

Minutes of a Meeting of the Executive Board held in the Council Chamber, The Hub, Mareham Road, Horncastle, Lincs, LN9 6PH on Wednesday, 11th January, 2023 at 6.00 pm.

PRESENT

Councillor Craig Leyland (Chairman)

Councillors Graham Marsh, Tom Ashton, Sarah Devereux, Richard Fry and William Gray.

Councillor Fiona M. Martin, M.B.E. attended the Meeting as an observer.

OFFICERS IN ATTENDANCE:

Christine Marshall	- Deputy Chief Executive (Corporate Development) and S151 Officer
John Leach	- Deputy Chief Executive, Communities
Michelle Sacks	- Deputy Chief Executive, Growth
James Gilbert	- Assistant Director - Corporate
Victoria Burgess	- Assistant Director - Neighbourhoods
Ann Good	- Democratic Services Manager
Elaine Speed	- Senior Democratic Services Officer and Civic Officer

57. APOLOGIES FOR ABSENCE:

Apologies for absence were received from Councillors Adam Grist and Steve Kirk.

58. DISCLOSURE OF INTERESTS (IF ANY):

No declarations were received.

59. MINUTES:

The Open and Exempt Minutes of the Meeting held on Wednesday 30th November 2022 were confirmed and signed as a correct record.

60. ACTION SHEETS:

The actions of the meeting held on 30 November 2022 were confirmed as complete.

61. BUDGET OVERVIEW, 2023/24, (INCLUDING BUDGET CONSULTATION):

A report was presented that set out the areas of pressure to be considered as part of the budget setting process, the details of the Council's Provisional Funding Settlement and also proposed delegated authority to

the Portfolio Holder for Finance to approve commencement of the Council's Budget Consultation. The report also included the proposed level of Council Tax for 2023/24.

During his introduction the Portfolio Holder for Finance referred to this year's budget being set within a background of unprecedented inflationary pressures and significant changes in resident, customer and business needs. Despite these challenges the Council's financial position meant it was well placed and able to take a considered approach to mitigating these exceptional challenges. It was highlighted that due to the complex financial environment, the budget consultation document was still being finalised and delegated authority was sought for the Portfolio Holder for Finance to approve its release for consultation.

Key Budget Pressures were referred to by the Portfolio Holder as follows:

- A pay award for 2022/23 and 2023/24;
- Pension contributions of 23.8% in 2023/24 with an additional lump sum amount payable towards the deficit on the pension scheme;
- Electricity and gas costs were inflated for 2023/24 as a result of increased wholesale prices;
- Vehicle fuel costs were subject to inflationary pressures;
- Increased service and contract costs;
- Internal Drainage Board (IDB) levy increases were not finalised but were expected to be a very substantial increase on previous years due to the extensive use of power and fuel for the activities that these organisations undertook.

It was noted further that the increased return on cash investment reflected recent increases to the Bank of England base rates which had increased significantly from the recent historic low levels;

The previous MTFS committed to a Council Tax increase in line with the maximum allowed under the recent Local Government Settlement. In the case of ELDC for 2023/24 this was a £4.95 (3.16%) per annum increase (for band D properties). The increase was reflected through the life of the MTFS;

It was noted that business rates information was not yet available as a result of a number of changes, including the inflation measure used to increase the local government funding amount.

The National Non-Domestic Rates Form (NNDR1) production was now particularly important in terms of changes to the business rate yield which heavily influenced the Council's own budget and also the pool the Council was part of within Lincolnshire and significantly the County Council;

As detailed in the report the 2023-24 local government finance settlement was for one year only and was based on the Spending Review 2021 (SR21) funding levels, updated for the 2022 Autumn Statement announcements. The main points were:

- The Funding Guarantee replaced the Lower Tier Services Grant. This grant was intended to provide a funding floor for all local authorities, so that no local authority would see an increase in Core Spending Power that was lower than 3%, before any decisions about organisational efficiencies, use of reserves or council tax levels were taken;
- Revenue Support Grant had been increased in line with what would have been the increase to the multiplier; there had also been existing grants rolled into the RSG amounts;
- Local Government Funding Reform – As per the published Policy Statement, the Review of Relative Needs and Resources ('Fair Funding Review') and a reset of Business Rates growth would not be implemented in the next two years.

