

WEST LINDSEY DISTRICT COUNCIL

Minutes of the Meeting of Council held in the Council Chamber - The Guildhall, Marshall's Yard, Gainsborough, DN21 2NA on 5 March 2018 at 7.00 pm.

Present: Councillor Mrs Angela Lawrence (Chairman)
Councillor Mrs Pat Mewis (Vice-Chairman)

Councillor Bruce Allison	Councillor Mrs Sheila Bibb
Councillor Owen Bierley	Councillor Matthew Boles
Councillor David Bond	Councillor Mrs Jackie Brockway
Councillor David Cotton	Councillor Christopher Darcel
Councillor Michael Devine	Councillor Steve England
Councillor Ian Fleetwood	Councillor Paul Howitt-Cowan
Councillor Stuart Kinch	Councillor Giles McNeill
Councillor John McNeill	Councillor Richard Oaks
Councillor Mrs Maureen Palmer	Councillor Malcolm Parish
Councillor Roger Patterson	Councillor Mrs Judy Rainsforth
Councillor Tom Regis	Councillor Mrs Diana Rodgers
Councillor Mrs Lesley Rollings	Councillor Reg Shore
Councillor Thomas Smith	Councillor Lewis Strange
Councillor Jeff Summers	Councillor Robert Waller
Councillor Mrs Angela White	Councillor Trevor Young

In Attendance:

Mark Sturgess	Executive Director of Operations and Head of Paid Service
Ian Knowles	Executive Director of Resources and S151 Officer
Alan Robinson	Strategic Lead Governance and People/Monitoring Officer
Tracey Bircumshaw	Finance & Business Support Manager
Katie Coughlan	Senior Democratic & Civic Officer

Also Present: 1 Member of the Public

Apologies

Councillor Mrs Gillian Bardsley
Councillor Hugo Marfleet
Councillor Mrs Jessie Milne
Councillor Mrs Anne Welburn

73 MINUTES OF THE PREVIOUS MEETING

(a) Minutes of Meeting held on 22 January 2018

RESOLVED that the Minutes of the Meeting held on 22 January 2018 be confirmed and signed as a correct record.

74 MEMBERS' DECLARATIONS OF INTEREST

The Chairman of the Council advised that for the avoidance of doubt Members did not need to make a declaration in respect of the Executive Business Plan, Medium Term Financial Plan 2018/2019 – 2022/2023 report (which set the Council Tax), as this was an area in which all Councillors were granted an exemption by the relevant legislation.

Councillor David Cotton declared a non-pecuniary interest in respect of agenda item 9 (b), Executive Business Plan, Medium Term Financial Plan 2018/2019 – 2022/23 as reference was made to burial fees, and he often took such services.

75 MATTERS ARISING

The Monitoring Officer noted that all items due for completion were showing black, as having been completed.

A brief update in respect of the green action entitled Code of Conduct was provided. Parish Council Adoptions had commenced with several notifications of such already received. The action was expected to be completed on target.

Officers apologised for the un-associated comment which had been included alongside the actions entitled “motion to council re housing company” and “Motion to council – Count them in Campaign”, this would be rectified prior to the next meeting.

RESOLVED that the Matters Arising be noted.

76 ANNOUNCEMENTS

i) Chairman

The Chairman addressed Council advising it had been a fairly quiet period since Council last met. The “Beast from the East” had seen a number of events cancelled across the District and surrounding area. The Chairman thanked Officers and communities for their efforts in keeping services running during this period.

However the Chairman had had the pleasure of attending a Burns Supper, a coffee morning at St. Barnabas, and a lovely function at Normanby Hall.

In the coming weeks, the Chairman would be hosting a number of events of her own, including a Flag Raising Event for Commonwealth Day on 12 March, to which she invited all Members to attend and show their support, as well as hosting Afternoon Teas for those couples across the District who had reached their milestone Diamond Wedding Anniversary.

ii) Leader of Council

The Leader addressed Council and advised that he, along with two of the Council’s Executive Directors, had on 31 January 2018, met with Officers from Amber Valley Council, in Derbyshire, in order to share experiences as they too operated a Management Model

without a Chief Executive. The meeting had proven useful.

