

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



SOUTH
KESTEVEN
DISTRICT
COUNCIL

Tuesday, 22 November 2022, 10.30 am

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

Committee Members present

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

Other Members in attendance

Councillor Ashley Baxter
Councillor Richard Cleaver
Councillor Virginia Moran

Cabinet Members in attendance

Councillor Kelham Cooke (Leader of the Council)
Councillor Robert Reid (Cabinet Member for Housing and Property)
Councillor Adam Stokes (Deputy Leader of the Council)

Officers in attendance

Alan Robinson (Deputy Chief Executive)
Richard Wyles (Chief Finance Officer)
Nicola McCoy-Brown (Director of Growth and Culture)
Alison Hall-Wright (Assistant Director of Finance)
Jon Hinde (Head of Economic Development)
Claire Moses (Head of Revenues, Benefits and Customer Service)
Debbie Roberts (Head of Corporate Projects, Policy and Performance)
Sarah Downs (Democratic Officer)

37. Public Speaking

There were no comments from members of the public.

38. Apologies for absence

Apologies were received from Councillor John Dawson.

It was confirmed that Councillor Ashley Baxter was representing Alliance SK on the Committee today.

39. Disclosure of interests

There were none.

40. Minutes of the meeting held on 27 September 2022

A Member informed the Committee that 3 or 4 points on page 9 of the minutes were recorded too briefly without any context of what was discussed and requested that this was considered and addressed.

The Chairman agreed that the minutes would be rechecked.

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

41. Updates from previous meeting

The Committee noted the actions from the meeting held on 27 September 2022.

The Chairman confirmed that minute items 27 and 30 were complete and item 29 was to be received as a verbal update within the meeting today.

A Member asked about the email circulated to Committee Members in reference to the update on St Martin's Park Demolition Works as they did not think they had received the communication, which included the attachment of a survey report. The Member requested that the date that any such emails were sent be included in future be recorded on the action sheet in future. Another Member added that there were to be 2 reports circulated to committee members describing that one survey was before the works began where a professional surveyor informed that the 1904 building could be retained. A further survey carried out at a later date confirmed that the building could no longer be saved.

The Head of Projects, Policy and Performance confirmed that the email, with both survey reports, would be re-sent immediately and the Officer was happy to answer any questions.

The Assistant Director of Finance informed the Committee that they would be providing the update on minute item 29, the Cyber Security Action Plan. The Council had received £150,000 from the Government to implement a cyber-security action plan. Currently 32 actions were identified, 19 have been completed, 9 were

in progress and 4 had not yet been started. The Committee were informed that all actions would be implemented by February 2023.

ACTION 1:

A Member requested that the Cyber Security action plan update be added to the Work Programme for next February and the Chairman agreed.

42. Announcements or updates from the Leader of the Council, Cabinet Members or the Head of Paid Service

There were none.

A Member raised a point of order (under part 4) that the 'announcements' item was not within the Constitution. The Member added that as part of the process on scrutiny, an agenda item had been added to the scrutiny committees:

'Announcements or updates from the Leader of the Council, Cabinet Members or the Head of Paid Service'

The Member continued that since the item was introduced in July there had been no updates or announcements at any other meeting.

The Chairman added that all items on every agenda were there to be scrutinised.

43. Localised Council Tax Support Scheme 2023/24

The Deputy Leader of the Council presented the report and confirmed that each year the Council was required to review their Council Tax Support Scheme to determine its sustainability and consider any potential changes for the following financial year.

The Council Tax Benefit system was abolished on 31 March 2013 and replaced by the Local Council Tax Support Scheme (CTS). This scheme was to be determined locally by the Billing Authority having had due consultation with precepting authorities, key stakeholders, and residents. There were currently 7,414 residents claiming Council Tax Support in the South Kesteven District. Of these, 3,141 were pensioners and 2,731 were vulnerable working age, who were protected under the legislation and received Council Tax support as prescribed by the Government (broadly similar to the level of Council Tax Benefit). It was the 1,542 remaining working age claimants where a local scheme could be determined which was able to change the level of support provided. The scheme currently provided 80% entitlement for working age claimants.

A report was presented to this Committee on 19 July 2022, giving more details with regards to the impact of the move of legacy benefits to Universal Credit, and the impacts of cost of living. Despite the scheme being a 'local' CTS scheme due to

the nature of protection provided to pensioners and vulnerable working age customers, there was always to be an element of cost that the Council had to incur and for which it had no influence over.

