

Finance and Economic Overview and Scrutiny Committee



SOUTH
KESTEVEN
DISTRICT
COUNCIL

Tuesday, 26 November 2024 at 2.00 pm
Council Chamber - South Kesteven House,
St. Peter's Hill, Grantham. NG31 6PZ

Committee Members: Councillor Bridget Ley (Chairman)
Councillor Gareth Knight (Vice-Chairman)

Councillor Ben Green, Councillor Tim Harrison, Councillor Gloria Johnson,
Councillor Max Sawyer, Councillor Lee Steptoe, Councillor Murray Turner and
Councillor Mark Whittington

Agenda

This meeting can be watched as a live stream, or at a
later date, [via the SKDC Public-I Channel](#)

1. **Public Speaking**
The Council welcomes engagement from members of the public. To speak at this meeting please register no later than 24 hours prior to the date of the meeting via democracy@southkesteven.gov.uk
2. **Apologies for Absence**
3. **Disclosure of Interests**
Members are asked to disclose any interests in matters for consideration at the meeting.
4. **Minutes from the minutes of the meeting held on 17 September 2024** (Pages 5 - 22)
To confirm the minutes of the meeting held on:

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☎ 01476 406080

Karen Bradford, Chief Executive
www.southkesteven.gov.uk

17 September 2024 (Partly Restricted)

5. **Updates from previous meeting** (Page 23)
6. **Announcements or updates from the Leader of the Council, Cabinet Members or the Head of Paid Service**
7. **Grantham Future High Streets Fund - Mid-Year Update** (Pages 25 - 37)
To update the Committee regarding the Grantham Future High Streets Fund programme.
8. **Turnpike Close Waste Depot Update** (Pages 39 - 43)
Update in respect of the construction of the Waste Depot, Turnpike Close Grantham
9. **Localised Council Tax Support Scheme 2025/26** (Pages 45 - 71)
This report reviews the responses to the public consultation of the Council's proposed Local Council Tax Support scheme 2025/26 and invites the Finance and Economic Overview and Scrutiny Committee to make recommendations to Cabinet on the proposed 'no change' scheme for 2025/26.
10. **Marketplace footfall report** (To Follow)
To update Members on progress on the action plan to increase footfall to Grantham Marketplace in relation to the Future High Street Fund programme.
11. **Finance Update Report: April - September 2024** (Pages 73 - 88)
To present the Council's forecast 2024/25 financial position as at end of September 2024.
The report covers the following areas:
 - General Fund Revenue Budget
 - Housing Revenue Account Budget
 - Capital Programmes – General Fund and Housing Revenue Account
 - Reserves overview – General Fund and Housing Revenue Account
12. **Corporate Plan 2024-27 Key Performance Indicators: 2024/25 Mid-Year (Q2) Report** (Pages 89 - 96)
This report outlines South Kesteven District Council's performance against the Corporate Plan 2024-27 Key Performance Indicators (KPIs) from July-September 2024.
13. **Leisure Maintenance Update** (Pages 97 - 104)
This report provides an update on the ongoing maintenance programme of the Council operated leisure centres.
14. **Verbal Update on St Martin's Park, Stamford**
To receive a Verbal Update on St Martin's Park, Stamford.

This item is exempt under Section 100(a)(4) of the Local Government Act 1972; paragraph 3 of Schedule 12A of the Act. The press and public may be excluded from the meeting during consideration of this item, on the grounds that if they were to be present, exempt information could be disclosed to them.

15. **Work Programme 2024-25** (Pages 105 - 107)
16. **Any other business, which the Chairman, by reason of special circumstance decides is urgent**

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Minutes

Finance and Economic Overview and Scrutiny Committee



SOUTH
KESTEVEN
DISTRICT
COUNCIL

Tuesday, 17 September 2024, 10.00 am

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

Committee Members present

Councillor Bridget Ley (Chairman)
Councillor Gareth Knight (Vice-Chairman)

Councillor Tim Harrison
Councillor Gloria Johnson
Councillor Max Sawyer
Councillor Lee Steptoe
Councillor Murray Turner
Councillor Mark Whittington
Councillor Matthew Bailey

Cabinet Members present

Councillor Ashley Baxter (Leader of the Council)
Councillor Richard Cleaver (Cabinet Member for Property and Public Engagement)

Officers

Richard Wyles (Deputy Chief Executive and S151 Officer)
Graham Watts (Assistant Director of Governance and Public Protection, Monitoring Officer)
Emma Whittaker (Assistant Director of Planning and Growth)
Gyles Teasdale (Head of Property Service and ICT)
Debbie Roberts (Head of Corporate Projects, Performance and Climate Change)
Claire Moses (Head of Service - Revenues, Benefits, Customer and Community)
Nick Hibberd (Head of Economic Development and Inward Investment)
Amy Pryde (Democratic Services Officer)

29. Public Speaking

There were none.

30. Apologies for Absence

Apologies for absence were received from Councillors Ben Green and Philip Knowles.

Councillor Matt Bailey substituted for Councillor Ben Green.

31. Disclosure of Interests

There were none.

32. Minutes from the previous meeting

The minutes of the meeting held on 17 July 2024 were proposed, seconded, and **AGREED** as a correct record.

33. Updates from previous meeting

All actions were complete.

In relation to the Marketplace footfall action, feasibility and the costings study would be brought back to the Committee on 26 November 2024.