The Leader further advised that he had recently attended negotiation skills training, and looked forward to putting these in to practice.

The Annual DCN Conference had been held on 8 February and the Leader had been in attendance. The Conference had a number of highly renowned speakers, including The Rt. Honourable Steven Durrell, Lord Porter and Duncan Selby, Chief Executive of Public Health England. The Leader indicated this had been one of the most interesting and informative DCN Conferences he had attended.

Meetings had also been held with Officers of North Lincolnshire Council, reference extending the boundary of the Wolds AONB, into their area. The process to re-designate such boundaries was a lengthy one, however, this matter continued to move forward.

At the conclusion of the Leader's Announcements, the Ward Member for Fiskerton, thanked the Leader for having attended at meetings of the Parish Council in reference to the Neighbourhood Plan.

iii) Head of Paid Service

The Head of Paid Service addressed Council, on behalf on the Management Team, starting with reference to the severe weather recently experienced by the District. Thanks were expressed to all staff who kept the organisation going when some of our neighbouring Councils had to close their offices early. Waste collections had been suspended at the end of the previous week, however, the Head of Paid Service advised that double collections would be commencing this week to ensure the collection backlog was cleared by Friday. It had been a testing time but, as an organisation, we had performed well.

Other general matters which were brought to Members' attention were as follows: -

- Commercial Training and a Corporate Plan Workshop had been held, thanks were expressed to those Members who had attended and contributed. There would be further opportunities to contribute to the development of the Corporate Plan over the summer.
- Emergency Planning – A number of Members and Officers had attended a full day event on 8 February. Arrangements were currently being made, with colleagues at the County Council, to provide Emergency Planning Training for all Members. Furthermore, a full structured de-brief had been arranged to assess Authorities' responses to the severe weather recently experienced and this would be used to inform future responses.
- Fairer Funding: - Consultation on this matter had been underway since December, and the Executive Director of Resources had attended a number of events in connection with this matter. Work would continue through the Lincolnshire Finance Officers and Chief Executive meetings to ensure the impact of any responses made was maximised. It was noted that a Member Workshop on this subject had been arranged for 8 March at 5pm and Members were encouraged to attend wherever

possible.

- Funding Award – The Council had been awarded £2.1m in Government funding to assist in the development of the Southern Neighbourhood. This would enable Phase 1, comprising 440 houses to commence.
- Joint Venture Company – The Council's Joint Venture Company, Market Street Renewal Limited, had completed its first shop and shop front in Market Street. Members were encouraged to take a look.

At the conclusion of the announcements, A Member made reference to the sterling efforts and community spirit displayed throughout the severe weather, and suggested that consideration should be given to recognising such communities and individuals in the up and coming Annual Awards.

77 PUBLIC QUESTION TIME

The Monitoring Officer confirmed that no questions had been received from Members of the Public.

78 QUESTIONS PURSUANT TO COUNCIL PROCEDURE RULE NO. 9

The Monitoring Officer confirmed that no questions pursuant to Council Procedure Rule Number 9 had been received from Elected Members.

79 MOTIONS PURSUANT TO COUNCIL PROCEDURE RULE NO. 10

The Monitoring Officer confirmed that no Motions pursuant to Council Procedure Rule Number 10 had been received from Elected Members.

80 TO PRESENT THE CORPORATE PLAN (2016-2020) ACTION PLAN UPDATE

Consideration was given to a report which presented Members with details of key strategic activity completed during 2017/18 in support of delivering the objectives of the Corporate Plan (2016-2010). Members were also asked to note the key activities to be completed during the remainder of the Plan's lifespan.

