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 14 November 2024 commencing at 6.30 pm.

Present: Councillor Trevor Young (Chairman)
Councillor Mrs Lesley Rollings (Vice-Chairman)
Councillor Paul Swift (Vice-Chairman)

Councillor Owen Bierley
Councillor Frazer Brown
Councillor Stephen Bunney
Councillor Ian Fleetwood
Councillor Paul Key
Councillor Roger Patterson
Councillor Tom Smith
Councillor Mrs Mandy Snee
Councillor Baptiste Velan

In Attendance:

Ian Knowles	Chief Executive
Emma Foy	Director of Corporate Services and Section 151
Angela Matthews	Benefits Manager
Robert Gilliot	Operational Services Manager
Darren Mellors	Performance & Programme Manager
Claire Bailey	Change, Projects and Performance Officer
Sue Leversedge	Business Support Team Leader
Peter Davy	Financial Services Manager (Deputy Section 151 Officer)
Ele Snow	Senior Democratic and Civic Officer

Apologies: Councillor Matthew Boles

Membership: Councillor Baptiste Velan was appointed substitute for Councillor Matthew Boles

60 CHAIRMAN'S WELCOME AND MOTION TO WITHDRAW AGENDA ITEM

The Chairman welcomed all present, and, prior to starting on the agenda'd business, proposed that, under Council Procedure Rules Section 11.1 (g), agenda item 6c, the report on the Public Sector Decarbonisation Fund (Phase 4): Funding Bid, be withdrawn. This was on the basis that escalating costs meant the proposal was not feasible at this time. Officers would return to Committee with a comprehensive paper once the design work was completed and there were firm costings, allowing for a full discussion of all options and funding routes. In line with this, he proposed that the corresponding agenda item, 8a, exempt appendices relating to the report, also be withdrawn.

In response to a question regarding time pressures of the funding bids, it was explained that feasibility testing for the proposals did not provide a sufficiently robust business case to be able to bid for the current fund. It was confirmed, however, that Officers would continue with the preparatory work to be able to put forward an application for a future fund.

The proposal was duly seconded, and the vote taken, and it was

> **RESOLVED** that agenda item 6c, the report on the Public Sector Decarbonisation Fund (Phase 4): Funding Bid, and agenda item, 8a, exempt appendices relating to the report, be withdrawn.

61 PUBLIC PARTICIPATION PERIOD

There was no public participation.

62 MINUTES OF PREVIOUS MEETING

> **RESOLVED** that the Minutes of the Meeting of the Corporate Policy and Resources Committee held on 17 October 2024 be confirmed and signed as a correct record.

63 DECLARATIONS OF INTEREST

Councillor O. Bierley made a personal, non-pecuniary declaration, relating to agenda item 6a, the Household Support Fund, in that he was Trustee and Director of Age UK Lindsey, who were referenced within the report.

Councillor T. Smith also made a personal, non-pecuniary declaration, relating to agenda item 6a, the Household Support Fund, in that he provided case work support to the Caistor Food Bank.

64 MATTERS ARISING SCHEDULE

With no comments or questions, the Matters Arising Schedule, setting out the position of previously agreed actions as at 6 November 2024, was **NOTED**.

65 HOUSEHOLD SUPPORT FUND 6

The Committee heard from the Benefits Manager regarding the details of Household Support Fund 6 and seeking approval for a scheme to start distribution of the funds. It was explained that this was the sixth round of Household Support Fund (commonly known as HSF) which started in 2021, with the current round due to run from 1 October 2024 to 31 March 2025. Under previous rounds, over £1.8m had been distributed to West Lindsey residents and HSF6 would grant a further £200k to distribute. This amount could be slightly more depending on how much the County Council distributed to families in receipt of free school meals. It was highlighted that the final distribution amount would not be confirmed until January 2025.