Based on caseload as at 27 October 2022, the current cost of the 2022/23 scheme was £7,056,973 with South Kesteven's share of this being £635,127 (9%). Due to this protection from changes to pensioners and vulnerable working age customers, any 'savings' to be made to the proposed scheme could only be applied to the 1,542 customers, or 20.79% of the caseload. This meant out of the current Council spend of £635,127 – only £132,043 (20.79%) could be influenced by a change to the current scheme. The reality was that out of any potential options that may reduce spend against budget is to decrease the 'maximum entitlement' – e.g. to reduce the maximum CTS customers can receive from the current position of 80%.

In addition, the scheme enabled the Council to support care leavers and special constables through a discretionary discount scheme. The scheme was first approved for 2022/23. Currently, we had 3 Special Constables in receipt of the discount. If the scheme was approved to continue in 2023/24, the award of the discount was to be referenced to service during 2022/23. As a result, the eligibility for the discount was to be considered and an award made no later than the 31 May of the following financial year and would be applied to the Council tax account in 2023/24. If the scheme continued, the Police and Crime Commissioner (PCC) was to write to all Special Constables who lived within the district of South Kesteven, by 30 April 2023, confirming they have met the hours worked criteria, and would provide a link to the Council's website. The Special Constable would be required to complete the application form and upload the letter from the PCC. An award was to be made no later than 31 May 2023.

The Head of Revenues, Benefits and Customer Service gave an update following the Autumn Statement.

The Officer informed the Committee that the actual cost of the scheme would not be known until the end of the financial year and was to be dependent on caseload as well as levels of Council Tax set by the District Council and Police Authorities. The complexities of the budget changes meant there was a 10.1% increase in benefits for various people in receipt of new state pension, basic state pension, pension credit and the enhanced daily rate component for personal independent payments, along with Universal Credit having increased. The Officer confirmed that the Council needed to ensure the increases were accurate as well as understanding the impact this could have on the scheme. An increase in benefits could have resulted in a decrease in the Council Tax support awarded and an impact on the scheme percentage of 80%. The household support fund was also there to support residents.

During discussion, members raised the following points:

- Did the survey response rate of 80% supporting the scheme refer to 80% of 27 respondents? This was a low response to be considered supportive, however, it was acknowledged that people couldn't be forced to respond.
- Did the discount include students too?
- The difficult timing of the autumn statement was acknowledged but it would have been useful to have received an update on its impact before today's meeting.
- How much did it cost the Council to give discount to those special constables who currently received it and what was the maximum potential cost as a whole?

The Head of Revenues, Benefits and Customer Service confirmed that students weren't required to pay Council Tax so had no requirement for the scheme. The Committee were informed that various ways of consultation were looked at. For the 2022/23 survey, 8236 surveys were sent out and a response of 3.74% was received. This year, having been mindful of the cost, social media was updated and key stakeholders such as Citizens Advice were able to support. The Officer confirmed that the cost for the 3 special constables who currently received the discount was circa £800 each. Last year's cost would have been circa £9,500 had everyone eligible applied.

A Member queried the cost and that Lincolnshire County Council along with the Police Authority were amongst the largest contributors.

The Head of Revenues, Benefits and Customer Service continued that the cost of the Council Tax Scheme was 100% borne by the District Council as it was a local scheme that had been agreed to adopt. The Committee were informed by the Chief Finance Officer that Cabinet were originally mindful not to incorporate into the scheme as other district councils within the county had changed their stance on the scheme and the original intention was to take the scheme forward together so as to prevent a 'postcode lottery'. However only 2 district councils proceeded with the scheme.

The Head of Revenues, Benefits and Customer Service confirmed that a report heard at Finance, Economic Development and Corporate Services Overview and Scrutiny on 23 November 2021 paragraph 7.5 stated:

'Should the Council wish to approve the proposal of the Council Tax Discount for the Special Constables, this will be a direct cost to the General Fund of circa £9,564 for the awards relating to 2021/22.'

It was proposed, seconded, and **AGREED** that the Committee:

- a) **recommended to Cabinet the proposed Local Council Tax Support Scheme for 2023/24 after considering the feedback from the recent consultation.**

44. Progress Update on the new South Kesteven Economic Development Strategy 2023 - 2028

The Leader of the Council presented a report on the draft Economic Development Strategy.

