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Corporate Policy and Resources Committee- 20 July 2023
Subject to Call-in. Call-in will expire at 5pm on 29 August 2023

WEST LINDSEY DISTRICT COUNCIL

MINUTES of the Meeting of the Corporate Policy and Resources Committee held in the Council Chamber - The Guildhall, Marshall's Yard, Gainsborough, DN21 2NA on 20 July 2023 commencing at 6.30 pm.

Present: Councillor Trevor Young (Chairman)

Councillor Owen Bierley
Councillor Matthew Boles
Councillor Frazer Brown
Councillor Trevor Bridgwood
Councillor Stephen Bunney
Councillor Karen Carless
Councillor Ian Fleetwood
Councillor Tom Smith
Councillor Mrs Mandy Snee
Councillor Paul Swift

In Attendance:

Emma Foy	Director of Corporate Services and Section 151
Ady Selby	Director - Operational & Commercial Services
Sue Leversedge	Business Support Team Leader
Katy Allen	Corporate Governance Officer
Michelle Thompson	Human Resources Manager (Temporary)
Katie Storr	Democratic Services & Elections Team Manager

Apologies: Councillor Roger Patterson
Councillor Mrs Lesley Rollings

Membership: Councillor Karen Careless substituting for Councillor Lesley Rollings
Councillor Tom Smith substituting for Councillor Roger Patterson

11 PUBLIC PARTICIPATION PERIOD

There was no public participation.

12 MINUTES OF PREVIOUS MEETING

Councillor Bierley clarified that his non-pecuniary interest should have referred to Age UK Lindsey.

The minutes were proposed and seconded subject to the amendment and on being put to the vote were carried.

RESOLVED that the Minutes of the Meeting of the Corporate Policy and Resources Committee held on 7 June 2023, subject to the above amendment, be confirmed and signed as a correct record.

13 DECLARATIONS OF INTEREST

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

14 MATTERS ARISING SCHEDULE

The Democratic Services Team Manager introduced the report and explained the format of the report and updates in respect of each item.

A Councillor referred to the item relating to the Better Care Fund and highlighted discussions at previous policy committee meetings about fulfilling disabled facilities grants. It was considered that a case had been made and there was to be a meeting of the Housing, Health and Care Delivery Group, workshops and further negotiations so that was on the way to being completed. It was noted that updates would be provided to committee.

A member highlighted the item on the UK Shared Prosperity Fund and asked when there would be an update on the issue. The Director of Corporate Services undertook to provide information to members by email.

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

15 ANNUAL EQUALITY REPORT AND REVISED EQUALITY POLICY

The Corporate Governance Officer (People and Organisation Development) presented the report and explained that the annual equality diversity inclusion report provided information on how work around equalities was progressing. It was advised that the next steps to be taken included a new equality, diversity and inclusion policy, the scope for the equalities audit which was being currently undertaken by internal audit and the action plan for the Council going forward. The committee noted that the report had been taken through Joint Staff Consultative Committee and no amendments were proposed.

A councillor expressed support for the paper and recommendations and other members concurred.

The recommendations were proposed and seconded and on being put to the vote were carried.

RESOLVED that:-

- (a) the Annual Equality, Diversity and Inclusion Report be noted;
- (b) the new Equality, Diversity and Inclusion policy be approved; and
- (c) the actions to progress the agenda be agreed.

16 CLOSE PERSONAL RELATIONSHIPS POLICY

The Human Resources Manager presented the report and advised it was new policy for all employees and the main purpose of the policy was to safeguard the organisation and to provide clear guidance for employees. The policy had been through Joint Staff Consultative Committee who had made one recommendation around adding step-families to section 2.1.

Councillors indicated support for the report and recommendations. Having been duly proposed and seconded the recommendations were put to the vote and were carried.

RESOLVED that: -

- (a) the recommendation from the Joint Staff Consultative Committee, including the amendment to Section 2.1, be agreed and the policy be approved for immediate adoption; and
- (b) delegated authority be granted to the Director Corporate Services in consultation with the Chairs of Joint Staff Consultative Committee and Corporate Policy and Resources Committee to make any future minor housekeeping amendments to the Policy.

17 BUDGET AND TREASURY MONITORING - QUARTER 1 2023/2024

The Business Support Team Leader presented the report and explained it was the first budget monitoring report for 2023-2024 based on the forecast outturn, as at the 31st of May 2023. It was advised that whilst it was early in the financial year the report highlighted known pressures, savings and potential budget risk.

A councillor in welcoming the report sought clarification regarding costs associated with RAF Scampton as a result of ongoing legal issues. The concern was acknowledged and it was clarified that discussions were ongoing with the Home Office around the funding allocation for Scampton should it be used as an asylum centre. It was noted that any funding would be £7 million and whilst this seemed a large amount there were a lot of additional services that might need to be provided by the council and partners. The grant would also be dependent on occupancy rate at the site. The timescale for payments, which were retrospective was outlined.