Members heard that HSF5 had been extremely successful and ended on 30 September, it was recommended that the current fund followed the same distribution method as in HSF5. The evidence available from HSF5 showed that the application-based process reached 477 households, 309 of which had a person with a long-term health condition. The breakdown of households showed 270 families, 109 couples and 98 single people. The funds distributed though food banks, charities, and voluntary organisations provided a further 1200 offerings of help to families in the district, and in addition to this, 35,000 children across Lincolnshire who were entitled to Free School meals received a voucher for £110 through their school or nursery.

The recommendation for HSF6 to mirror HSF5 would mean 60% of the West Lindsey funds would be distributed via an application-based process, 35% would be distributed via food banks, charities, and voluntary organisations, and 5% would be retained until March for contingencies and to cover West Lindsey administration of the scheme. It was also asked that the Committee approved for non-material changes or minor adjustments to the scheme to be made by the Benefits Manager in conjunction with the Director of Change Management, ICT and Regulatory Services, after consultation with the Committee Chairman.

Members of the Committee expressed their outright support for the fund and highlighted the need for continued lobbying that further funds would continue to be available. The reduced amount compared to previous rounds was noted to be disappointing, particularly in view of increased energy costs over the winter period causing financial hardship for more households. With unanimous support, and having been proposed, seconded, and voted upon, it was

RESOLVED that

a) the delivery of the Household Support Fund 6, to run to 31 March 2025, be approved; and

b) where there were relatively minor amendments made to the scheme, unless these were considered 'significantly material', authority be delegated to the Benefits Manager in consultation with the Director of Change Management, ICT and Regulatory Services, to implement these changes after consultation with the Committee Chairman. This was to ensure the scheme could adapt to requirements where the need to respond promptly was required, as well as remaining consistent with principles of the Lincolnshire Districts scheme.

66 RECOMMENDATION FROM PROSPEROUS COMMUNITIES COMMITTEE: GARDEN WASTE CONSULTATION AND BUSINESS PLAN

The Committee gave consideration to a recommendation from the Prosperous Communities Committee relating to the Garden Waste Consultation and Business Plan. It was explained by the Operational Services Manager that the results from the consultation, as well as eight options for the future of the garden waste collections had been presented to the Prosperous Communities Committee, full details of which were contained within the report. It was summarised that, based on the consultation responses, the suggestion had been to continue with 18 collections per year, charged on a cost recovery basis, which equated to an increase of £2 per bin per year. This was subsequently the recommendation from the Prosperous Communities Committee for approval by the Corporate Policy and Resources Committee.

Members thanked Officers for their time and efforts on the consultation, praising the high level of responses received and the engagement across the district.

Having been moved, seconded, and voted upon, it was

RESOLVED that

a) the consultation results had been reviewed in line with the garden waste business plan for 2025/26; and

b) the recommendation from the Prosperous Communities Committee that garden waste collections remain at 18 per year, with a price increase to £46 per bin to ensure cost recovery, be accepted and approved.

67 PUBLIC SECTOR DECARBONISATION FUND (PHASE 4): FUNDING BID

As resolved at the start of the meeting, this item was withdrawn.

68 PROGRESS AND DELIVERY QUARTER TWO (2024/25)

The Committee heard from the Change, Projects and Performance Officer regarding the progress and delivery report, which set out the performance across the Council for quarter two 2024/2025, and included the performance improvement plan, covering the period from July to September. It was explained that 81% of all measures were either exceeding or within agreed tolerance of their targets, compared to 83.7% measures in quarter one.

The Officer highlighted the details contained within the performance improvement plan, explaining that the Council Tax Collection Rate and NNDR Collection Rate both reported within tolerance for quarter two and so had been removed from the performance improvement plan, although would continue to be closely monitored. New additions to the plan included the percentage of households spending more than 42 nights in B&B accommodation. The Committee heard it was expected to feature as the target was set at zero, in line with guidance and what the Council needed to strive to achieve. It was recognised that this was a challenging target, with the only temporary accommodation in Cross Street, but the Temporary Accommodation project was now in motion which would provide additional units, with two of these being out of the Gainsborough area.

