Council's capital financing requirement (CFR) for 2024/25 was originally forecast to be £36.340m which has now changed to £36.070m after the Council closed its accounts for 2023/24. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions.

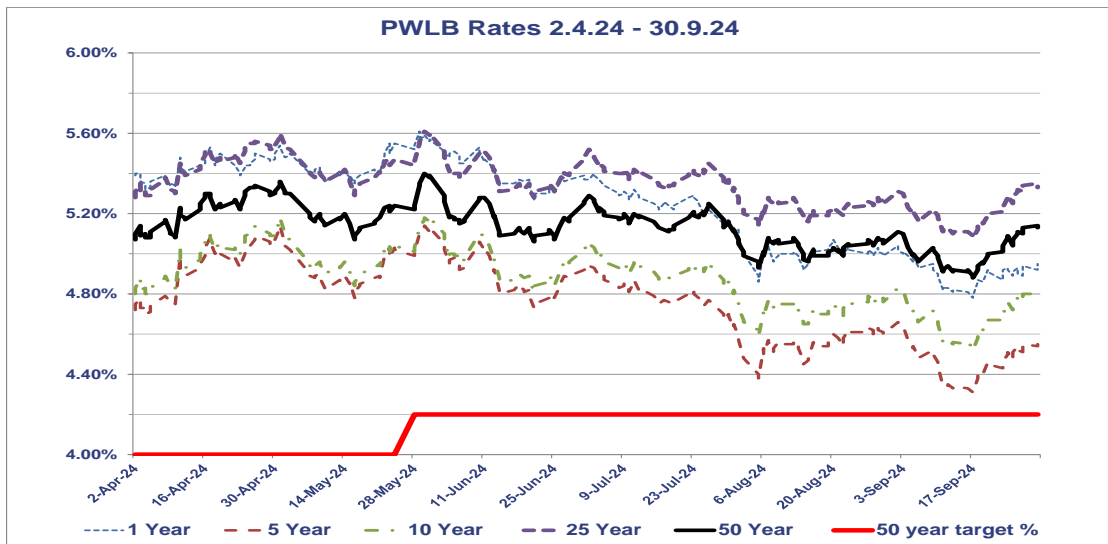
9.2 Due to the overall financial position and the underlying need to borrow for capital purposes (the capital financing requirement - CFR), new external

borrowing of £10m was undertaken in the first six months of the financial year. As this was short term temporary borrowing for cashflow purposes, £5m was also repaid. External borrowing is at £19m at the end of quarter two. This is a prudent and cost effective approach in the current economic climate but will require ongoing monitoring in the event that upside risk to gilt yields prevails.

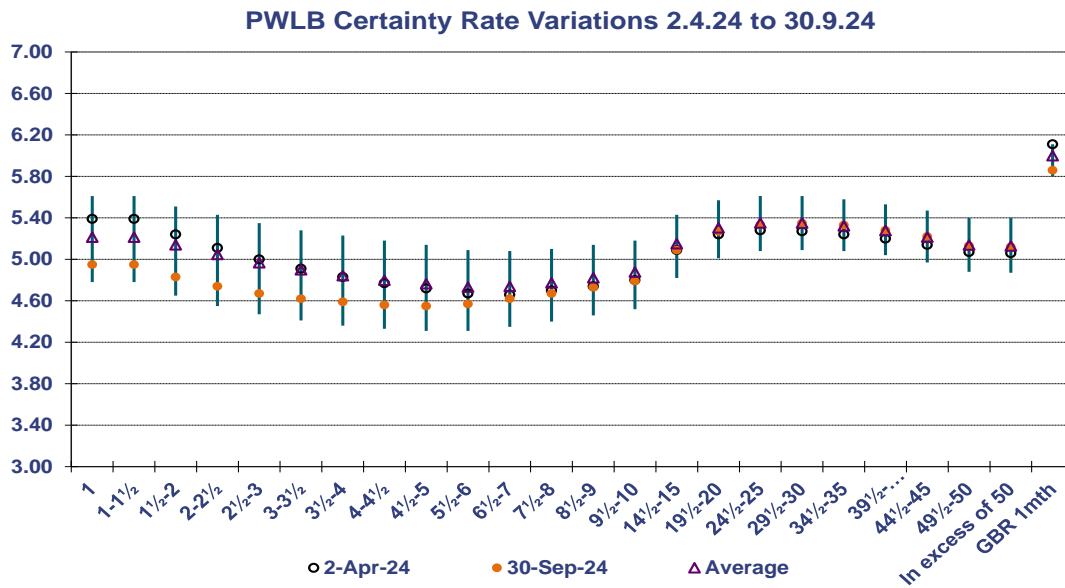
9.3 **INTERNAL BORROWING:** The Council forecasts that by the end of the financial year it will have cumulatively £17.070m of internal borrowing