Growth and our Economy is one of the five strategic priorities contained within the current Corporate Plan (2020-2023). The Council had several key roles to play in delivering economic growth and allowing the private sector to grow and create new jobs. The consultation process was to start today and an action plan to be developed over coming months, linked to key performance indicators.

The first draft of the emerging Economic Development Strategy was presented to Members, due to be adopted from 1 April 2023 to ensure the focus and priorities were sufficiently captured and where the Council could have the greatest impact through leadership, influence and delivery against its own priorities. During 27 June 2022 meeting of this Committee, Members were made aware that a scoping exercise was underway to bring forward a new Economic Development Strategy for the District to cover the period 2023 – 2028.

Several reasons for why a new Strategy was required were given:

- The previous strategy having expired in 2021
- The closure of InvestSK Ltd and the economic development function being insourced from April 2022
- The economic landscape post European Union Transition and the COVID-19 pandemic
- The emerging Government Levelling Up agenda and the replacement of European Structural Funds with the UK Shared Prosperity Fund (UKSPF).

A key element of the report was the updated economic intelligence which provided a number of local data sets gathered from the Office of National Statistics (ONS/ Nomis), The Centre for Entrepreneurs (CfE) and Scarborough Tourism Economic Activity Monitor (STEAM). This was the most up to date economic data available and provided a great deal of information about the District across eight key indicators:

- Population of South Kesteven: 143,200 (ONS 2021 census)
- Households in South Kesteven: 55,894 (ONS 2021 census)

- Businesses in South Kesteven: 6,265 (ONS 2022)
- Net gain business growth between 2017 and 2022: 345 (ONS 2022)
- New Businesses Start Ups in 2020: 926 (Centre for Entrepreneurs)
- South Kesteven Businesses Employ: 54,000 (ONS 2021)
- Average resident earnings: £583 per week (Nomis 2021)
- Visitors to South Kesteven in 2021: 2.72m (STEAM 2021)

Further analysis of the data provided information regarding a breakdown of the business sectors in the District, detailing the number of businesses and number of people employed within each sector. This information had been vital in allowing the identification of the key sectors within the South Kesteven economy, namely:

- Manufacturing (and Engineering)
- Construction • Retail and Wholesale
- Accommodation and Food Services
- Professional, scientific and technical
- Business administration and support services

The strategy identified links to other plans and partner organisations the Council were to collaborate on, to meet the aims of the strategy. These were identified within the strategy and included: Greater Lincolnshire Local Enterprise Partnership, Department for Work and Pensions, Federation of Small Businesses (FSB), Lincolnshire Chamber of Commerce and several local business support groups and educational establishments.

Over £16 million of external funding was secured to deliver projects, support community groups, fund COVID-19 response activity and enhance educational facilities. It also identified £53 million of COVID business support, administered by Officers and recognised as an exemplar at the recent FSB Local Government Awards.

Members raised the following points during discussion:

- It was important to have a strategy that would work and receive positive changes. What obstacles may be faced?

- The Council had to be realistic. The district economy was 100 times larger than what the Council spent annually.
- There was always room for improvement. A wish to see more highly-paid manufacturing jobs was expressed as well as export figures.
- Defined SMART and measurable objectives could have been incorporated within the strategy and more detail given.
- There is a national labour shortage. How could the Council rectify this?
- There were so many positive factors to the area of South Kesteven – good education and fantastic history. Connectivity was weaker in the south of the district and people should have been encouraged to spend money in the area and not in neighbouring counties such as Leicestershire or Cambridgeshire.
- The St Martins Park development could be included in the final version of the strategy.
- There were no factors that made the strategy specific to the area of South Kesteven.
- ‘Ample green space and community facilities’ were not consistent across the whole district, particularly in The Deepings.
- It was great to celebrate achievements but there needed to be acknowledgement that hard times were continuing such as the cost-of-living crisis.
- It was acknowledged that there were many commuters who did not spend their days within the area although the recent hybrid ways of working were bringing change to residents working habits.

The Economic Development Manager informed Members that potential obstacles included a shortage of employment land in the right place but that this was being reviewed in the Local Plan. South Kesteven had a low unemployment rate which was a difficulty when talking to potential investors. While being located next to the A1 was very beneficial, businesses in the area were generally risk-adverse, particularly following the pandemic. Going forward, the Council would have the Shared Prosperity Fund which could be linked to similar schemes to those that the Council ran during the pandemic, to assist businesses with their growth and resilience.