The percentage of food standards agency inspections completed was also a new addition to the performance improvement plan. This measure was one that Members had been informed of, as it was raised within the annual work plan in May. The Manager had provided an update for the performance improvement plan, however there was a mid-year report due at the Regulatory Committee in December, and so a more detailed update would be made following that report. Members were assured, however, that with increased capacity within the team, it was expected that inspection numbers would begin to increase over the next quarter.

The final new addition to the plan was T24 savings delivered. It was explained this was an annual cumulative target, which was being monitored against the current position, and a position statement would be provided as part of the quarter three update.

It was explained that there were two measures which remained in the Performance Improvement Plan. Those were: the Disabled Facilities Grants (DFGs) measures and Market Stalls. In relation to the DFGs, it was not expected that the performance of these measures would change given the budget position, the focus being on lobbying for fair distribution of funding, with this due to resuming following the elections in May 2025. When looking at the data regarding the market stalls, it was noted that whilst Saturday market reported above target, this was due to the supporting event program and an additional four antique traders who had registered to continue trading on the Saturday Market. Therefore, whilst the measure was reporting above its target, it remained in the performance improvement plan alongside the Tuesday market measure. Members were directed to page 51 of their papers for a full breakdown of all stalls per week and the dates on which the farmers markets were held in order to clarify the weeks which were impacted.

Finally, Members were advised that, in relation to services held at the Lea Fields Crematorium, the measure that looked at the percentage of direct cremations had reported below target for two consecutive quarters. It was explained, however, that this reflected an improved position and could not be taken in isolation. For those reasons, it was proposed that for the 2025/26 measure set, all service types be included in line with the business plan targets.

The Chairman thanked the Officer for her clear summary of the report and invited comments from Members. With relation to the T24 savings, it was enquired whether the savings were all located within the ‘Corporate Health’ section, to which Members heard that whilst the measure sat under Corporate Health, the savings had been across the organisation. It was confirmed that non-delivery of the indicated savings would not have impact the overall budgets, however it was important to look for savings options where feasible.

A Member of the Committee voiced his concern that the collection rates had been removed from the performance improvement plan, enquiring whether it was in fact an issue that was likely to worsen over time. It was explained that the measure was still monitored closely and would be reported on as needed.

With no further comments or questions, and having been proposed, seconded, and voted upon, it was

> **RESOLVED** that the performance of the Council’s services had been assessed through agreed performance measures and areas where improvements should be made, having regard to the remedial measures set out in the report, had been indicated.

69 BUDGET AND TREASURY MONITORING - QUARTER 2 2024/2025 (1ST APRIL 2024 TO 30TH SEPTEMBER 2024)

Members heard from the Business Support Team Leader regarding the quarter two budget monitoring report for 2024/25, based on the forecast outturn as of 30 September 2024. She summarised the different elements of the report as follows.

Revenue
In relation to revenue budgets, the forecast outturn position was a net contribution to reserves of £160,000 which was a decrease of £364,000 from the forecast position reported at quarter one. This reflected the impact of the pay award for 2024/25, which was agreed in October, with an average increase of 3.5% across all scale points, at a cost of around £500,000 for the year. Other significant movements included an increase in interest receivable due to the current base rate being higher than the peak expected when the budget was set, and there was also a forecast underspend on the interest payable. This was a net increase in income of £270,000.

This was offset by a forecast pressure on Housing Benefit subsidy of £120,000 due to placements with supported accommodation providers who were not registered housing providers, meaning the Council was unable to claim full subsidy on the Housing Benefit paid out to any tenants in those properties. Landlords were being urged to become registered, which meant they would be regulated, and the full subsidy could be claimed.

Capital
In relation to capital, schemes were reporting a net £4.996m underspend against budget, resulting in a revised capital budget of £27.601m for 2024/25. The amendments to scheme budget included:

- £4.327m of underspends – the most significant being the Home Upgrade phase two scheme as a result of a delay in the initial delivery and reduced take up of the scheme.
- £0.669m of carry forwards into 2025/2026 – the most significant of these being the Gainsborough Heritage Regeneration Scheme – which was due for completion by September 2026.