Members discussed the financial implications for the council and potential risks associated with funding. The committee thanked officers for their hard work in regard to this matter and for keeping councillors updated on progress.

A councillor sought clarification regarding the Chief Officer pay agreement. In response it was confirmed that there were in effect three agreements to be made, one agreement for the vast majority of staff, one for those staff that are directors at the organisation, that's the one which has happened at the 3.5% and there is a further agreement for the Chief Executive.

A member referred to the revised capital budget to reinstate funding for the Riverside Walk and asked if the final invoice related to the initial works or remedial works that had to be undertaken and whether the costs would be put back on the contractor. The committee was advised that it was a the retention payment on the original piece of work.

A councillor referred to a drawback request for vehicle replacement of two electric vans that had been procured earlier than anticipated. Clarification was given that it related to supervisors vans, there was currently a fleet of five supervisors vans due to changing working practices that was being reduced to three.

The recommendations were duly proposed and seconded and on being put to the vote were carried.

RESOLVED

REVENUE

- a) That the forecast out-turn position of a £0.057m net contribution to reserves as of 31st May 2023 (see Section 2) relating to revenue activity be agreed
- b) That the use of Earmarked Reserves - £0.057m (2.4.1) be approved
- c) That the use of Earmarked Reserves during the quarter approved by the Chief Finance Officer using Delegated powers (2.4.2) be accepted

CAPITAL

- d) That the current projected Capital Outturn as detailed in 3.1.1 be accepted
- e) That the adjustments to the Capital Budget as detailed in 3.2 be approved
- f) That the revised Capital Budget of £23.853m (3.1) be approved

TREASURY

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

18 OPERATIONAL SERVICES FLEET UPDATE AND VEHICLE PROCUREMENT REQUEST

The Director for Operational & Commercial Service introduced the report providing an

update on the current position regarding operational services fleet and seeking a capital investment in two new vehicles. It was explained that there had been a significant increase in the amount of waste collected over the last few years for a number of reasons including Covid, popularity of the garden waste service and the rapid growth within the district.

To date there had not been an uplift in the number of new vehicles to collect this additional waste and therefore there had been an increased reliance on using old spare vehicles and this has brought about a sharp rise in maintenance costs as the spare vehicles require more maintenance when in regular use. The costs of maintenance and increases in staffing costs were outlined.

The current vehicle replacement strategy did not account for the need for increased demands so a further capital investment was proposed. The financial, operational and environmental implications were clarified.

A councillor referred to the challenges in terms of the government requirements on local authorities fulfilling their obligation around collection of waste. It was emphasised there were financial challenges and a lot of unknowns in terms of future requirements around food waste collections. The excellent services provided across the district were outlined but it was about having assurance moving forward, that the right decisions are being made.

In response officers acknowledged the ongoing discussions around the uncertainty in the waste industry and the lack of clarity coming from the government on what would be required particularly with regard to environmental issues. The supply of food waste vehicles and lack of disposal facilities were highlighted. In regard to financial implications it was suggested that the government might be suggesting extended producer responsibility would fund new waste collections but others indicated that producers would find different ways to do packaging and reduce their need to pay.

The potential introduction of free garden waste collections for all would also have a massive impact on a lot of authorities. These matters were on the agenda for the Lincolnshire Waste Partnership and other forums and they would continue to press government around the urgency of these decisions.

A member in welcoming the report suggested there needed to be a balance struck between the provision of electric vehicles and more traditional fuels and expressed support for the phased approach proposed in the report as, particularly in rural areas charging points could be difficult to access.

A councillor referred to the new vehicles and food waste collections and asked if they would need to be retro fitted for such collections. In response it was clarified that these vehicles would be for residual waste, recycling and garden waste. Food waste vehicles would need to be commissioned separately. It was acknowledged that some authorities did have vehicles pods for food but this would not work in the district as the pods were small. Discussion ensued regarding potential financial implications if proposed changes were introduced by government.

A member highlighted that the waste was a flagship service and one of the most high-profile. It was suggested that affordability was key and the fact it was an in-house service meant

that given the uncertainty of what policy will be in the future it was important to take decisions now, based on the information available.

A councillor highlighted the good work of the service and that it was appreciated by residents and that the latest technology should be provided within financial limits. The importance of reducing the carbon footprint was emphasised. It was asked about the replacement of other vehicles in the future. In response it was greed that there was a gradually ageing fleet so there was never the burden of having to buy a whole fleet at one time. The maintenance requirements for vehicles was outlined and it was confirmed that there was a vehicle replacement programme and budget.