9.4 It is anticipated that further short-term external borrowing may be undertaken early next year to smooth peaks and troughs in cashflow.

9.5 The graph and table below show the movement in PWLB certainty rates for the first six months of the year:



	1 Year	5 Year	10 Year	25 Year	50 Year
02/04/2024	5.39%	4.72%	4.80%	5.28%	5.07%
30/09/2024	4.95%	4.55%	4.79%	5.33%	5.13%
Low	4.78%	4.31%	4.52%	5.08%	4.88%
Low date	17/09/2024	17/09/2024	17/09/2024	17/09/2024	17/09/2024
High	5.61%	5.14%	5.18%	5.61%	5.40%
High date	29/05/2024	01/05/2024	01/05/2024	01/05/2024	01/05/2024
Average	5.21%	4.76%	4.88%	5.35%	5.14%
Spread	0.83%	0.83%	0.66%	0.53%	0.52%

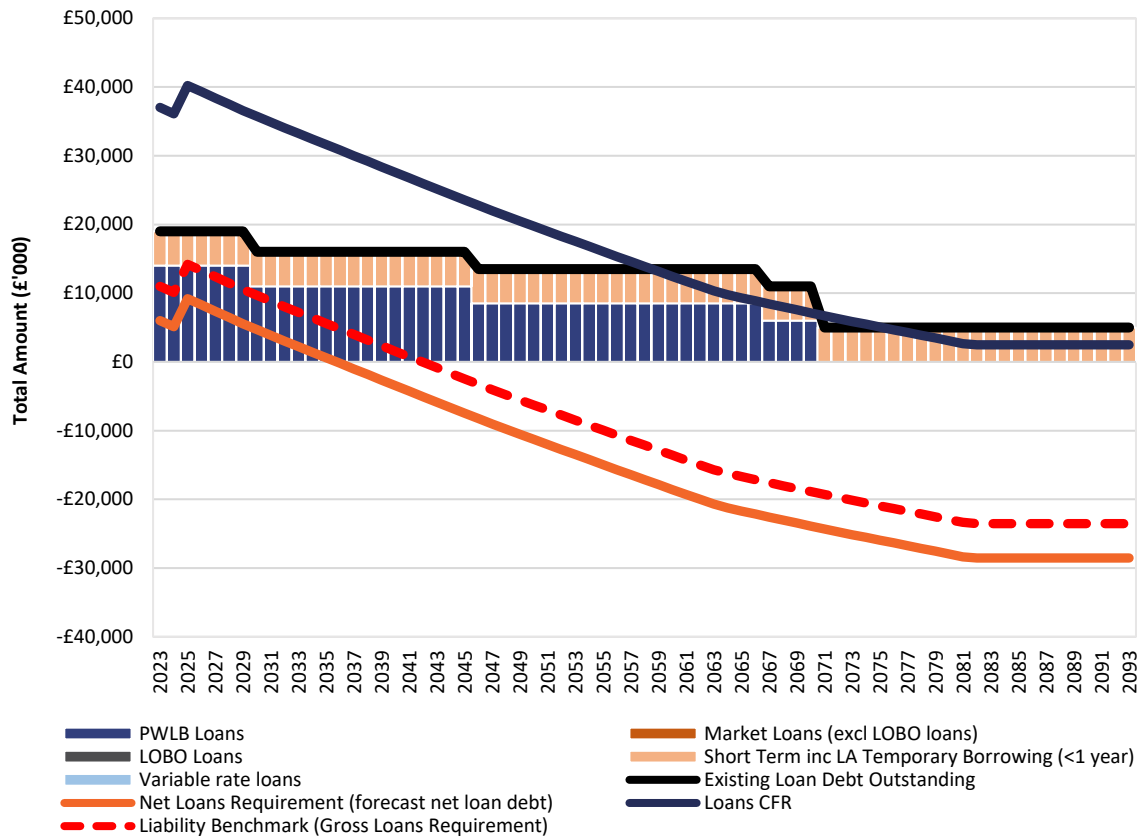


10 Liquidity Benchmark

10.1 To Compare the Council's actual borrowing against an alternative strategy, a Liability Benchmark has been calculated showing the lowest risk level of borrowing. This prudential indicator is made up of four components:

- Existing loan debt outstanding: the Authority's existing loans that are still outstanding in future years.
- Loans CFR: this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
- Net loans requirement: this will show the Authority's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.
- Liability benchmark (or gross loans requirement): this equals net loans requirement plus short-term liquidity allowance

Liability Benchmark



APPENDIX B: Approved countries for investments as at 30 September 2024

Based on lowest available rating

AAA

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Canada
- Finland
- U.S.A.

AA

- Abu Dhabi (UAE)
- Qatar (upgraded from AA- 20/3/24)

AA-

- Belgium
- France
- **U.K.**

Agenda Item 9h



Full Council

Monday, 27 January 2024

Subject: Recommendation from Chief Officer Employment Committee - Appointment of Interim Section 151 Officer

Report by:

Chief Executive

Contact Officer:

Ian Knowles
Chief Executive
ian.knowles@west-lindsey.gov.uk

Purpose / Summary:

To seek approval for the interim appointment to one of the Council's Statutory Roles, the Section 151 Officer, following the resignation of the current Post Holder and until such time as a permanent Officer is recruited.

RECOMMENDATION(S):

1. That Council formally appoint Peter Davy as interim Section 151 Officer with effect from 18 February until a permanent Officer is recruited and approved by Council on recommendation from the Chief Officer Committee.
2. The Constitution be amended, as necessary, to reflect this revised appointment.

IMPLICATIONS

Legal:

The Chief Executive, as the Head of the Paid Service, has a duty under section 4 of the Local Government and Housing Act 1989 to determine the staffing arrangements necessary to deliver the Council's functions.

In accordance with the Local Authorities (Standing Orders) (England) Regulations 2001, matters relating to the appointment of a S151 Officer are reserved to Council.

As an interim appointment has been made recommended by Chief Officer Employment Committee in considering the permanent recruitment going forward but given that this role carries the statutory responsibilities of S151 Officer, in accordance with the Local Government Act, the appointment requires the approval of Council following a recommendation from the Chief Officers Employment Committee.

It is a statutory requirement for local authorities to have a Section S151 Officer in place, in order to ensure that their necessary roles and functions are delivered effectively.

Section 113 of the Local Government Finance Act 1988 imposes professional qualification requirements for officers having responsibility under Section 151 of the Local Government Act 1972 for the administration of an authority's financial affairs.

The Interim appointee holds the relevant qualifications.

Financial : FIN/137/25/SL

The appointment of an interim Section 151 officer will be funded from savings arising from vacancies with the management structure.

Staffing : The Director of Corporate Services (S151) job description, the constitution and statutory functions, reflects the requirements and obligations of this statutory role.