The Chairman queried whether the Leader of the Council had arranged a meeting with the public speaker who had attended the previous Committee meeting.

The Leader of the Council clarified that a meeting had not yet been set up, however, this would be completed, following the meeting.

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

The Chairman informed the Committee of a change in the order of the agenda.

The Leader of the Council informed the Committee that the local MP had sent a letter regarding the procurement of the solar panels for the Meres Leisure Centre. A response to the letter received was being drafted.

One Member referred to an email that he had sent to Councillors on the human rights and modern slavery in China on the production of solar panels. It was suggested that wherever possible, the Council should avoid any goods emanating from China.

Concern was raised that the solar panels in question were being produced in an area of province known for slave labour.

It was highlighted that most products supplied to the whole world were produced, manufactured and purchased from China.

It was emphasised that public bodies should be open and transparent in regard to projects whereby public money was being utilised.

35. Progress Update in respect of the construction of the Waste Depot, Turnpike Close Grantham

The Cabinet Member for Property and Public Engagement presented the progress update report. The Committee were provided with a dashboard and risks that had been identified and mitigated at present.

A medium risk had been identified within the report due to elongated statewide construction period. The description included information that fees were based on the 36-week construction period, there was a risk that additional fees would be needed if the period of construction was extended. Furthermore, the report stated that Lindum were forecasting a 51-week construction period.

Clarification was sought around the timeframe of the construction period.

The Deputy Chief Executive outlined that the financial risk originally related to two bids. The first bid demonstrated a 36-week construction period and the accepted bid from Lindum's was a 51-week construction period. The consultants (Gleeds) had submitted their costs, which was based on the 36-week period.

In conjunction with the consultants, the Council were attempting to review the construction period of the other contractor in hope that Lindums may be able to match the timeframe. The 15-week difference would incur costs to Gleeds. The financial risk would pass if Lindum's confirmed that 51 weeks was the period they require.

Further clarity would be provided in due course in relation to the medium financial risk and would be reported back to the Committee.

One Member highlighted that the current waste depot had problems in regard to capacity and space rather than facilities. The new depot design included large hard standing portable buildings to provide offices, restrooms, toilets and shower facilities and a large area for vehicle maintenance, however, it was felt this was not required.

That the Committee:

Note the current position with respect to the delivery of the new Waste Depot Turnpike Close Grantham for the period up to 5th September 2024.

36. Finance Update Report - April to July

The Leader of the Council presented the report, which provided the first monitoring report of the current financial year. Further updates would be provided throughout the year to monitor how the Council could proceed against the budget.

The report included a risk register which contained the biggest risks facing the Council in respect of future funding levels in the ongoing challenges of funding the backlog of maintenance.

It was hoped the multi-year financial settlement would be forthcoming with the new Government, in order for the Council to make credible and sensible long-term investment decisions.

The Leader of the Council had no specific concerns at present in relation to the rest of the financial year.

Cabinet had previously approved the acceptance of the Homelessness and New Burdens Grant of £268,000.

It was expected a government spending review would take place in March/April 2025 with an expectation to set a three-year budgets going forward. It was further expected a one-year settlement would be provided for the 2025/26 financial year.

Members urged the new Government to provide fairer funding for rural authorities. It was noted that social deprivation in rural areas seemed to be overlooked by Central Government.

A query was raised on whether the increase of energy costs would affect the Council and whether mitigations had been put into place.

Interest rates were forecast to come down in the short-medium. Assurance was sought on how the interest rate levels would affect investment income.

The Council had a conservative estimate of investment income not assuming that interest rates would reduce.

The increase in energy prices and energy caps was aimed at domestic energy users rather than commercial energy use. The Council were part of the ESPO framework for energy purchases, therefore, the Council were in a 6-month stability period for energy costs for the Council and Leisure SK Ltd.

The Council were actively securing medium term investments in line with the possible decrease in interest rates.

The Deputy Chief Executive outlined costs of incurred from the Drainage Board levy, which saw a £29,000 increase in the levy charges received when compared with the budgets prepared for 2025/26. A windfall payment from Government of £50,000 had been received in order to assist those Council's which were faced with Drainage Board levies.

Collection rates for the first four months of 2024 had been included within the report. Members were assured collection rates were being maintained within targets for business rates, council tax and housing rents.

It was noted Government may divert funds from wealthier to less wealthy local authorities, it was queried how the Council would rate in terms of perceived wealth by the Government.

The Government would use their specific metrics to make an assessment on perceived wealth of a local authority.

That the Committee:

1. Reviews and notes the forecast 2024/25 outturn position for the General Fund and HRA Revenue and Capital budgets and identifies any variances that might require action or further investigation.

2. Notes the increase of the Homelessness expenditure and income budgets to reflect the receipt of additional grant income totalling £268k.

37. Update on St. Martin's Park, Stamford

The Cabinet Member for Property and Public Engagement presented the report, which provided a further update on the redevelopment of St. Martin's Park, following on from the decisions taken at Full Council in February 2024.

A presentation would be provided to the Committee in exempt session due to commercial and confidential information that it included.

One Member noted that the monthly cost of St. Martin's Park to the Council was £21,000 and not £14,000. An explanation was requested.

The Head of Corporate Projects, Performance and Climate Change clarified the increase in cost was due to increasing electricity prices, meaning the standing charge for the year had raised. The costs were from the Council's revenue for the project.

It was proposed, seconded and **AGREED** to go into closed session.