The Leader of the Council informed Members that the Council needed to provide the enabling factor for businesses to grow by working with partners such as Lincolnshire County Council and significant landowners. There was a shortage of young people staying in the area as they moved away for education and did not return. Providing affordable housing could support their potential return. Prices

were higher in the south of the district due to the connectivity to London and Peterborough for commuters but facilities needed to remain local to attract residents to stay within the district.

The Director for Growth and Culture confirmed that a section on the implications would be included in the next draft version and brought back before the Committee.

It was proposed, seconded, and AGREED:

That the Finance, Economic Development and Corporate Service Overview and Scrutiny Committee:

- a) **Considered and offered feedback on the first draft of the South Kesteven Economic Development Strategy (2023 – 2028).**
- b) **Agreed the Council should consult on the draft strategy with Council members and the local business community, prior to final approval for adoption by 1 April 2023.**

45. Finance Update Report: April to October 2022

The Chief Finance Officer presented the third Finance Update Report of the year that monitored and forecasted the projected spend against the backdrop of the current economic conditions that were facing the Council. The Financial Risk Register continued to be updated to reflect the current risk.

The General Fund budget set by Council on 3 March 2022 was £18.247m.

The deficit forecast was primarily due to the inflationary increases on electricity (£200k), fuel (£200k), projected workshop cost pressures due to outsourcing of specific repairs (£82k), material costs (£200k) required for the maintenance of the Councils fleet and removal of the salary vacancy factor forecasts (£446k) which was proving challenging to achieve due to the use of temporary staff where there were key vacancies. The vacancy factor was to continue to be monitored throughout the remainder of the financial year, with an additional £168k of in year vacancies being forecast as at the end of October. A projected net increase from the commercial waste service and an increase in interest rates receivable on investments was to be used to partially offset the forecasted inflationary increases (£400k). Members were reminded that the net cost of budget included an efficiency saving of £500k for the corporate restructure. This would be achieved in 2022/23.

The budget set by Council on 3 March 2022 for the 2022/23 General Fund Capital programme was £19.608m.

The budget set by Council on 3 March 2022 for the 2022/23 HRA Revenue Budget was £6.116m. The budgeted surplus was fully utilised to fund future investment in stock growth and property maintenance.

There was a reduced surplus for the HRA of £4.305m compared to a budgeted surplus of £4.402m. The increased surplus, partly due to an increase in interest rates receivable on investments, was to be used to partially offset the forecasted inflationary increases (£600k). This was offset by increased repairs and maintenance costs (£170k) and removal of the salary vacancy factor forecasts (£136k) which would be monitored throughout the remainder of the financial year.

The budget set by Council on 3 March 2022 for the 2022/23 HRA Capital programme was £16.353m.

Since the budgets were prepared last Autumn and approved by Council in March 2022, there had been an unprecedented and completely unforeseen increase in inflation and energy costs. This context along with potential pressures on the salary budgets was causing concern that the budget framework for 2022/23 would come under pressure as the year progressed. As part of the outturn report, an inflation reserve of £500k was created for the General Fund to absorb any potential cost pressures during the current financial year. Whilst this would provide some short-term funding support, there would be a funding pressure going into 2023/24 which would need to be considered as part of the budget setting process.

Fuel usage was approximately 625,000 litres per annum and the budgeted price per litre was set at £1.10. The latest bulk purchase unit price paid was £148.75 and continued to be monitored on a weekly basis. The General Fund budget for electricity for 2022/23 is £517k which included a budget increase of 17% compared to 2021/22. The HRA budget for 2022/23 is £155k which was an increase of 36% when compared to 2021/22.

The current cost of living pressures were resulting in an increased number of Council Tax Direct Debit cancellations causing delays to receipt of payments. There was also difficulty in measuring the Business Rates target due to variances in business rates over the last 3 years.

During discussion, Members raised the following points:

- The deficit has reduced substantially from £417,000 to £159,000. What biggest factor contributed to that? Was it a reflection of dipping into our reserves?
- Should Business Rates be recorded as a higher risk than medium, given the economic uncertainty?
- Could the Council be assured that next year's Housing Programme could still be achieved despite budgetary pressures?
- Why was the Council underspending on new build investment when there was an intention to build more housing?

