

# Meeting of the Finance, Economic Development and Corporate Services Overview and Scrutiny Committee



SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL

Tuesday, 19 July 2022, 10.30 am

**Council Chamber – South Kesteven House,  
St Peter’s Hill, Grantham, NG31 6PZ**

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## **Committee Members present**

Councillor Helen Crawford (Chairman)  
Councillor Ben Green (Vice-Chairman)  
Councillor Gloria Johnson  
Councillor John Dawson  
Councillor Phil Dilks  
Councillor Philip Knowles  
Councillor Susan Sandall  
Councillor Ian Stokes

## **Other Members present**

Councillor Ashley Baxter

## **Cabinet Members present**

Councillor Rosemary Trollope-Bellew (Cabinet Member for Culture and Visitor Economy)

## **Officers in attendance**

Nicola McCoy-Brown (Director of Growth and Culture)  
Graham Watts (Assistant Director of Governance)  
Richard Wyles (Chief Finance Officer)  
Alison Hall-Wright (Assistant Director of Finance)  
Claire Moses (Head of Revenues, Benefits and Customer Service)  
Debbie Roberts (Organisation Development and Change)  
Sarah Downs (Democratic Services Officer)

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## **12. Public Speaking**

There were no comments from members of the public.

## **13. Apologies for absence**

There were none.

#### **14. Disclosure of interests**

There were none.

#### **15. Action notes of the meeting held on 27 June 2022**

The minutes of the meeting held on 27 June 2022 were proposed, seconded and **AGREED** as a correct record.

#### **16. Updates from previous meeting**

The Committee noted the action notes from the meeting held on 27 June 2022.

#### **17. Finance Update Report: April - June 2022**

During the current financial year, the Finance, Economic Development and Corporate Services Overview and Scrutiny Committee were to be provided with regular finance reports that monitored and assessed the current economic conditions for the Council. This first report only showed actual costs incurred up to 30 June. Subsequent reports would show the projected outturn position as at 31 March 2023.

The report was presented by the Chief Finance Officer who confirmed that the budget carry forwards were to be confirmed subject to approval by Cabinet. This had been subsequently approved at Cabinet on 12 July 2022. There had been some amendments to the framework which were set out within the tables in the report.

The Chief Finance Officer explained that the focus was currently on inflationary pressures due to an unprecedented and unforeseen increase in inflation, fuel and utility costs. In a rural area such as South Kesteven, fuel consumption could not be significantly reduced, although the Council had ensured an optimum price for its usage. The Council was notified that from April 2022, gas tariff rates would increase by 70% and electricity tariff rates would increase by 100% from October 2022.

The utility running of the public buildings and streetlighting were among significant costs and the staff move from the Council Offices was being accelerated but there was more work on a strategy to mitigate these costs. An update was to be brought before the Committee at a future meeting.

The creation of an inflation reserve of £500,000 was recommended for the General Fund to absorb potential cost pressures in the short-term but further expected increases remained a concern and additional monies would be required. A potential pay award would add to the budgetary pressures, for example an increase of 1% would translate to an additional £120,000 and the Council was unable to rely on Government assistance.

During discussion Members raised the following points:

- The proposed action of the creation of an inflation reserve to mitigate the effects of inflation on the budget were welcomed, although it was understood that the reserve was currently insufficient and would require increasing to cope with future expected rises in inflation.
- Could the Council identify savings to help with energy and transport costs?
- What proportion of the budget was spent on fuel and transport and could it be ensured that staff continued to consider whether journeys were necessary or meetings could take place virtually instead?
- Members acknowledged the difficulty in planning ahead in uncertain times and establishing objectives to be measured against. It was suggested that more needed to be done to anticipate and prepare for the impact of future economic events.
- Could the Council consider the selling of any assets to raise funds?
- Clarification was sought on the Housing Revenue Account amount of interest payable.

The Chief Finance Officer informed the Committee that a strategy was required in order to reduce the overall utility costs as the Council currently has a significant number of buildings and facilities where it is responsible for the operational costs. Many services, such as Waste Collection, had established procedures and processes in place that could not be amended quickly. A number of reserves had been set up and transformational savings provided funding in the short-term. The Officer clarified that the Housing Revenue Account was repaying a loan and this was shown in the table in the report.

Decisions were being made in line with the advice received. The Officer explained that borrowing to fund revenue expenditure is not an option and Council Tax, fees and charges have been set for the financial year. The selling of assets was an ongoing consideration that was being looked into. The energy and transport costs were to be significant but impossible to specifically confirm at this stage but an update would be brought before the Committee at a future date.

**AGREED:**

- a) **That the Committee reviewed and noted the actual 2022/23 position for the General Fund and HRA Revenue and Capital budgets as at the end of June 2022.**

## 18. Localised Council Tax Support Scheme 2023/2024

The Head of Revenues, Benefits and Customer Service presented a report on the Council's Local Council Tax Support Scheme.