Under Section 100(a)(4) of the Local Government Act 1972, the press and public may be excluded from the meeting during any listed items of business, on the grounds that if they were to be present, exempt information could be disclosed to them as defined in the relevant paragraphs of Schedule 12A of the Act.

(The Committee had a break from 11:40-11:50)

(Councillor Lee Steptoe left the meeting at 11:50)

That the Committee:

Notes the progress made regarding the delivery of the St Martin's Park re-development project in Stamford.

38. South Kesteven Economic Development Strategy 2024 / 2028 - Final Draft

The Leader of the Council presented the report with the final draft of the Economic Development Strategy.

On 26 June the 2024 Officers updated the Finance and Economic Overview and Scrutiny Committee on comments received during a period of consultation with stakeholders in respect to a draft South Kesteven Economic Development Strategy 2024 – 2028.

The consultation period between May and June 2024 resulted in over fifty responses, which were provided in Appendix 1. Whilst extensive, they were categorised into four main themes: Connectivity, Commercial Premises, Key Sectors, Productivity.

At the previous meeting, the Committee noted the contents of an update report and agreed to hold a workshop to provide further input into the final Strategy. During the Workshop a presentation was given by the Head of Economic Development and Inward Investment that identified the main points received through the consultation period.

Each point was debated and the meeting concluded with further recommendations from Committee Members to strengthen the 'Vision'; to include reference to retaining, growing and attracting businesses and to include the Council's Corporate Plan Objectives as Key Performance Indicators (KPI) within the strategy; ensuring a clear relationship between the documents.

Appendix 3 identified the necessary changes which were made to the final strategy following stakeholder consultation and the additional Member Workshop.

Appendix 4 identified the final draft of the Strategy, which would be taken to Cabinet on the 8 October 2024 to seek approval for its adoption as the South Kesteven Economic Development Strategy 2024 – 2028.

The readability of the report was raised; however, it was outlined that the language could not be simplified any further.

One Member queried the journey of the Strategy following Cabinet approval and how the action plan would be incorporated.

Clarification was sought on why certain actions due to take place within the action plan had no update or timescale addressed to them. It was further queried whether individual elements of the action would be broken down into who was responsible for the action (Officer, Cabinet Member or an Overview and Scrutiny Committee).

The Leader of the Council suggested that an annual review of the document be brought back to the Committee. It was emphasised that Officers and Cabinet Members should refer to the document to ensure actions be met.

The Head of Economic Development and Inward Investment noted a performance appraisal for Officers would take place on an annual basis in order to monitor the actions outlined in the action plan.

One Member sought clarification around the timescale periods within the table and whether the figures (1 and 3) referred to years.

It was further suggested that the Strategy be brought back to the Committee every 6 months, rather than annually.

The Head of Economic Development and Inward confirmed the timescale as set out in appendix 3 referred to the number of years.

ACTION: For an update on the South Kesteven Economic Development Strategy 2024/28 be brought back to Committee in 6 months' time and be added to the Work Programme.

The Leader of the Council confirmed it was hoped Cabinet would approve the Strategy in October 2024, it would then become a living document which Officer's would follow.

Members were pleased with the document and highlighted that updating the document would be useful for future updates.

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

1. Reviews the draft Economic Development Strategy 2024-2025 following amendments as a result of the public consultation and further workshop with the Committee.

2. Recommends the draft South Kesteven Economic Development Strategy 2024 – 2028 to Cabinet for approval.

39. UKSPF Programme Update

The Leader of the Council presented the report on behalf of the Cabinet Member for Corporate Governance and Licensing.

The Council received £3.9m from UK Shared Prosperity Fund, and a further £540,460 in funding from the Rural England Prosperity Fund for capital projects which are required to be delivered by the end of the UKSPF programme, 31 March 2025.

- Year 2: £135,115 was awarded in the financial year 2023 / 2024

- Year 3: £405,345 was awarded in the financial year 2024/ 2025

The Year 2 allocation within the REPF (1st April 2023 – 31st March 2024) was as follows:

Supporting Rural Business:

- Intervention 1.1 - £60,115 (capital grant funding for small scale investment in micro & small enterprises in rural area.)
- Intervention 1.3 - £25,000 (capital grant funding for developing and promoting the visitor economy)

Supporting Rural Communities:

- Intervention 2.4 - £50,000 (capital grant funding for existing cultural, historic and heritage institutions that make up the local cultural heritage offers) 2.6

The Year 3 allocation within the REPF (1st April 2024 – 31st March 2025) was as follows:

Supporting Rural Business:

- Intervention 1.1 - £180,345 (capital grant funding for small scale investment in micro & small enterprises in rural area.)
- Intervention 1.3 - £75,000 (capital grant funding for developing and promoting the visitor economy)

Supporting Rural Communities:

- Intervention 2.1 - £100,000 (capital grant funding for investment and support for digital infrastructure for local community facilities.) 107
- Intervention 2.4 - £50,000 (capital grant funding for existing cultural, historic and heritage institutions which make up the local cultural heritage offer).

The Council would need to allocate and spend the remainder of the funding before March 2025, which had resulted in more board meetings being arranged.

It was noted certain criteria would be followed on how money was distributed, however, this was a good example of Government providing flexibility to local authorities to deliver fantastic projects and support the needs of communities.

A suggestion was made that both funds be publicised as much as possible, to reach out to communities and providing awareness of the funding which may be available to them.

One Member queried whether the funding could be utilised to promote a building and whether there was a minimum or maximum amount of funding that could be requested.