In terms of balancing the budget the following areas had been identified as key areas of focus for Members' consideration:

Short Term:

- The potential use of reserves to support one off pressure and for invest to save initiatives;
- Use of the New Homes Bonus to support the revenue account whilst medium term activity was actioned;
- Continued work to engage on the Internal Drainage Board financing challenge;
- Review of all new pressures and service budgets to consider efficiency (modernisation) opportunities and alternative options;

Medium Term:

- Work with PSPS and Service Teams in terms of transformation plans for the future;
- Deliver transformational change using the SELCP sub-regional partnership as a driver for innovation and efficiency (modernisation);
- Reviewing all assets to maximise income and effectiveness of use;
- Delivering and supporting economic growth;

- Reviews of fees and charges in light of inflationary increases in costs, where appropriate;
- Detailed modernisation and transformation plans are being put together for Members' consideration as part of this budget setting process;

The Leader of the Council acknowledged the good management of the Council which had sustained the Council's position during the previous challenging two years.

Following which it was

RESOLVED

That approval of the commencement of the budget consultation be delegated to the Portfolio Holder for Finance in consultation with the Deputy Chief Executive – Corporate Development (s151) Officer.

Reason:

To comply with the budgetary and policy framework.

Other options:

No other options will comply with the legislative requirements.

62. LOCAL COUNCIL TAX SUPPORT SCHEME 2023/24:

A report was presented that sought an Executive Board decision on the final proposals for the Local Council Tax Support 2023/24 Scheme, to be presented to Council for approval on 1 March 2023.

During his introduction the Portfolio Holder for Finance highlighted the Council was required to consider whether to revise the Council Tax Support Scheme annually. Full Council must make any revision to the scheme, or any replacement, and agree the final scheme no later than 11 March 2023 in respect of the 2023/24 financial year. It was noted that Executive Board at its meeting on 2 November 2022, (Minute No 41 refers) resolved that consultation be approved on continuation of the current Council Tax Support Scheme, including uprating in line with Department of Work and Pensions annual update of allowances and premiums for 2023/24.

Financial assistance to those on low incomes was provided for within the scheme, public consultation had taken place and major precepting authorities had been consulted on the proposals. The full consultation report was attached at Appendix A to the report.

During discussion Members supported a more fundamental review to be undertaken of the Local Council Tax Support Scheme for future years.

Following which it was.

RESOLVED

1. That Full Council be recommended to approve the continuation of the current Council Tax Support scheme, including uprating in line with DWP's annual update of allowances and premiums for 2023/24;
2. That approval be delegated for the 2023/24 final scheme policy to the Section 151 Officer in consultation with the Portfolio Holder for Finance, including administrative and minor changes;
3. That a more fundamental review of the Local Council Tax Support Scheme for future years be undertaken.

Reason:

Full Council must make any revision to its scheme, or any replacement, and agree its final scheme no later than 11 March 2023 in respect of the 2023/24 financial year.

Continuation of the current scheme will continue to align the CTS scheme and uprating for working age customers with DWP provisions for Housing Benefit and the CTS scheme for pensioners. This has been consistent each year since the introduction of the local scheme.

Executive Board may consider it timely to commence a fundamental review of the scheme which would give the opportunity to consider options which simplify the scheme for the customer, are more efficient to administer, and more fit for purpose for the future.

Other options:

The 'do nothing' option was considered, which would see the current scheme retained without uprating.

63. DATE OF NEXT MEETING:

The amended date for the next Meeting of the Executive Board was noted as 15th February 2023.

64. EXCLUSION OF PUBLIC AND PRESS:

RESOLVED

That under Section 100(a)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item on the grounds that, if they were present, there could be disclosed to them exempt information as defined in paragraph(s) 3 of Part 1 of Schedule 12A of the Act (as amended).

65. COMMERCIAL WASTE:

An Exempt Report was presented to enable consideration of a commercial waste collection service.

Following which it was

RESOLVED

1. That the introduction of a commercial waste collection service within the district from 1st April 2023 be approved;
2. That responsibility be delegated for amending fees and charges relating to commercial waste collections to the Portfolio Holder for Operational Services;
3. That the use of the Transformation Reserve to fund the initial project set up costs of £50,000 over the first two years be approved;
4. That a capital budget of £32,500 for bins and software purchases be established.

Reasons:

To provide efficiency savings and the opportunity to invest in the waste service.

To support the waste hierarchy and provide more opportunity for the private sector to recycle their waste

To assist businesses with the disposal of their waste in a lawful manner

To meet the Corporate Strategy objective to be a council that is close to self-sufficiency and continuing to deliver services that meet the needs of residents.

Other options:

Extend Boston Borough Council's commercial waste collection service into East Lindsey district – this option is not achievable at the moment, as BBC does not have the capacity on the current collection rounds to support this additional element of service delivery.

Do not introduce a commercial service and continue to make use of private waste collection companies – the agreed annual delivery plan includes a project to deliver a commercial waste collection.

The meeting closed at 6.29 pm.