Boston Borough Council

Minutes of a meeting of the **Overview & Scrutiny Committee** held in the Committee Room - Municipal Buildings, West Street, Boston, PE21 8QR on Thursday 15th January 2026 at 6.30 pm.

Present:

Councillor Paul Gleeson, in the Chair.
Councillors Suzanne Welberry (Vice-Chairman), Richard Austin BEM, Anton Dani, Anne Dorrian, Neil Drayton, Stuart Evans, Andy Izard, Barrie Pierpoint, Ralph Pryke and David Scoot.

Officers:
Deputy Chief Executive (Programme Delivery) and Assistant Director - General Fund Assets, Director of Finance, Head of Finance Delivery - BBC (PSPSL) and Democratic Services Officer.

75 Apologies for Absence

Apologies were received from Councillors Emma Cresswell, Patsie Marson and Lina Savickiene .

76 Declarations of Interest

No declarations of interest were made.

77 Minutes

The minutes of the previous meeting held on 9th December 2025 were agreed and signed by the Chairman.

78 Public Questions

No questions were received from the public.

79 Budget Overview 2026/27 - 2030/31

The Committee received a report introduced by the Director of Finance (S151 Officer), supported by the Head of Finance Delivery – BBC (PSPSL), which presented the draft Budget Overview for 2026/27–2030/31. The Director of Finance delivered a detailed presentation setting out the national and local financial context, including the implications of the Provisional Local Government Finance Settlement, released on 17th December 2025, and the range of technical changes arising from it. Members were advised that the draft budget had been developed during a period of significant national change to the local government finance system. Service budget reviews commenced in May 2025, supported by a Star Chamber process undertaken in August, with further refinement through late 2025. This work identified emerging cost pressures and realistic efficiency opportunities forming the basis of the draft budget before Members. The Director of Finance emphasised the important role of scrutiny in providing independent challenge and constructive suggestions during budget development.

The Director explained that the Fair Funding Review had introduced a new methodology which placed greater emphasis on population and deprivation, resulting in the removal of the flood and coastal protection factor weighting and the rural sparsity adjustment, both of which had previously benefitted the Council. This shift altered the composition of funding, including a significant increase in Revenue Support Grant offset by reductions in other elements. In addition, extensive reforms to the business rates system were set out, including the introduction of five separate rating multipliers, the move from net to gross rates payable and the removal of Section 31 grant compensation. It was confirmed that, following the withdrawal of a partner authority, the Lincolnshire business rates pool would not operate for 2026/27.

In relation to Council Tax, the Members were advised that referendum limits remained at the higher of 3% or £5 and that Government-assumed increases to the tax base exceeded the Council's own projections. Members were informed that the apparent increase in Core Spending Power primarily reflected Government-assumed Council Tax rises and the rolling-in of ring-fenced grants, rather than any real-terms increase in funding. Grants relating to homelessness, rough sleeping and domestic abuse had been consolidated into Core Spending Power, and while the Internal Drainage Board levy grant had been confirmed for 2026/27, there remained uncertainty beyond that year. Members were also informed that Government had indicated that new burdens funding for food waste was included within the overall settlement and would not be issued separately.

More than £800,000 of service pressures had been identified across several areas, including contractual uplifts, housing benefit subsidy write-offs, adjustments to income assumptions in planning and bereavement services and Local Plan-related costs. While many pressures were small individually, several larger items accounted for a significant proportion of the total. Dialogue with PSPSL indicated that contractual uplifts were likely to be lower than originally anticipated, reducing overall pressure. Efficiency proposals included ICT cost reductions, increased building control income, application of Renters' Reform Bill funding and a range of smaller service-level adjustments. Members were advised that the current budget gap stood at £1.3m for 2026/27, with further work underway to reduce this ahead of Cabinet consideration. Without additional action, the gap was projected to rise to £2.1m in 2027/28 and £2.8m in 2028/29. Investment income was also expected to reduce due to forecast reductions in interest rates and the drawdown of grant balances that had temporarily supported higher returns.