The average time of an application being received to being processed and funded was queried.

There was not an average time of an application being received to being complete. Once someone had applied, a sub-group would evaluate the application, the application would then move into the local economic forum and who would recommend approval/refusal to the UKSPF Board. Following a decision from the UKSPF Board, a payment would then be made based on whether all financial information required had been submitted. At an estimate, the process from start to finish would take a month.

The Leader of the Council urged Members to publicise this funding within their own Wards.

The Cabinet Member for Property and Public Engagement emphasised the raising awareness and Members hold a responsibility on assisting their communities in accessing the fund, which could be provided at Parish Council meetings.

Members shared successes where community groups had received the funding, as a result of useful support from Officers.

Concern was raised some Members may not know any details of the funding, how to apply, how to assist applicants in filling out the forms and which groups within the community to whom the fund may apply to. Further awareness of the funding was requested.

The Chairman highlighted the Council had applied as an applicant to request UKSPF funding for certain projects.

ACTION: For a briefing note to be circulated to all Members to provide information of the UKSPF scheme, money available and how to apply for the funding.

Clarification was sought around the timeframe of the scheme ending in March 2025. It was queried whether the funds had to be transferred by the Council, to a community group by March 2025 or whether the community group had to spend their funding by March 2025.

It was clarified that community groups would need to spend their funding by March 2025. This meant the Council urged any groups wishing to request funding for a significant or timely project complete an application with urgency.

That the Committee:

Notes the progress made with the UK Shared and Rural England Prosperity Fund Programme(s) and endorse the opportunities identified to expedite the distribution of the funding.

40. Grantham Town Centre Footfall Report

The Leader of the Council presented the report which outlined an update on marketplace footfall and options to support the Grantham Town Centre.

The feasibility study and costings of the works to support long-term suggestions to support Grantham Town Centre would be brought to the Committee in November 2024.

Progress had been made with a loyalty card scheme, which was due to be launched on the 1 October 2024.

It was highlighted that works on Grantham marketplace had been completed. The first day of marketplace events would take place on 1 October 2024, to celebrate Lincolnshire Day. Events would take place at St Wulfram's Church, events from schools and traders.

The official launch event would take place on 19 October 2024, where the festival of community would be held with local businesses, community groups and artists. An extended programme of events was being devised which would consist of at least one monthly event in the marketplace in conjunction with the market diary except for January and February.

The first Town Team meeting would be held on 19 September 2024, where terms of reference for the group would be agreed and more detailed proposals would be developed to form part of an action plan for the town. An update would be provided on the first meeting at the Committee's next meeting.

The Town Team would be made up of key stakeholders from the Town, with the option to co-opt other team members as the group progressed.

The indicative timetable for delivery of the strategy had been adjusted appropriately, which was set out within the report.

The footfall data provided was positive. It was noted the market had increased its traders from 15 to 35, which would increase the footfall for the town.

ACTION: For the feasibility study and costings of the works to support long-term suggestions to support Grantham Town Centre be added to the Work Programme for November 2024.

One Member highlighted the great success of the marketplace for the Council, and everyone involved. It was hoped the Council could encourage drive for this to take place in other Towns.

One Member requested who was on the membership for Grantham Town Team and how a Councillor's role would impact the decisions made in the Town Team.

An update was requested on when the Grantham marketplace was due to be pedestrianised.

The Cabinet and Officers were unaware of any current plans to pedestrianise Grantham town centre.

The Leader of the Council confirmed the invitees for Members of the Town Team attending the meeting on 19 September 2024:

- The Leader of the Council
- Deputy Leader of the Council
- Cabinet Member for Property and Public Engagement
- Councillor Tim Harrison (Chairman of Grantham Town Council)

It was suggested that the District Councillor's for Grantham be included within the Town Team.

The Chairman clarified that the Committee could not make a decision on the membership of the Grantham Town Team.

The Leader of the Council welcomed the thoughts of the Committee on the membership of the Town Team and would address this concern following the meeting.

One Member highlighted the essentiality that Grantham District and County Councillors who cover the area of the town centre be included within the membership of the Grantham Town Team.

Other Members of the Committee had no concerns of Grantham District and County Councillor's becoming part of the membership of the Town Team; however, this was not the Committee's decision.

The Monitoring Officer confirmed the membership of the Town Team would be an issue for the Future High Street Board. The Board had a term of reference, membership included and had recently undertaken a review of its terms of reference.

The Finance and Economic Overview and Scrutiny Committee had no decision-making powers, therefore, a recommendation would need to be agreed by the Programme Board, for a decision to be made on the membership of the Town Team.

One Member did not see the need for a Town Team and felt that no direct democratic accountability could be taken. It was further noted that some Members on the Town Team were not Grantham Councillor's.

Further concern was raised of a democratic deficit within the Town Team and felt the process was anti-democratic.

Members welcomed the voucher scheme.

Clarification was sought around the parameters of the 'vicinity of the marketplace'.

The Leader of the Council clarified the purpose of the loyalty scheme, and the Town Team was to drive footfall in the town centre. The scheme would concentrate on the areas in the vicinity of the Future High Street Fund works and it would be monitored, improved and considered for expansion across the town centre.

Members commented on the charming architecture within the marketplace and the town.

It was noted that Buckminster could assist and support in the re-development of shops fronts owned by them within Grantham town centre.

One Member highlighted that charities could request to pitch a free stall in Stamford on Stamford Market, it was requested improved communications be provided.