The Leader of the Council presented the report and in doing so advised that the report supported the Council's commitment to ensure that the Corporate Plan remained a live document and that progress made against its priorities were reported against.

The last year had seen major progress across a range of areas; the opening of the new Lidl supermarket, work commencing on the Travelodge Hotel, the purchase of the first commercial investment property and significant progress on the Crematorium project.

The Selective Licensing Scheme had been introduced and the Council had been successful in being awarded a contract to run the Wellbeing Service.

The Central Lincolnshire Local Plan had been approved and this now provided the Authority with a robust framework that supported development across the District.

Key partnerships had been formed to support in the delivery of the Council's ambitions and would continue to be key in moving forward.

There was still, however, work to be done over the remainder of the Plan's lifespan – 2020, including: -

- Finalisation of the new Leisure Services contract and providing new facilities in Market Rasen.
- Approval of a Housing Strategy and the appointment a strategic Development Partner to assist the Council in delivering its regeneration and growth plans for the District.
- Specific support for the community in Hemswell Cliff would be provided and economic growth schemes would be developed for Caistor and Saxilby.

In concluding his address, the Leader indicated he was of that view that there was work still to be done to make West Lindsey a place where people want to work, live, visit and invest, but the Authority had made a strong start and remained committed to delivering its Corporate Plan. The Leader moved the recommendations.

The Deputy Leader welcomed the report, the progress which had been made across the District as a whole and seconded the paper.

Debate ensued and reference was made to the impending new leisure centre contract, which was causing some concern. It was suggested a proper audit of all clubs operating in the District and the numbers participating would be useful. It was also suggested the lack of a Sports Development Officer in recent years had led to clubs having difficulty in retaining or increasing numbers and this in turn resulted in them not being viable. It was suggested the lack of leadership and direction shown at a strategic level had contributed to the current situation in respect of the West Lindsey Bowls Club and the Authority was not taking active lifestyles and participation, particularly for the elderly, seriously.

The Chairman of the Governance and Audit Committee responded, and indicated that he would welcome further discussions with Councillor Rollings, to ascertain the exact requirements of any Audit, and would happily consider undertaking such an Audit, if appropriate. With reference to the comments made in relation to the West Lindsey Bowls Club, it was suggested that those Members who had not attended the briefing held for all Members on 8 January, should firstly consider the information which had been provided at that briefing. Accepting that the Bowls Club had had a long affiliation with the facilities at West Lindsey Leisure Centre, it was important that the Authority demonstrated value for money in all the services and contracts it ran, for all its residents and taxpayers of the District. The facility was only currently used by the Club concerned for a limited number of months, for a very limited number of people, the overwhelming majority of which were not from the District. Despite being a difficult decision, the Authority was charged with delivering value for money for its taxpayers. The new contract offered a 10-15% increase in the number of users. It was widely accepted that for every pound a District Council spent towards improving peoples' activity and participation levels, and promoting healthy lifestyles, this could save the NHS £26, thereby helping to relieve some of the pressures that service was currently experiencing.

The argument offered regarding the current position of the Bowls Club being down to a lack

of strategic investment was strongly refuted. It was further stressed that a number of alternative sites, which would allow this Club to continue, had been identified and the Authority were continuing to work with the Club concerned.

RESOLVED that: -

- (a) the completion of key activity detailed within the report which facilitates the delivery of the objectives of the Corporate Plan be noted; and
- (b) the planned activity to be completed during the remainder of the Corporate Plan's lifespan, be noted and supported.

81 EXECUTIVE BUSINESS PLAN, MEDIUM TERM FINANCIAL PLAN 2018/19 - 2022/23 (INCL. FINANCIAL STRATEGY, FINANCIAL ANALYSIS, REVENUE BUDGET 2018/19, CAPITAL PROGRAMME 2018/19 TO 2022/23)

Members gave consideration to a report which presented the Executive Business Plan and Medium Term Financial Plan 2018/19 – 2022/23.