The Chief Finance Officer informed Members that there had been no use of the reserves to reduce the deficit. Many factors contributed to the projected deficit forecast. As the Council proceeded through the financial year, the forecast became more accurate. Investment income continued to change as markets fluctuated throughout the year. The salary vacancy factor was where a certain level of vacancies were assumed within the organisation and as the months progressed there were more underspends demonstrated through salary vacancies and staff turnover. There was an inflationary reserve established at a level of £500,000 to respond to the budgetary pressures which the Council would hope not to use.

The Officer stated that the collection of Business Rates remained a volatile area. The Government had recently carried out a revaluation of the Rating List which would impact on the Business Rates bills for 2023/24. Transitional relief would be introduced to reduce the financial impact on any changes to the rates payable for businesses affected by rateable value changes. The Housing Programme was vulnerable to delays caused by the current market and the availability of contractors. Procurement and identification of contractors was proving to be difficult. There were supply chain and market issues as all Councils were looking for contractors to carry out similar works. The delays were certainly not due to a lack of momentum from the Council. The Council had a duty of care to tenants and tax-payers to always secure best value.

The Leader of the Council added that allowances had to be made for the large area of work undertaken around the Stock Condition Survey. It was essential that the Council was able to identify where investment was required, what needed to be replaced and how it could support the residents.

A Member raised a further question that the budget report to be presented to Council in March 2023 would seek approval to use reserves to achieve a balanced position.

The Chief Finance Officer informed that the budget report had not been finalised for 2023/2024. The provisional settlement for 2023/24 was not to be announced until 19 December 2022 and therefore it was not possible at the current time to confirm the 2023/24 financial outlook. It was confirmed that a balanced position had to be presented in March 2023 and if the settlement received was to be low, reserves may be required in the short-term to achieve this.

Prior to the meeting a Member submitted a written set of questions in relation to the Finance Update Report. Information was requested on the matters below:

- Transfers of Revenue Reserves
- Clarification on the Local Priorities Reserve and Inflationary Reserve
- Confirmation in reference to a renovation project at Stamford Arts Centre that had completed ahead of the expected time
- Terms and Conditions of Empingham Road, Stamford S106 monies

A verbal response to each of the questions was provided at the meeting by the Chief Finance Officer and a written response was provided to the Member after the meeting. (These are attached under Appendix A).

ACTION 2:

That the Director of Growth and Culture respond to Question 6 of the written submission:

‘In Appendix A, in the table headed Growth & Culture, a forecast variance is shown for the net budget. What are the forecast variances for income and the forecast variances for expenditure for each of the Arts venues?’

Comments made by Members following the written submission of the questions were as follows:

- What could be done to reduce energy and fuel costs, were there any suggestions?
- Was the Deepings Leisure Centre funding sourced entirely from borrowing with nothing allocated from reserves?
- At one stage was it not considered that the Deepings Leisure Centre was to be partly funded from the receipts from St Martin’s Park?

The Chief Finance Officer confirmed that in reference to reducing energy and fuel costs, reserves may be required. There were several suggestions and many choices for Members to make through a number of reports to different committees such as more cost-effective street-lighting which was due to be heard at the Environment Committee on 23 November 2022. The Officer also confirmed that Deepings Leisure Centre was always to have been funded through borrowing due to the scale of the project and there was never a formal decision made to fund from the receipts from St Martin’s Park.

It was proposed, seconded, and AGREED:

That the Finance Economic Development and Corporate Services Overview and Scrutiny Committee:

- a) Reviewed and noted the forecast 2022/23 outturn position for the General Fund and HRA Revenue and Capital budgets as at the end of October 2022 and identify any variances that require action or investigation.**
- b) Recommended no specific actions or interventions that should be considered in order to reduce the General Fund forecast deficit.**

46. Corporate Plan Key Performance Indicators 2022-23 Mid-Year Report

The Leader of the Council presented the Corporate Plan Key Performance Indicators 2022-2023 Mid-Year Report.

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 Year End report for 2021/22 was presented to the Committee on 19 July 2022 and outlined the performance against the Corporate Plan for the previous financial year. This report provided an update on performance to the mid-year point of the 2022/23 financial year and incorporated the changes recommended by the last KPI review to outline areas of the council's performance which were successful and to advise where challenges may lay.