Members were directed to the full capital monitoring table as included at Appendix 1, which included the expected completion date for each scheme, as had requested by Members when the quarter one monitoring report was presented at the meeting in July.

Members of the Committee thanked the Officer and her team for their work and for presenting an excellent report. In response to an enquiry regarding the recently announced introduction of increased National Insurance contributions, it was explained that did not come into effect until the next financial year and so was not included in the current reports.

Members of the Committee raised concerns regarding the underspend on staff salaries due to vacancies, and whether there was any impact on the performance of the Council. It was confirmed that it was expected to have a period of vacancy between an employee leaving and the position being filled. Both policy committees had received the Progress and Delivery reports which demonstrated there was no impact on the performance of the Council resulting from any vacancies.

In relation to the income from building regulation fees being below expectations, Members of the Committee passed comment on the declining rate of construction and development in the district, noting areas where planning permission had been granted although work had not commenced, as well as areas where work had commenced but was not progressing at the rate which had been expected. This was recognised to be a national issue, with Members suggesting government needed to do more to support the industry and encourage or mandate a higher and faster rate of construction.

Further comments were made regarding the longer term, continuing benefits of investment in the district, with Officers confirming that a benefits realisation review would be undertaken, specifically regarding the UKSPF work. Additionally, a Member of the Committee suggested the government needed to have greater input with making it worthwhile for private landlords to become registered providers, as this was not something the Council could do across the district without greater national emphasis.

In response to a query regarding borrowing requirements and credit worthiness, the S151 Officer explained that the next item on the agenda would better deal with those comments, however confirmed that regular briefings were held with independent advisors regarding at risk borrowers or safe investments.

The Chairman thanked Members for their questions and comments, and suggested taking the written recommendations, as contained in the report, en bloc. Having been proposed and seconded, he took the vote and it was unanimously

RESOLVED that

REVENUE

a) the forecast out-turn position of a £0.160m net contribution to reserves as of 30th September 2024 (see Section 2) relating to revenue activity, be accepted; and

b) the contribution to Earmarked Reserves - £0.125m (2.4.1), be approved; and

c) the use of Earmarked Reserves approved by the Chief Finance Officer using Delegated powers (2.4.2) be accepted; and

d) the contributions to Earmarked Reserves approved by the Chief Finance Officer using Delegated powers (Section 2.4.3) be accepted; and

e) the amendments to the fees and charges schedules for 2024/2025 (2.3.2 and Appendix 5* *commercially sensitive*), be approved.

CAPITAL

f) the current projected Capital Outturn position of £27.601m (Section 3) be accepted; and

g) the amendments to the Capital Schemes as detailed in 3.2 be approved.

TREASURY

h) the report, the treasury activity and the prudential indicators (Section 4) be accepted.

70 MID-YEAR TREASURY UPDATE 2024/25

Members then heard from the Financial Services Manager regarding the mid-year treasury management report, which updated Councillors on progress against the treasury management strategy which was approved by Council in March 2024 for 2024/25. It was explained that the report was required to comply with the CIPFA code of practise on treasury management and also to keep Members updated with the current situation. The report had been written during a time of reducing inflation and reducing interest rates which had followed a period of both higher inflation and relatively high interest rates. It contained commentary on the Council's treasury position and also included commentary on the economy, provided by the Council's treasury advisors, Link Asset Services. Members were advised that since the report was written, the UK base rate had reduced to 4.75% from 5%.

Members heard that the report showed interest rates had been reducing, with more reductions forecast in the medium term. The Council was, however, receiving additional investment income as shown in the quarterly monitoring reports. This was because of reduced capital expenditure and higher cash balances than forecast. With interest rates reducing, and forecast to reduce further, it made the decision to borrow somewhat more difficult, as the Council did not want to find itself locked into a high-rate loan when the base rate decreased. For this reason, where borrowing had been required for cashflow purposes, short term loans had been used.

Members were advised of the movements in the Council's prudential indicators which had changed as a result of two things. The first being the Council closing its accounts for 2023/24 after the original strategy was written; the second being as a result of a revised capital programme for 2024/25 as outlined in the quarter two budget monitoring report which had just been discussed. It was also reported that there had been no breaches of the Council's prudential indicators in the first half of the year.