The purpose of the Executive Business Plan was to set out the actions to be taken by the Executive to deliver the Corporate Plan over the next three years.

The purpose of the Medium Term Financial Plan (MTFP) was to set a robust overall framework for the Council's spending plans over the next five years in supporting the delivery of the Corporate Plan and underpinned by the delivery of the Financial Strategy. The report therefore outlined the Council's revised financial plans, having taken into account, in the Financial Analysis, for changes in Government funding, the economic environment, local engagement and the priorities for the Council. The plan reflected the revisions to the previous estimates and detailed the Revenue Budget 2018/19 and estimates up to 2022/23.

The report also covered the setting of Council Tax for 2018/19, Fees and Charges for 2018/19, the Capital Programme 2018/19 to 2022/23 and the Treasury Management Strategy.

The Executive Director for Resources presented the report and in doing so placed on record his thanks to Tracey Bircumshaw and the finance team for their work in preparing the documents presented to Members.

It was also noted that 2 Parish Councils had made late changes to their precept requirements, resulting in amendments having to be made to Appendices H, I J, K, and L. These had been circulated to Members, however, additional copies had been placed on Members' desks for ease of reference.

It was noted that the Executive Business Plan provided an overview of activities that would deliver the Corporate Plan and the capital investment programme as detailed at Appendix F of the report.

Despite the continued reduction of Grant from the Government, Officers were pleased to be

able to present a balanced budget for 2 years but it was noted there remained a challenging funding gap which would reach £673k in 2022/23 Page 35 of the report referred. In agreeing the budget, Members were also agreeing the fees and charges, these were set out in appendix C & D

Members noted that the budget presented did include the gain from the 100% business rate pilot that Greater Lincolnshire had been successful in bidding for in 2017. This had been recognised as a one-off gain of approximately £1.2m in the report presented.

The headline assumptions were captured on Page 16 of the report.

In light of the service cluster structure having been removed from the establishment, the budgeted expenditure reflected the approach of people, places and policies.

The impact on reserves of the plan were shown at Page 42/43 of the report – 86/87 of the pack and showed an expected balance in 2022/23 of over £12m.

Members were also asked to agree the Capital Investment Strategy, The Capital Programme and Treasury Management strategy in appendices E, F and G.

All of these strategies had been amended to comply with the revised CIPFA code for prudential borrowing and the Ministry for Housing, Communities and Local Governments recently revised guidance on MRP and non-treasury investments.

Included at Appendix N was a benchmarking report which showed how well the Authority were performing when compared with other Districts. A summary of the benchmarking was provided in section 2.4 of the Financial Strategy (page 25 of the report 69 of the pack)

The Executive Director for Resources reiterated that the MHCLG were currently holding a consultation on Fairer Funding which was the first of three consultations that would be undertaken between now and the Autumn of 2019. The Government had committed to re-basing the funding of Local Authorities by 2021 and no account had been taken of this in the estimates

Finally Members' attention was drawn to the Chief Finance Officer statement on the robustness of estimates, the adequacy of reserves and affordability of Capital Investments, detailed on Page 43 of the report.

The Leader of the Council made the following speech in response: -

“Thank you Chairman, and thank you Mr Knowles for presenting this very detailed five-year financial strategy and business plan containing 13 appendices. This sets out a very detailed financial strategy to take our Council forward.

The Government's austerity program was obviously designed to sort out local government finances by forcing efficiencies upon Local Government and increasing accountability. I believe we have been successful as a result of their initiative.

I believe Westminster have decided the time is right for some pay back and that is coming in the form of NNDR retention.

As you know Lincolnshire has been successful in securing a pilot for this new opportunity.

I believe our strategy to not charge for green waste collection five years ago was sensible. Alright you can say we have lost five years of revenue but I say we applied five years of physical and financial scrutiny which has put us in the strong position we enjoy today.

Yes we are charging for green waste collection as have the rest of Lincolnshire authorities for some years.