Appendix 1 outlined the overall performance against the 15 actions being presented in this report, as well as specific performance against the sub measures contained within those. The summary was as follows:

11 of the actions are rated Green. These are actions which were on or above target as planned.

3 actions are rated as Amber. These were those off target by less than 10% or where milestone achievement was delayed but with resolution in place to be achieved within a reasonable timeframe. The Heritage Action Zone was rated Amber and Members were to note that the progress of the Grade II listed Westgate Hall was shortly going out to tender.

0 actions are rated Red. These were those falling significantly below target or overdue with no specific resolution date planned.

1 action is listed as unreportable as the action was currently under review and an update was to be presented as part of the year end reporting process.

There have been no areas of significant under performance identified in this report.

The Leader informed Members that A Grantham Engagement Officer had started their role this week and the Hello SK app was progressing well with over 170 businesses engaged currently. The delivery of a new Maintenance Depot was underway although works had currently paused whilst procurement work was continuing.

Completed projects for noting included:

- The Constitution Review
- The People Strategy
- The Governance Review
- IT Strategy
- Asset Management Strategy

The Leader confirmed that the 'Investing in high-quality Leisure' KPI was rated green as it referred to existing Leisure Centres currently in operation.

During discussion, Members raised the following points:

- There was no mention within the KPIs of one of the corporate priorities – 'housing that meets the needs of all residents'. Why was this?
- A Member welcomed the full condition surveys carried out on Grantham, Bourne and Stamford Leisure Centres. There being no operating Leisure Centre at the Deepings surely meant that leisure facilities were not catering for the whole of the district and therefore how can the action be rated green?
- Some of the KPIs were not specific enough to be rated anything other than green. The report did not address some of the urgent details or specify failings.
- It was noted that the format of reports had changed and no longer showed who reviewed and approved each report on its front page. It was considered that there was a value to knowing who knew what information and when they knew it. A suggestion was made that this was an attempt by Officers to avoid the openness and transparency required.

The Leader of the Council that all KPIs are reviewed under the relevant committees. The Corporate Plan was agreed in 2020 which was before the Pandemic. It was clarified that the report covered up to the end of September 2022 and at that time no decision had been confirmed on the Deepings Leisure Centre refurbishment.

The Deputy Chief Executive informed Members that there was considered no value in having names on the front of the report for how had approved and signed off each report. The Head of Corporate Projects, Policy and Performance added that the Directors that were responsible for each area were always on hand at committee meetings to respond to any questions. It was noted that the report format had changed over two months prior to the meeting and no comments had been made previously. The Officer confirmed that measures and targets were agreed at previous meetings.

The Vice-Chairman requested that it was put on record that a request had been made for the Member responsible to withdraw a comment that suggested a deliberate attempt to avoid transparency by Officers in reference to signing off reports and that the Member refused to withdraw the comment.

It was proposed, seconded, and AGREED:

That the Committee:

- a) Noted the contents of the 2022/23 Mid-Year performance report.**
- b) Members to consider if any concerns highlighted by the report required additional investigation to be added to the work programme.**

47. Telephony System Calls Handling Performance

At the meeting of this Committee on 27 September 2022, an action was requested for the Committee to receive recent data on the calls handled within the Customer Service telephony system. This report, presented by the Head of Revenues, Benefits and Customer Service, provided current calls handling performance to 31 October 2022 and forward plan actions relating to Customer Service and telephony solutions.

The report provided analysis of call handling from January 2022 through to October 2022 for high volume service areas (where calls go into an agent queue) – which were:

- Allocations and Tenancy Services – lettings
- Housing Improvements and Repairs
- Customer Services – including: Benefits, Council Tax Billing, Housing Register, Switchboard
- Revenues, Business Rates, Enforcement, Rents (internal queue only)
- Elections
- Street Scene, Green and Trade Waste Team (internal queue only) – this is a new queue for reporting since 3 October 2022.

Statistics were produced and issued by the Customer Service Co-Ordinator on a weekly and monthly basis to the relevant service areas. The information included number of calls offered, handled, abandoned, average speed of answer and FTE time for call handling. In addition, since 30 May 2022, the Customer Service Co-Ordinator had requested commentary from all service areas regarding any factors which could impact call handling. Currently, the service areas detailed were averaging call answering of 79%. This had since increased to 84%.