It was asked what happened to vehicles at the end of their time with the council. In response it was confirmed they were broken up and dispersed or exported abroad.

A member referred to street cleansing and fly-tipping services and the important work being undertaken in that regard. Clarification was sought regarding any clawback costs involved with the vehicles and solar panel fitted to them. The officer clarified that that this wasn't included in this report because it was specifically about the purchase of two new vehicles rather than solar panels. The cost of solar panels was around £5k pounds per vehicle and with current performance based on just over the first month of them being fitted to the vehicles that will get paid back in just over five years. In the future it was likely they would come already fitted with solar panels and be included in the purchase price of the vehicle.

Members asked that their thanks to all staff involved in the waste service be conveyed.

The recommendations were proposed and seconded and on being put to the vote were carried.

RESOLVED to approve a capital investment of £440k be added to the Vehicle Replacement Reserve, to fund two new vehicles from 2024 and this capital investment be funded from the estimated balance in the vehicle replacement reserve at the end of 2024/25 of £270k, along with internal borrowing of £170k.

19 COMMITTEE WORK PLAN

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

20 EXCLUSION OF PUBLIC AND PRESS

RESOLVED that under Section 100 (A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

21 LEISURE CONTRACT: DEED OF VARIATION

Members considered a report which proposed and sought agreement to a deed of variation

to the existing Leisure Contract with Sports and Leisure Management (SLM) the Council's contracted leisure provider.

The Section 151 Officer, in presenting the report, outlined the reasons the deed of variation was sought and the circumstances which had arisen both during and post Covid, swiftly followed by significant inflation in utility costs, noting the Government's guidance and advice in such situations, and as contained in the legal implications of the report.

Members were advised of how the deed of variation would impact budgets and how it was proposed these impacts would be funded, referring Members to the financial implications section of the report.

The negotiations which had taken place were outlined to the Committee and the final negotiated position being proposed was set out at Section 2.7. It was stressed that the negotiated position was based on a number of key principles again these were detailed in the report at Section 2.7 and were highlighted to Members. Furthermore, these principles would be set out within the "variation to contract" document once finalised.

Debate ensued during which Members expressed concerns about historic contract management issues. It was also questioned as to whether the provider was doing all it could to encourage people to return to the centres. The Committee understood that given the circumstances, a variation to contract would need to be agreed but given the historic issues that had been raised and continuing concerns regarding the offer and its attractiveness, it was with reluctance.

Members were clear that they expected the provider to be doing more to encourage use, making sure the offer was attractive and what the local community wanted. There were a number of examples cited of activities, that through local knowledge, the Committee knew had proved popular – even oversubscribed yet had been discontinued. It was suggested more needed to be done by the provider to look after and enhance those activities which did engage users.

The principles to be included in the "variation to contract" document were welcomed, and allowed for greater oversight, but given the comments from Committee Members and statements made by the provider during negotiations regarding the longevity of one site it was proposed and seconded that: -

- (i) the Provider be asked to submit to the Committee further details of their financial and management recovery plans, setting out how they intend to bring about change to the current sports centres; and
- (ii) the Provider be asked to outline how they would like to see the sites developed in the future from environmental, sustainability and profitability aspects.

On being put to the vote the amendment was accepted. Members confirmed the deed of variation would be accepted and signed but that the Committee wished to have sight of the requested information before the variation to contract was signed.

Members also indicated they expected greater and more effective contract management moving forward. Members again requested a workshop in order that they may understand

which elements of the current service they may affect under the current contract and which matters would fall outside of scope.

Officer undertook to arrange such a workshop in due course, noting the pressures and Members diaries at present.

Members also requested that Officers liaise with the providers regarding roller discos, and the indoor cricket referred to seeking to understand why the activities had ceased.

On that basis it was **RESOLVED** that:

- (a) the Section 151 Officer, following consultation with the Chairman of Corporate Policy and Resources Committee, be authorised to enter into a funding agreement under a Contract Deed of Variation, with Sports and Leisure Management Ltd, of up to £277,824 for the period 1 April 2022 to 31 March 2024, (exact funding representing the actual deficit to be agreed separately for each month under open book accounting from 1 April 2022 to 31 March 2024);
- (b) the amount agreed under (a) above be funded from the Covid Earmarked Reserve; and
- (c) the funding agreement under the Contract Deed of Variation, referred to above at (a), only be entered into once the Committee are in receipt of the information requested through the debate, namely: -
 - (i) the Provider submit to the Committee further details of their financial and management recovery plans, setting out how they intend to bring about change to the current sports centres; and
 - (ii) the Provider outline how they would like to see the sites developed in the future from environmental, sustainability and profitability aspects.

The meeting concluded at 7.52pm.

Chairman