Equality and Diversity including Human Rights :

None from this report

Data Protection Implications : None from this report

Climate Related Risks and Opportunities: None from this report

Section 17 Crime and Disorder Considerations: None from this report

Health Implications: None from this report

Title and Location of any Background Papers used in the preparation of this report :

West Lindsey District Council Constitution
Local Government and Housing Act 1989
Local Government Act 1972
Local Authorities (Standing Orders) (England) Regulations 2001

Risk Assessment :

It is a statutory requirement to appoint a Chief Finance Officer (S151) to ensure the proper administration of the Council's financial affairs

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

x

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1 Introduction

- 1.1 The Local Government Act 1972 requires every local authority to appoint a suitably qualified officer responsible for the proper administration of its financial affairs. This role is commonly referred to as the Section 151 officer. The term S151 Officer has been used as a short form expression to refer to the role and duties of the 'Responsible Financial Officer' as defined by The Chartered Institute of Public Finance and Accountancy (CIPFA) (the function of the most senior finance officer employed by an organisation).
- 1.2 Section 113 the Local Government Finance Act 1988 requires that the officer appointed as the Chief Finance Officer (CFO) must be a member of a specified accountancy body.
- 1.3 The role of a CFO lies at the heart of any effective and well governed organisation. The over-riding duty of this officer is to fulfil the statutory responsibilities.

2. Regulations

- 2.1 Under Section 151 of the Local Government Act 1972, it is stated: "Without prejudice to section 111 above, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs."
- 2.2 Section 6 of the Local Government and Housing Act 1989, further states: "(1) On and after the commencement day the Common Council shall – (a) make arrangements for the proper administration of such of its financial affairs as relate to it in its capacity as a local authority, police authority or port health authority, and (b) secure that one of its officers has responsibility for the administration of those affairs."
- 2.3 The West Lindsey District Council Constitution, Part IV Responsibility for Functions, requires the Council to designate the Head of Paid Service, Monitoring Officer, Chief Finance Officer (Section 151 Officer) and Electoral Registration Officer / Returning Officer paragraph
- 2.4 Section 113 of the Local Government Finance Act 1988 requires that the officer appointed as the Chief Finance Officer (CFO) must be a member of a specified accountancy body to the position in a manner that enhances the overall reputation of the Council. The CFO has a statutory duty under Section 151 of the Local Government Act 1972 to ensure that there are proper arrangements in place to administer the Council's financial affairs.
- 2.5 Section 114 of the Local Government Finance Act 1988 requires the S151 Officer to report to the full Council, the District Executive and the External Auditor if the authority or one of its officers:
 - has made, or is about to make, a decision which involves incurring unlawful expenditure

- has taken, or is about to take, an unlawful action which has resulted or would result in a loss or deficiency to the authority
- is about to make an unlawful entry in the authority's accounts.

3 Need for Interim Appointment

3.1 The role of Section 151 Officer is currently assigned to Mrs Foy, Director of Resources and has been since June 2022.

3.2 Mrs Foy has resigned from her position and will leave the Council on the 18th February 2025.

3.3 Due to the departure of the current post holder, it is essential that a Section 151 Officer is appointed on an interim basis whilst a permanent officer, is recruited.

3.4 The Chief Officer Employment Committee, at their meeting on 7 January considered and approved recruitment to a permanent but slightly revised role, and this process began on 20 January.

3.5 The Committee also considered interim arrangements, whilst recruitment to the role was undertaken, noting the Council must continue to employ a Section 151 Officer in the intervening period, and that such appoint, must be approved by Council.

4 Recommended Interim Appointment

4.1 Peter Davy is currently the Council's Deputy Section 151 Officer.

4.2 Peter is a qualified accountant and a member of Chartered Institute of Public Finance and Accountancy (CIPFA) and holds the qualification required for the Statutory position of Section 151.

4.3 The Chief Officer Employment have recommended that Peter Davy be appointed interim Section 151 Officer with effect from 18 February until a permanent Section 151 Officer is recruited and approved by Council on recommendation from the Chief Officer Committee.