We are applying a 3% increase in council tax 11.59p per week for band D properties. This amounts to just over five fluid ounces of beer or 160ml, or 8g of cheese, less than half a cigarette or 77 mL of diesel for your car.

Personally I think we are delivering for our residents, we provide just over 100 different strands of service. Take waste collection as one of those strands. A fleet of 12 lorries costing £160,000 each, plus running costs and crews. We Collect waste from every house every week for the same level of council tax charged by Lincolnshire Police.

Take green waste, if we reach our bin sales target, it will cost approximately £2 pounds for collection per household. If you fly tip and we catch you with our new portable cameras it would cost you a very large fine.

This is my sales pitch for green waste collection, you can buy a lot of cheese and diesel for the cost of a fine and have your green waste collected for 14 years.

This is the reality of the times in which we live. Over the last six years we have made £4,314,022 of savings, we know from our position we will save £718,347 over the next two years, and we envisage saving a further £1,622,900 over the following three years.

When we can no longer find efficiencies and savings it will have to be generated via commercial gain.

Here again we can clearly demonstrate we have a working financial strategy. Our current financial position has been given high assurance.

With our Executive Business Plan and the Medium Term Financial Plan spanning the next five years, we can easily plot our progress against plan and react accordingly.

We can demonstrate through our revenue budget and capital investment strategy and programme, how delivery will be financed. Supported by a commercial strategy we have a good very sound financial platform upon which

we can take this council forward physically financially and socially - PFS is my motto

Thank you to, Mr Knowles, Mrs Bircumshaw and their teams.”

The Leader concluded his budget speech by moving the recommendations.

Debate ensued with a number of Members speaking in support of the proposed budget, acknowledging that Local Government finances had been difficult for a number of years, and indicating the fairer funding arrangement promised, needed to be realised. The Rates Retention Policy and adjustment to the rural support grant had also been of assistance in balancing budget this year. The need to invest reserves wisely was crucially important, in order to avoid having to cut services, as this approach was not sustainable.

The recommendations within the report were seconded.

The Leader of the Opposition addressed the Chamber, and made particular reference to the Council's Commercial Strategy. Whilst acknowledging some of the successes the Council had delivered during times of austerity, he indicated he could not support a Strategy which saw huge amounts of local taxpayers monies, invested in projects and properties outside of the District.

He therefore moved an addition to the recommendations contained within the report, namely: - “That the Commercial Strategy be adopted on the condition that the funds are invested solely in the District”.

He cited examples of other companies and countries who had invested heavily in areas outside of their core business and had paid heavily for doing so. Investments should be made for the benefit of the District and its residents. It was suggested recent significant investments of this nature had been made, yet were silent in the report presented to Members.

The additional recommendation was duly seconded, along with the call for a recorded vote against the amendment.

Further debate ensued with Members of the Administration challenging the views expressed by Opposition Members, indicating the Commercial Strategy was a well thought out strategy, around which much due diligence had been undertaken. The investment would see money come back to the District which in turn would be invested into services for the District's residents. The investment referred to was considered to be sound in its nature, with many contractual obligations, in favour of the Council.

Furthermore, it was noted the Commercial Strategy was supported by a list of 14 agreed criteria by which all potential purchases were assessed. The Leader outlined in detail and at length the process which had been adopted, offering assurance that such decisions were carefully considered. The Leader acknowledged the Opposition's sentiments, however stressed that no commercial properties, currently for sale across West Lindsey, met the criteria which had been established, and thus they were not considered good investments or likely to achieve the levels of returns required. Despite investments being made outside of the District, the Administration were steadfast in their view that these were wise investments

and this was a managed business function.

It was suggested that there needed to be greater transparency around such investments.

In response to the comments expressed by the Opposition and their concerns regarding the Commercial Strategy and associated investments, Members of the Administration sought indication as to how those Members would fund the budget gap which had been identified, as currently the hotel purchase was generating around £150,000 pa, suggesting that considerable Council Tax rises would not be palatable.