During Quarter 2, the Customer Service Team saw a reduction in staffing and took on the call handling for two additional service areas – Council Tax and Benefits (not

including complex calls). Since April 2022 over 54,000 Council Tax Energy Rebate payments had been made. There had been significant email and telephone contact resulting in this funding. October had seen the recruitment of 5.27 full time equivalents into the Customer Service Team to replace vacant posts within the team and to ensure adequate resources for the additional service area contacts. The new members of the team had received training during October and this had been very successful. The training was ongoing and will take time for them to learn all 16 service areas.

Members raised the following points during discussion:

- Had any examples of problems been received by Councillors as requested by the Head of Revenues, Benefits and Customer Services?
- What changes had been made to mitigate the 1 in 5 calls that did not get answered. Was there information on the length of time a customer waited and how many calls were abandoned?
- It was noted that there had been a marked improvement in recent call-handling.
- The number of complaints received by Councillors becoming reduced in numbers will be the most positive sign of improvement. We should always aim to provide the best service we can.

The Head of Revenues, Benefits and Customer Service confirmed that one example of a complaint had been received and it was dealt with and responded to at that time. Changes to the staffing rota had meant that there were increased staff numbers at known busy periods such as a Monday morning. Information was available on the numbers of calls abandoned and waiting times if requested.

It was proposed, seconded, and **AGREED:**

That the Committee:

- a) **Noted the report and action plan and were invited to ask questions relating to the report and supporting documents.**

48. Update on Changing Places Toilet Facilities Project

The Cabinet Member for Housing and Property presented the report.

In July 2021 the Department for Levelling Up, Housing and Communities announced the opening for Expressions of Interest bids for a share of a £30M pot to provide Changing Places toilets in existing, publicly accessible buildings, having been announced some months previously and consultation with relevant groups across the district was carried out to determine the preferred locations of the people

who would use a Changing Places facility and their carers. Changing Places toilets were larger accessible toileting facilities for severely disabled people, with equipment such as hoists, curtains, adult-sized changing benches and space for carers. In March 2022 the Department for Levelling Up, Housing and Communities informed the Council that its bid had been successful and that it had been awarded the maximum £160,000.

The funding is awarded to cover a two-year period for completion of the project. One location in Grantham was reviewed to allow for increased access and to meet the requirements and suggestions from feedback of local users. The four sites are now:

- South Street public toilets, Bourne (In partnership with Bourne Town Council)
- Abbey Gardens public toilets, Grantham
- Meres Leisure Centre, Grantham (in partnership with LeisureSK Ltd)
- The Shack, Recreation Ground, Stamford (in partnership with Stamford Town Council)

Feasibility works have been undertaken on each of the four sites by SKDC's consultant building survey Banks Long & Co. which provided initial scheme designs and budgetary costings for each of the sites.

From review of the four schemes, initial designs for the Meres Leisure Centre, Grantham and the South Street toilets, Bourne had been agreed and we were now looking to progress these two projects in 2022/23 financial year with contractors who were currently being engaged with via the Changing Places support teams approved contractor list. From the review of the designs in relation to Abbey Gardens Toilets, Grantham and The Shack, Stamford, specific configuration issues had been identified and this would require further investigation in order for the sites to be brought forward in the 2023/24 financial year.

Members raised the following points during discussion:

- When was it anticipated that works would be complete?
- Who will own and manage the facilities and pay for the maintenance?
- Bourne Town Council was asked for further funding contributions which the Member felt was not appropriate.
- A Member thanked the Officer who contacted them to explain the lack of suitable venue in the Deepings.

The Chief Finance Officer confirmed that the Council were securing contractors but the sourcing of approved contractors for a national scheme was proving difficult.

The Leader of the Council welcomed the scheme as positive and informed the Committee he had meetings with the Grantham Disabled Children's Society and the national team at Changing Places. It was great to provide the facilities that our residents deserved.

The Cabinet Member for Housing and Property confirmed there was a planned meeting to confirm criteria and procedure with the Bourne Town Clerk and Town Councillor.

AGREED:

That the Committee:

- a) **Noted the update regarding the Changing Places Toilets facilities project.**

49. Work Programme 2022 - 2023

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

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

There was no other business.

51. Close of Meeting

The Chairman closed the meeting at 12:58.

52. Appendix A -Written Submission and Responses

Submission to the Finance, Economic Development and Corporate Services Overview and Scrutiny Committee meeting on Tuesday 22 November

Made by Councillor Richard Cleaver under paragraph 6.5 of the Overview and Scrutiny Procedure Rules set out in part 4 of the Council's Constitution.