That the Committee:

Notes the update on the action plan to increase footfall to Grantham Market place as part of the Future High Street programme.

41. Work Programme

The Committee noted the Work Programme 2024-25.

Clarification was sought on which remit Leisure Centre Maintenance fell under.

It was noted that Leisure Centre Maintenance required funding, and therefore had been added to the Work Programme for this Committee.

Following changes to Local Government, Members requested a briefing on the budget which was due to be produced in October 2024 by Local Government.

ACTION: For a budget briefing prior to the next Committee meeting be arranged.

The Democratic Services Officer clarified this Committee had responsibility for Council-owned property, assets, and maintenance (non-council house). Maintenance plans and breakdowns appeared to be more financially related to this Committee.

Culture and Leisure Overview and Scrutiny Committee were however responsible for Leisure SK Ltd, therefore it was suggested that this item also be added to the Work Programme for Culture and Leisure Overview and Scrutiny Committee.

ACTION: For the Economic Development Strategy Action Plan to be added to the Work Programme for May 2025.

One Member wished to discuss loss of income in relation to Voids.

The Chairman clarified a HRA workshop was taking place on 19 September 2024 where this would be discussed.

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

There were none.

43. Close of meeting

The Chairman closed the meeting at 13:12.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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ACTION SHEET

Finance and Economic Overview and Scrutiny Committee

To provide members with an update on actions agreed at the meeting held on 17 September 2024.

Min No	Agenda Item	Action	Assigned to	Comment/Status	Deadline
39	UKSPF Programme Update	For a briefing note to be circulated to all Members to provide information of the UKSPF scheme, money available and how to apply for the funding.	Nick Hibberd (Head of Economic Development and Inward Investment)	Email due to be sent prior to the next Committee meeting.	
40	Grantham Town Centre Footfall Report	For the feasibility study and costings of the works to support long-term suggestions to support Grantham Town Centre be added to the Work Programme for November 2024.	Democratic Services	Complete	
41	Work Programme	For a budget briefing prior to the next Committee meeting be arranged.	Democratic Services	Complete	
41	Work Programme	For an update on the South Kesteven Economic Development Strategy 2024/28 be brought back to Committee in May 2025.	Democratic Services	Complete	

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**SOUTH
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COUNCIL**

Finance and Economic Overview and Scrutiny Committee

26 November 2024

Report of Councillor Ashley Baxter,
Leader of the Council and Cabinet
Member for Finance, HR and Economic
Development

Grantham Future High Streets Fund – Mid-Year Update

Report Author

Megan White, Future High Streets Fund Project Support Officer

✉ Megan.White@southkesteven.gov.uk

Purpose of Report

To update the Committee on the Grantham Future High Streets Fund programme.

Recommendations

That the Finance and Economic Overview and Scrutiny Committee:

- 1) Notes the report.**
- 2) Offers feedback to the Future High Street Fund Programme Board.**

Decision Information

Does the report contain any
exempt or confidential
information not for publication?

No

What are the relevant corporate
priorities?

Enabling Economic Opportunity

Which wards are impacted?

Grantham St Wulfram's and Grantham St Vincent's

1 Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 The Ministry of Housing, Communities and Local Government (MHCLG) have paid the entirety of the capital funding allocation for the Future High Street Fund to the council. This makes the total amount of funding received for the Programme £5,556,042. The funding allocations for each financial year are set out in **Appendix A**.
- 1.2 Engagement will continue with MHCLG to report actual, and forecast spend for the remainder of the Programme. The capital budget is set out below in **Table 1**, which shows actual spend for 2021-2024, 2024-2025 and the remaining budget for 2024-2025.

Table 1: FHSF Capital				
	2021-2024	2024-2025	2024-2025	Total
Capital	£481,131	£ 1,762,169	£3,312,741	£5,556,042

- 1.3 The capital Programme runs until 31 March 2025, by which time all projects need to be completed and spend defrayed.
- 1.4 There is also a revenue budget to the Programme that forms the Council's obligatory match funding to the Future High Streets Fund Programme, which aims to develop and deliver a model for self-financing of the Town Team beyond the lifespan of the Council's funding contribution. This revenue budget is illustrated below in **Table 2**, which shows actual spend for 2021-2024 and the budget for 2024-2025.

Table 2: FHSF Revenue			
	2021-2024	2024-2025	Total
Revenue	£122,000	£257,092	£379,092

Completed by: Paul Sutton, Interim Head of Finance (Deputy s151)

Legal and Governance

- 1.5 There are no significant legal and governance implications arising from this report which are not already referenced in the body of the report or appendices.

Completed by: James Welbourn, Democratic Services Manager and Deputy Monitoring Officer

Risk and Mitigation

- 1.6 Recent risks associated with abnormal inflation are being managed through the usual project management processes, as well as with the funding body, MHCLG.