Opposition Members reminded fellow Members, in the Chamber, that following a recent Audit, Commercial investments had received only a “low assurance” rating, hence the call for greater transparency and scrutiny of such decisions.

In response to comments made throughout the debate and at the request of the Chamber, the Executive Director of Resources, clarified a number points regarding the Travel Lodge investment in Keighley.

The lease acquired was a 224 year lease on the property, including a 23 year sub-lease with Travel lodge. That lease currently generated £157k pa and should the Authority borrow in the future, it would generate circa £90k pa thereafter, which would be used to support the budget going forward.

Before moving to the vote, the Executive Director of Resources addressed the Chamber and outlined the financial implications to the Authority should investments outside of the District be prohibited, as had been proposed by the additional recommendation put forward. The budget presented relied on said investments up to the tune of £600k of income. If the Authority was to change its stance, it would put this £600k income at risk and result in a budget deficit of £1.12m by 2022/23.

The additional recommendation, moved and seconded earlier in the meeting, namely “That the Commercial Strategy be adopted on the condition that the funds are invested solely in the District”, was then put to a recorded vote.

Votes were cast as set out below:

For: - Cllrs Boles, Cotton, Darcel, Rainsforth, Rollings, Shore, Young

Against: - Cllrs, Allison, Bibb, Bierley, Bond, Brockway, Devine, England, Fleetwood, Howitt-Cowan, Kinch, Lawrence, G McNeill, J McNeill, Mewis, Oaks, Palmer, Parish, Patterson, Regis, Smith, Strange, Summers, Waller

Abstain: - Rodgers, White

With the majority of Councillors voting against the additional recommendation the motion was declared **LOST**.

The recommendations, as set out in the report and having being moved and seconded earlier in the meeting, were then put to the vote. In accordance with required legislation for voting on the Council’s budget, a recorded vote was taken.

Votes were cast as set out below:

For: - Cllrs Allison, Bibb, Bierley, Brockway, Devine, England, Fleetwood, Howitt-Cowan, Kinch, Lawrence, G McNeill, J McNeill, Mewis, Oaks, Palmer, Parish, Patterson, Regis, Smith, Strange, Summers, Waller, White

Against: - Cllrs, Boles, Cotton, Darcel, Rainsforth, Rollings, Shore, Young

Abstain: - Bond, Rodgers

With the majority of Councillors voting for the proposals, the motion was declared **CARRIED** and on that basis it was

RESOLVED that: -

- (a) the external environment and the severity of the financial challenges being faced as detailed in the Financial Strategy be recognised;
- (b) the Statement of the Chief Finance Officer on the Robustness of Estimates and Adequacy of Reserves be accepted;
- (c) the Medium Term Financial Plan 2018/19 to 2022/23 (Appendix 2) and are aware of the associated Risks included at Appendix B, be approved;
- (d) a Mid-Year Review of the Medium Term Financial Plan be presented to Members during 2018/19.
- (e) the Revenue Budget 2018/19 (Appendix A) be set;
- (f) the Fees and Charges Policy be approved and the Fees and Charges 2018/19 (as amended) be set (Appendix C&D);
- (g) the Capital Investment Strategy (Appendix E) be adopted;
- (h) the Capital Programme 2018/19 to 2022/23 and Financing (Appendix F) be approved.
- (i) the Treasury Management Strategy 2018/19 be approved and the Treasury Investment Strategy, the detailed Counter Party criteria, and the Treasury and Borrowing Prudential Indicators (Appendix G) be adopted;
- (j) the Minimum Revenue Provision (MRP) Policy as contained in the Treasury Management Strategy (Appendix G) be approved;
- (k) a 3% increase in the Council Tax (Appendix H-L) be approved; and
- (l) the 2018/19 Pay Policy Statement and establishment numbers (Appendix M) be approved.

The meeting concluded at 8.11 pm.

Chairman