In relation to Agenda Item 7 on page 20, would the committee please consider recommending that the Special Constabulary Council Tax Discount Scheme be extended to include volunteer (i.e. unpaid) PCSOs in anticipation of Lincolnshire Police possibly changing its current policy and recruiting such staff in future.

In relation to Agenda Item 9 – Finance Update Report

1. The item forecasts a Net Budget deficit for 2022/23 of £258k, and invites the committee to “Recommend any specific actions or interventions that should be considered in order to reduce the General Fund forecast deficit”. However, the recommendations set out in Agenda Item 6 of the papers for the full council meeting on 24th November seek council approval for increases in the 2022/23 budget far in excess of £258k. Please could you explain why there is such a difference between the recommendation to this meeting and the one being made to full council two days later? **The recommendations within the FEDCO report do not include the proposed spend and recommended use of reserves within the Council report as these have not as yet been approved.**
2. Table 2 on page 54 shows an increase of £159k in transfers from reserves between the ‘current budget’ and the latest ‘forecast spend’. What does this £159 relate to?

Reserve movement	£'000
Building Control trading account	(3)
New Burdens Grant funding (Additional resource in Finance)	55
In year use of IER grant funding	56
Corporate restructure exit costs	94
St Martin's Park- reduction in Business rates costs	(96)
Grantham SEA- Cemetery works	12
Stamford SEA- Outdoor Gym equipment ODD	7
Waste reserve	27
Member Training	7
Total	159

3. Table 2 shows a new total transfer from reserves of £2,468k but Appendix B on page 69 shows a forecast transfer from revenue reserves of £9,055k for the year. Please could you explain the difference? **Table 2 details the reserve funding for general fund revenue expenditure only whereas appendix B details the full forecast use of the reserves, including both revenue and capital spend.**
4. In section 4.2 table 6, it states that a £69k project for renovations at Stamford Arts Centre is no longer proceeding. What was that project? **Stamford foyer alterations**
5. In section 4.2 table 6, it also states that the terms and conditions attached to the Empingham Road s106 grants are unlikely to be met before 31/3/2023. Why is this considered unlikely. What is preventing the conditions being met? **The payment of this grant is dependent on the rugby club commencing construction of their new pavilion. Current projection is this is in the next financial year.**

6. In Appendix A, in the table headed Growth & Culture, a forecast variance is shown for the net budget. What are the forecast variances for income and the forecast variances for expenditure for each of the Arts venues?
7. In Appendix B, what do the forecast movements in the Local Priorities Reserve relate to?

Reserve Movement	£'000
New Homes Bonus Grant	924
Local Plan	(161)
Revenue funding	(776)
St Martin's Park	(500)
Capital Financing	(2,029)
Total	(2,542)

8. In Appendix B, why have we created a £500k inflation reserve as at 31/3/2022 from which we are forecasting that no monies move in or out for the next 4 years? **As per 9.2 of the report, this reserve was created to absorb cost pressures during the current financial year which is the proposal at year end dependent on the outturn.**
9. In Appendix B, the Useable Capital Receipts Reserve shows an increase of £2,322K in 2023/24 and £6,181k in 2024/25. What do these figures relate to? How much of these figures relates to the sale of St Martin's Park, and do they include the total expected capital receipts from St Martin's Park?

Usable Capital Receipts Reserve Movement	£'000
2023/24	
Council Offices	1,000
St Catherine's Road	640
St Martin's Park	1,452
Capital Financing	(770)
Sub Total	2,332
2024/25	
St Martin's Park	(6,397)
Capital Financing	2,196
Total	6,181

10. How will the figures shown in Appendix B be affected by any decision made at full council to cancel the planned rebuilding of The Deepings' Leisure Centre? **The proposed expenditure would have been funded through borrowing so would not affect the reserve figures**
11. I note that whereas capital projections have been published up to 2025/26, there are no revenue budget projections provided for the same time period. I believe that this makes it very difficult for members of the council to make a fully informed decision on Deepings Leisure Centre at the meeting on Thursday 24th November.
12. Where does the liability to repay £1.3m to the Greater Lincolnshire LEP for monies unspent in relation to the Technology Innovation Centre project appear in Appendix B? **This had not been formally agreed at the point of publication.**