Completed by: Tracey Elliott, Governance & Risk Officer

2 Background to the Report

- 2.1 In 2021, South Kesteven District Council was awarded £5.56 million of funding through the Future High Streets Fund (FHSF). This funding, matched by the Council's £379,092 funding contribution, will help the town centre become fit for the future, ensuring that it can evolve and adapt to changes in consumer demands and meet the needs of future generations. Such an approach aligns with the Corporate Plan (2024 to 2027), as the Council seeks to enable economic opportunity as one of their five priorities.
- 2.2 To support the delivery of this programme regular reports have been presented to elected Members since the Council was awarded the funding in 2021. This report therefore builds upon the most recent updated received by elected Members on 8 May 2024 to the Finance and Economic Overview and Scrutiny Committee (see **Background Paper A**).
- 2.3 In keeping with previous updates and for ease of reading, the remainder of this background section focuses on programme updates, divided into five subsets:
- Subset One: Public Realm Projects (Market Place and Station Approach)
 - Subset Two: Conduit Lane Toilet Refurbishment
 - Subset Three: Upper Floor Grants Programme
 - Subset Four: Grantham Town Team
 - Subset Five: A summary of engagement with the Ministry of Housing, Communities and Local Government

Subset One: Public Realm Projects (Market Place and Station Approach)

- 2.4 With a budget of £1.8 million, the project to revitalise the Market Place in order to reinstate it as the heart of the town centre included raising the carriageway to the same level as the existing York stone paved areas. The carriageway was to be paved in matching York Stone to create a visually cohesive, single level space and the edges of the carriageway to be lined with granite sets to outline the road for drivers and pedestrians.

- 2.5 Works started on 7 May 2024 with the contractor Taylor Woodrow and concluded on 13 September 2024.
- 2.6 Following the completion of the works, Market Place is now a flexible space which will become a destination for community events and activities as well as specialist markets. Two SKDC events have already utilised the new space on Market Place including the Lincolnshire Day celebrations and the Festival of Community on 19 October 2024.
- 2.7 The completion of the works under the forecast budget has allowed for the release of circa £426,000 funding. Confirmation of the final value of this is awaited from LCC Highways, following their negotiation of compensation events with Taylor Woodrow. In anticipation, Officers are developing a programme of additional works, including street furniture and improving power supplies to the market place to fully utilise this funding and will seek to agree proposals with MHCLG.



Image 1: Market Place before the works



Image 2: Market Place after the works

- 2.8 With a budget of £2.3 million, the Station Approach project will see major changes to the centre of Grantham's Station Road/ A607 Junction. The works will include resurfacing of the carriageway and upgraded traffic signals, making the junction easier for pedestrians to cross and creating a more welcoming environment into the town centre for visitors from the railway station.
- 2.9 On 5 August 2024, following the Council's approval, Lincolnshire County Council amended Taylor Woodrow's contract for the Market Place to include the Station Approach works.
- 2.10 Works started on 19 August 2024 and are anticipated to last a duration of 16 weeks, concluding in December 2024. The first phase of works completed on schedule. While the completion of phase two was marginally delayed as the result of bad weather, it is not anticipated that this will impact the final completion date for the programme. At the time of writing this report the works are in construction phase 3, which sees temporary traffic signals to take traffic coming from Harlaxton Road around the traffic island at the top of Harlaxton Road while works are carried out at this location. Phase 4 is anticipated to begin on 11 November 2024.
- 2.11 The indicative dates for all the construction phases can be seen below, in **table 3**. Please note that phase 5 involves overnight closures of the full junction to complete resurfacing works. There will be no overnight closure between 29 November and 6 December due to a Highways England embargo on any closures using the A1 as a diversion route. These will be weekday closures only.

Table 3: Key dates for Station Approach

Station Approach Mobilisation	12-Aug-24	19-Aug-24
Station Approach Construction Start Date	19-Aug-24	19-Aug-24
Station Approach Construction Phase 1	19-Aug-24	26-Sep-24
Station Approach Construction Phase 2	27-Sep-24	18-Oct-24
Station Approach Construction Phase 3	28-Oct-24	11-Nov-24
Station Approach Construction Phase 4	11-Nov-24	25-Nov-24
Station Approach Construction Phase 5	9-Nov-24	20-Dec-24
Station Approach Construction End Date	31-Dec-24	31-Dec-24

- 2.12 Officers from both South Kesteven District Council and Lincolnshire County Council attend regular fortnightly project update meetings to ensure momentum. The regular attendees include the Council's Head of Economic Development, FHSF Project Officer, as well as members of the Lincolnshire County Council's Major Schemes Team within their Place Directorate.

Subset Two: Conduit Lane Public Conveniences Refurbishment

- 2.13 This capital project will complete the necessary renovations required to reopen the Conduit Lane public conveniences which, have been closed to the public for over ten years.
- 2.14 This will see the completion of renovations to male, female and disabled public toilets within the block, as well as the staff toilets available to the Markets team.
- 2.15 MHCLG, through the Project Adjustment Request (PAR) process has approved the use of up to £190,000 of grant funding for delivery of this project. This funding is being drawn from unutilised contingency allocations which have been released following the completion of the Market Place project.
- 2.16 The Properties Team at the Council will deliver this project and have awarded the contract for the works to Lindum Group. Works started on 11 November 2024 and are anticipated to take between 8 to 10 weeks.

Subset Three: Upper Floor Grants Programme

- 2.17 This grant programme allows owners of retail properties within the town centre to convert vacant and underutilised upper floor space into high-quality residential units, addressing the economic waste of underutilised floorspace and the creation of vibrant town centre living.
- 2.18 The grants will provide 50% of the eligible costs of conversion, up to a maximum of £25,000 per unit created. The total grant funding available is £550,000 so at the

maximum grant per unit a minimum of 22 new units within the town centre will be created.