Members were directed to section three of the report, showing an economics update which had been supplied by the treasury advisors, Link Asset Services. It was highlighted it was useful to understand the national and international context withing which the Council was operating when undertaking its treasury activities. Appendix B was the latest list of approved countries for investment as at 30 September, however typically, the Council only invested within the UK.

The Chairman thanked the Financial Services Manager and invited Members to speak. In response to a question as to whether the recent budget announcement had had an impact on the forecast interest rates, it was explained that the Bank of England had said they thought the rate would stay higher for longer, and not reduce as quickly as it might have done. This could result in a slightly higher yield for the Council for the following year but would then gradually reduce.

A Member of the Committee, in relation to breaches of the prudential indicators, enquired whether it was possible to have a 'near-miss' breach, and whether complacency could creep in, causing the risk of future breaches. It was confirmed that a breach was a clear cut yes or no fact, and there had not been any breaches during the tenure of all three Senior Officers present at the Committee meeting.

The Chairman stated his thanks to those Officers, and the Finance Team, for being safe hands, with Members agreeing and expressing thanks for the Council not being in the precarious financial positions that other councils were experiencing.

Having been moved, seconded, and voted upon, it was unanimously

> **RESOLVED** that it be **recommended** to Full Council to note the report, the treasury activity and recommend approval of the revised prudential indicators at sections 5.2, 6.1 and 6.2.

71 PROPOSED FEES AND CHARGES 2025/2026

The Committee heard again from the Business Support Team Leader, detailing the proposed fees and charges to be implemented from 1 April 2025, and the budget implications which reflected both the impact of proposed amendments to fees, and the forecast demand for each service. It was highlighted that the proposed fees and charges schedules were provided at Appendices A, B and C. Service specific detail around performance and demand were included within the report at appendices one to 21.

Members heard that statutory fees accounted for 41% of the fees listed, the most significant in budgetary terms being planning application fees. Guidance issued by Government indicated that fees would be increased from 1 April 2025 in line with the CPI rate as of September, which was 1.7%. The income budget for this service area already included a 2.5% inflationary increase from 2025/26, therefore the impact on the MTFP was a reduction of £11,500 on the income budget. Officers were currently waiting for Government to release the fee schedule for next year and would report to Members once it was released.

In relation to those fees which were able to be set locally, where inflation had been applied this was at the rate of 3.5%. This reflected the impact of the pay award on service provision, with employee costs and officer time being the main cost driver for most of the proposed fees. RPI as of September was 2.7%, and an interest rate forecast for future years provided by the Council's treasury advisors gave a forecast RPI for September 2025 of 3.1%.

Members were directed to section 3.6 of the report, which provided a list of all fees which were proposed to be increased above inflation. Those increases were the result of a benchmarking and cost recovery exercise for the services listed. In relation to the Garden Waste service, it had been possible to accommodate the increase in national insurance contributions within the proposed fee of £46 for 18 collections per year, which was an increase of £2, or 4.5%, from 20245/25.

It was highlighted that where no increase was proposed, this was to ensure that the Council maintained or increased market share whilst remaining comparable to benchmarking data.

No increase was proposed at this time for car parking, market stallage fees, and new and replacement waste bins. The Committee heard the impact of the fees and charges review on the MTFP from 2025/26 was an increase in income of £49,100, rising to £64,300 in 2029/2030.

It was also highlighted that there were two new non-statutory fees proposed, those being:

1. Under the planning Pre-App Advice schedule:
   - An application check for Validation, which was an optional service to check that planning applications were valid prior to submission. Full details were included in the report at section 5.8.

2. Under Planning Policy:
   - a S106 Monitoring fee, to recover the cost of monitoring s106 agreements from the relevant parties. Full detail of the proposal was included at Appendix 18

Members were asked to recommend the proposed fees to Full Council for approval, and for inclusion within the 2025/2026 revenue budget.