During deliberation, Members engaged in extensive discussion and sought clarification on a wide range of matters relating to the draft budget and medium-term financial outlook. Officers provided explanations to support Members' understanding of the complex national funding changes and the emerging local implications. The following questions and responses were noted:

- Members sought clarification on the extent to which the Government's assumed Council Tax base growth aligned with local projections. Officers explained that the Government's modelling assumed a higher rate of growth than was likely to be achieved within the borough, which resulted in an overstated Core Spending Power calculation when compared with the Council's own forecasts.
- Clarification was requested regarding the implications of the national reforms to the business rates system, particularly the introduction of multiple rating multipliers, the

shift to gross rates payable, and the removal of Section 31 grant compensation. Officers advised that these changes contributed to increased volatility in future income forecasts and that the dissolution of the Lincolnshire business rates pool removed an opportunity for the Council to retain a larger proportion of local business rates growth.

- Members explored the likely scale of contractual uplifts associated with PSPSL services and how these would influence the overall budget position. Officers confirmed that updated information from PSPSL indicated the uplift would be significantly lower than originally anticipated, which would reduce overall budget pressure once incorporated into the next iteration of the draft budget.
- Further clarity was sought on the sensitivity of the budget to the national pay award. Officers noted that the pay award remained one of the Council's most significant financial risks, and any increase above the level currently assumed would widen the budget gap both in 2026/27 and across the Medium-Term Financial Strategy period.
- Members asked whether the delivery of food waste responsibilities could be achieved within existing resources and how this related to Extended Producer Responsibility (EPR) funding. Officers explained that while EPR funding contributed to wider recycling and waste management costs, it was not directly allocated for food waste collection, and Government had indicated that no separate new burdens funding would be made available for its implementation.
- Consideration was given to potential opportunities to increase income, including through a strengthened commercial waste service and improvements to planning processes. Officers confirmed that a review of commercial waste income was underway to ensure full cost recovery and competitive pricing, and that service improvements were being explored within the planning function to support income stability.
- Members discussed the strategic use of reserves in light of potential Local Government Reorganisation and asked how the Council intended to maintain resilience. Officers advised that reserves continued to be managed prudently and that any future use would need to reflect national decisions on reorganisation and the associated timetable.

Members noted the importance of robust scenario planning to support sustainable medium-term financial management and endorsed the proposal to hold a financial risk and modelling workshop early in the next municipal year. The Chairman confirmed that all comments and suggestions raised during debate would be submitted to Cabinet as part of the Committee's formal scrutiny response.

Resolved:

That the Draft Budget and Medium-Term Financial Strategy 2026/27–2030/31 be noted, and that the Committee's comments and suggestions be submitted to Cabinet on 18th February 2026.

80 Work Programme and Forward Plan

The Committee reviewed its current Work Programme and the Council's Forward Plan. Members were reminded of the substantial volume of business scheduled through to March 2026, including items relating to policing, highways, and the Quarter 3 performance and risk report. The Committee discussed whether proposed constitutional amendments due for consideration at Full Council should be added for pre-scrutiny. While recognising

the value of scrutiny in enabling detailed questioning, Members noted that the item related directly to Full Council rather than Cabinet. The Committee voted not to add the item at this stage.

Members raised the need to understand the availability, maintenance and reliability of public defibrillators across the borough. Officers were asked to carry out enquiries and report back on responsibilities for inspection and upkeep. Members also supported inviting Lincolnshire Fire & Rescue to a future meeting to provide information on local inspection processes, regulatory checks and enforcement activity. Members also endorsed holding a financial risk and scenario-planning workshop early in the next municipal year, including consideration of Local Government Reorganisation. It was recognised that upcoming agendas were already full, and any additional items would need to be scheduled carefully and routed through the Chairman.

Resolved:

That the content of the current Work Programme and Council's Forward Plan be noted.

The Meeting ended at 8.04 pm.