- 2.19 All 22 grants have now been allocated to applicants to the full programme value of £550,000.
- 2.20 An update on individual project progress since the Committee's May 2024 meeting is set out in **Appendix B**.
- 2.21 Six full applications have been submitted as follows:
- Buckminster Estates for the creation of 9 units at 17-19 High Street.
 - Piggot and Hall for the creation of 2 units at 45 High Street.
 - Melbourne Holdings for the creation of 8 units at 9-10 High Street.
 - MD Properties for the creation of 1 unit at 77-79 London Road.
 - MD Properties for the creation of 1 unit at 81-83 London Road.
 - Mr Yew Loong Wong for the creation of 1 unit at Unit 4, 30 Westgate.
- 2.22 Officers have instructed Legal Services Lincolnshire to send out the funding agreements to the above applications for review and signature.
- 2.23 To comply with Subsidy Control Regulations, to further support their applications and to demonstrate a need for funding, the applicants have supplied a viability appraisal conducted by a third party RICS accredited surveyor.

Subset Four: Grantham Town Team

- 2.24 The newly appointed Grantham Engagement Manager joined the Council on 22 July 2024 and work begun to re-establish the Grantham Town Team.
- 2.25 Among the first actions of the Grantham Engagement Manager was to bring a report on delivered and proposed measures to support footfall in Grantham town centre to this committee (17th September 2024) which is included as Background Paper B. An update on Grantham Town Team, who met on 19 September 2024, will be presented to the Finance and Economic Overview and Scrutiny Committee on 26 November 2024 in a separate report.

Subset Five: A summary of engagement with the Ministry of Housing, Communities and Local Government

- 2.26 Monthly Officer meetings continue to take place with MHCLG Funding Delivery Managers to provide updates on progress and discuss issues.
- 2.27 A cycle of MHCLG programme Monitoring and Evaluation documents were submitted in May 2024. At the time of writing this report, Officers are preparing November 2024's Monitoring and Evaluation submission. These reports are prepared by the Officer overseeing the contract management and signed off by the

S151 Officer and by the Chief Executive as the programme's Senior Responsible Owner.

- 2.28 Council Officers are discussing any potential underspend with MCHLG on the programme and as reported in previous updates to elected Members, the Council is not the only grant recipient experiencing difficulties with programme delivery, particularly around costs. MHCLG has confirmed over 50% of programmes have submitted project change requests and are anticipating this percentage to rise.

3 Key Considerations

- 3.1 Following completion of the works to the Market Place, there is approximately £426,000 of contingency budget which has been released. Officers are finalising a programme of additional works to utilise this funding, including enhancements to power provision and street furniture in the market place. Due to the grant requirements of MHCLG this additional work must relate to the existing project delivery.
- 3.2 In delivering under FHSF, the Council is committed to supporting a programme of six- monthly reporting which includes financial monitoring, footfall reporting and evidencing outputs such as private sector financial contributions. As part of the grant agreement the Council is committed to continue to provide MHCLG with such information as they require beyond the initial project timeframe.

4 Other Options Considered

- 4.1 **An alternative would be to complete the programme as currently scheduled and return any unspent allocation to MHCLG.** This would not allow for any additional works to be completed to public realm areas and will be a missed opportunity to further improve the amenity of the spaces. Therefore, completing the programme and returning any unspent allocation received to MHCLG has been discounted as an option, although there are programme delivery risks which may necessitate the return of part of the funding.

5 Reasons for the Recommendations

- 5.1 This report provides Members of the Finance and Economic Overview and Scrutiny Committee with the opportunity to feedback comments within their scrutiny remit to the Programme Board and (where appropriate) Cabinet. This includes suggestions for work programmes and items to considered.

6 Background Papers

- 6.1 Grantham Future High Streets Fund – May 2024 update - [FINAL FHSF FEOSC Report - 8th May 2024.pdf \(southkesteven.gov.uk\)](#)
- 6.2 Grantham Town Centre Footfall Report - September 2024 - [Footfall Final Version.pdf](#)

7 Appendices

- 7.1 **Appendix A** – MHCLG FHSF Grant Payment Schedule.
- 7.2 **Appendix B** - An update on individual Upper Floor Grants project progress since Committee's May 2024 update.

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1. MHCLG Grant Payment Schedule:

MHCLG agreed to allocate funding up to £5,556,042 across FY2021/22, FY2022/23, FY2023/24 and FY2024/25. The allocations for each financial year are set out in the following table.

Financial Year (FY)	Excluding Contingency (£)	Contingency (£)
2021/22 (Paid)	1,161,422	0
2022/23 (Paid)	0	0
2023/24 (Paid)	571,523	0
2024/25 (Paid)	3,823,097	0
Total Grant Award	5,556,042	

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The current position on the grants on progress is set out in the table below.

STATUS KEY

ON TRACK.	Individual project anticipated to be completed by 31/03/2025.
SLIPPING.	Some delivery risk to timeframe, budget or grant of permissions.
AT RISK.	High risk to delivery timeframe, budget or grant of permissions.