Members voiced their support for the report, noting that increases were closely managed, with Council costs increasing at a time when Local Government Settlements were at an all-time low. It was highlighted that the Council provided award-winning services, and fees were increased where there was no choice but to increase them. The additional non-statutory fees were welcomed.

With regard to waste services, it was requested that Members be provided with the cost to the Council of the blue sacks provided for roadside collections. It was confirmed this would be shared. It was also requested that the Communities Team be contacted as to whether it was possible to instal defibrillators in Council carparks, thereby increasing the accessibility to the machines.

Having been proposed and seconded, the Chairman took the vote, and it was

> **RESOLVED** that Members **recommend** to Full Council for approval and inclusion within the 2025/2026 Revenue Budget the proposed Fees and Charges at Appendix A, as well as those recommended by Prosperous Communities Committee detailed at Appendices B and C* (*commercially sensitive).

72 FINANCIAL SUSTAINABILITY WORKING GROUP

The final report of the evening was presented by the Section 151 Officer, who explained that the purpose of the report was to set out the composition and Terms of Reference for a new Member Working Group, to support Officers and working collaboratively to identify areas for new income generation and further efficiency savings.

It was explained that the latest estimations of the Medium-Term Financial Funding Gap had been reported to the Committee in September 2024. The next substantive review of the Medium-Term Financial Position would take place after the 30 October Autumn Statement announcement, where it was anticipated that further detail would be provided on forecast future Central Government Departmental Spending limits, the future of UK Shared Prosperity Funding and high-level commitments to Business Rates resets and fairer funding settlements. The Council was then expecting a written ministerial policy statement in November which would give some further certainty for 2025-26 funding, and a draft financial settlement just before Christmas. The purpose of the working group would be to work through early solutions to deliver financial sustainability and a balanced budget.

Councillor S. Bunney a non-pecuniary interest in that he was a member of the Audit Committee at Lincolnshire County Council, who used the same auditors as West Lindsey District Council. He commented that there were widespread concerns about the difficulties experienced by some councils and the auditors were clear that this kind of group was good practice to be able to understand those challenges and how to face them. He duly proposed the recommendations as detailed in the report.

During the course of debate, in which Members wholeheartedly supported the premise of the group and the prudence around its inception, there was some consternation voiced regarding the reporting of non-attendance at the group and also the suggestion of the group being known as the ‘Savings Board’. It was expressed that the aim was to achieve sustainability across future financial years, with the opinion given that this would not be achieved by only looking at saving options. It was put to the Committee that the aim of the group would not be to make spending cuts, which was suggested to be the generally understood purpose of ‘savings’, but to also consider income generating opportunities and efficiencies. With this in mind, it was proposed that the first recommendation contained within the report be amended to read:

“Corporate Policy and Resources Committee establish a Financial Sustainability Working Group (to be known as the Sustainability Board)”

In response to the comment regarding non-attendance at meetings, it was explained this was a standard approach with working groups and was intended to ensure consistent membership and input at such meetings. Members were assured that it was well recognised that situations changed, and Councillors may need to alter their involvement, with due process in place to amend membership of working groups as needed.

Further support was expressed for the proposed amendment, with Members suggesting the terminology of a ‘Savings Board’ could be misleading, if in fact financial sustainability was maintained through other means, would it be seen that the group had failed if there had not been direct savings. The Chairman shared his opinion that the use of the term ‘Savings Board’ would be more generally understood and supported by voters and taxpayers.

With the amendment having been seconded, the Chairman took the vote, resulting in a split vote amongst Members, six in favour and six against. The Chairman used his casting vote meaning the proposal to amend the recommendation was lost.

Having had the recommendations as written previously proposed, the Chairman sought a seconder to the proposals, and duly took the vote. It was

RESOLVED that

a) a Financial Sustainability Working Group (to be known as the Savings

Board) be established; and

b) the Terms of Reference provided at Appendix 1 be approved.

73 COMMITTEE WORK PLAN

With no comments or questions, the Committee Work Plan was **DULY NOTED**.

The meeting concluded at 7.48 pm.

Chairman