The Council Tax Benefit system was abolished on 31 March 2013 and replaced by the Local Council Tax Support Scheme (LCTSS). The Scheme was to provide Council Tax Support to claimants of working age as pensioners and many vulnerable residents were protected under legislation. The Scheme was to continue to be reviewed each year to ensure it continued to be fit for purpose.

The cost of living had not yet resulted in an expected increase in applications for Council Tax Support and Discretionary (top-up) Payments. This is as a result of other packages of support being provided in the form of Council Tax Energy rebate, Cost of Living payments, Pension Cost of Living payments, Disability Cost of Living payments and Household Support Fund.

The Officer informed the Committee that there was uncertainty as to the impact on claimants of their move to Universal Credit payment, which is due to take place by the end of 2024. It is unknown whether moving to Universal Credit will result in the Council Tax Support changing (increasing or decreasing) or staying the same. The Officer recommended that such uncertainties were difficult to model. This led to the recommendation for a 'no change' scheme at this time.

Consultation was required and this was to begin in August until October 2022. All those in receipt of Council Tax Support will be included in the consultation and will be invited to provide feedback regarding the current scheme. In November 2022, those findings were to be brought before the Finance, Economic Development and Corporate Services Overview and Scrutiny Committee and if approved by Council in January 2023 the scheme would be effective from 1 April 2023.

During discussion, Members of the Committee raised the following points:

- Members were generally in favour of the report. It was acknowledged that pressure is on Local Government to assist residents through the cost-of-living crisis as Central Government was not fully functioning.
- A Member asked why Special Constables were not mentioned within the report. Were the Council keeping the concession for a third year?

The Head of Revenues, Benefits and Customer Service confirmed that as the recommendation was for 'no change' to the Scheme, the Special Constable concession would continue. The consultation was important in providing valuable feedback and a further recommendation could return to the Committee if it was required.

## **AGREED:**

- a) That the Committee noted the report and sought approval for public consultation of a 'no change' scheme.**

## **19. End of Year Performance 2021/22**

The South Kesteven Corporate Plan 2020-23 was approved by Council on 1 October 2020. It was agreed by Council that actions, key performance indicators (KPIs) and targets would be developed by the relevant overview and scrutiny committee, which would retain oversight of the performance management arrangements at a strategic level. These actions and indicators were presented to this committee and agreed on 17 November 2020.

The Mid-Year report for 2021/22 was presented to the Committee on 3 December 2021 and outlined the performance against the Corporate Plan for the financial year to date and included the first annual review of all Corporate KPIs and contained recommendations for changes, additions, and removals.

In summary:

- 9 of the actions were rated Green. These were actions which were on or above target as planned.
- 7 actions were rated as Amber, these were those off target by less than 10% or where milestone achievement is delayed but with resolution in place to be achieved within a reasonable timeframe.
- 0 actions were rated Red. These were those falling significantly below target or overdue with no specific resolution date planned.
- There have been no areas of significant under performance identified in this report, this was a positive improvement from the last report which had 1 action rated as Red.

Members discussed the following points:

- Clarification was sought on the customer experience strategy. A number of Members felt that customers were unhappy with response through the telephone system.
- Confirmation on opening times at the Customer Services Centre was requested.
- A Member asked if unanswered calls were logged within the telephone system.

The Chief Finance Officer confirmed that the Customer Service Centre was currently open from 9am until 1pm daily and data suggested 8 out of 10 calls were currently answered. The Officer informed the Committee that if there was a problem, this would be addressed and specific feedback was welcomed. It was confirmed that the telephone system logged abandoned calls.

**AGREED:**

- a) **That the Committee noted the contents of the 2021/22 year-end performance report**
- b) **That Committee Members considered if any concerns highlighted by the report required additional investigation to be added to the work programme.**

**20. Work Programme 2022 - 2023**

The Committee noted the contents of the Work Programme 2022 – 2023.

It was clarified that the LeisureSK report on energy contracts was deferred to the September 28 meeting and an update on the Localised Council Support Scheme 2022/23 was added to the meeting on November 22 along with a report on the mid-year Corporate Plan key performance indicators.

A request was made that data relating to the Customer Services telephony system, particularly information relating to the amount of calls answered be brought before the Committee in September 2022.

**ACTION 1:**

**That the Work Programme 2022-2023 was updated as requested.**

**ACTION 2:**

**That the Committee received recent data on the calls handled within the Customer Services telephony system at the next meeting in September 2022.**

**21. Any other business, which the Chairman, by reason of special circumstance decides is urgent**

There were none.

**22. Close of meeting**

The Chairman closed the meeting at 11:40.