17-19 High Street (Buckminster)	<p>9 units - 8 x 1 and 1 x 2-bed flats Grant eligibility - £225,000</p> <p>Full Application has been received and was approved by the Programme Board as well as Cabinet. All additional required documents have been received (schedule of works, and Development Appraisal).</p> <p>Current activity: Sending out the grant agreement in progress.</p>	ON TRACK
45 High Street (Hall)	<p>2 units - 1 x 1 and 1 x 2-bed flats Grant eligibility - £50,000</p> <p>Full Application has been received. All additional required documents have been received (schedule of works, and Development Appraisal).</p> <p>Current activity: Sending out the grant agreement in progress.</p>	ON TRACK
74a Westgate (Buckminster)	<p>1 unit - 1 x 2-bed flat Grant eligibility - £25,000</p> <p>Full Application has been received. All additional required documents have also been received (schedule of works, and Development Appraisal). However, the Development Appraisal did not signify the necessary viability gap for the funding. Officers are currently reviewing all the information to evaluate grant eligibility.</p> <p>This development appraisal was unable to demonstrate a viability gap for the works and therefore did not meet the eligibility for the grant funding.</p>	
9-10 High Street	8 units – 8 x 2 bed flats	ON TRACK

(Melbourne)	<p>Grant eligibility - £200,000</p> <p>Full Application has been received. All additional required documents have also been received (schedule of works, and Development Appraisal).</p> <p>Current activity: Sending out the grant agreement in progress.</p>	
77-79 & 81-83 London Road (MD Properties)	<p>2 units – 2 x 1 bed flats Grant eligibility – estimated to be £50,000</p> <p>This property falls outside of the boundary set for this funding however after discussions with the board and the funder, MHCLG, approval was given to extend the project boundary to include these properties, given their proximity to the boundary and being on a key gateway into the town centre.</p> <p>Full Application has been received. All additional required documents have also been received (schedule of works, and Development Appraisal).</p> <p>Current activity: Drafting of the grant agreement in progress.</p>	ON TRACK
Unit 4, 30 Westgate (Mr Yew Loong Wong)	<p>1 unit – 1 x 2 bed flat Grant eligibility – estimated to be £25,000</p> <p>Full Application has been received. All additional required documents have also been received (schedule of works, and Development Appraisal).</p> <p>Current activity: Drafting of the grant agreement in progress. Awaiting confirmation of planning permission.</p>	ON TRACK



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**



Finance and Economic Overview and Scrutiny Committee

[26th November 2024 2.00 pm](#)

Report of Councillor Richard Cleaver,
Cabinet Member for Property and
Public Engagement

Update in respect of the construction of the Waste Depot, Turnpike Close Grantham

Report Author

Gyles Teasdale, Head of Property and ICT



Gyles.teasdale@southkesteven.gov.uk

Purpose of Report

This report provides an update on the construction of the new Waste Depot at Turnpike Close, Grantham.

Recommendations

The Finance and Economic Overview and Scrutiny Committee is asked to note the current position with respect to the delivery of the new Waste Depot at Turnpike Close, Grantham.

Decision Information

Is this a Key Decision?	N/a
Does the report contain any exempt or confidential information not for publication?	N/a
What are the relevant corporate priorities?	Effective Council
Which wards are impacted?	Earlesfield Ward

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance

Budget approval of £8.8m has been given for this project by Council 28th September 2023 (£8m) and 29th February 2024 (£800k) and the ongoing financial updates are being presented to the Finance and Economic Overview and Scrutiny Committee.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Legal and Governance

There are no significant legal and governance implications arising from this report, which is a progress update for noting on the new Waste Depot project.

Completed by: Graham Watts, Monitoring Officer

2. Background to the Report

- 2.1 The Finance and Economic Overview and Scrutiny Committee (FEOSC) was provided with an update on the new Waste Depot project at the last meeting on 17th September 2024 following the decision that the Committee would be provided with regular updates at each of its meetings during the project delivery phase. This report is the fourth of the project updates the Committee will receive following the report to the Committee at its last meeting.
- 2.2 Since the last meeting, significant project milestones have been achieved – specifically the conclusion of the value engineering, the signing of the construction contract and the mobilisation of the contractor onto the site.

Updated Timetable

- 2.3 The following provisional programme summary was presented at the 7th November Officer and Member Project Board meeting. There has been some slight change from the previously reported timeline, which has seen contractor mobilisation works commence approximately 2 weeks earlier to prevent causing delay to the construction periods commencement. Lindum has also reduced the

construction period to 50 weeks enabling an increased mobilisation period for relocation from the old depot to the new.

An updated proposed programme is outlined below:

	Original Programme	Updated Programme
Cabinet Approval	16 th April 2024	16 th April 2024
Value Engineering Period	16 th April – 24 th May 2024	16 th April – 24 th May 2024
Enter into NEC4 Professional Services Contract	14 th June 2024	14 th June 2024
Progression of Stage 4 Design	17 th June – 23 rd August 2024	17 th June – 23 rd August 2024
Design Evaluation, Completion and legal preparation.	27 th August – 24 th September 2024	27 th August – 24 th September 2024
Construction Contract Award	Early October 2024	18th October 2024
Contractor mobilisation period	Mid-October 2024	1st October 2024 – 28th October 2024
Construction Period commences	29 th October 2024	29 th October 2024
Targeted completion date	22 nd October 2025	7th October 2025
Mobilisation Period	23 rd October 2025 – 22 nd November 25	8th October 2025 – 25th November 25
Operational Go-live	25 th November 2025	25th November 2025

- 2.4 The above table shows that following completion of works relating to the RIBA Stage 4 detailed design and value engineering (VE) the award of the Construction Contract has now been completed. Contracts have now been prepared, completed and signed by both parties. This did take slightly longer than expected, however, has caused no delay to the commencement of the construction period and the overall delivery timetable.
- 2.5 The contractor mobilisation period has also completed, between the dates of the 1st October and the 28th October and Lindum are now on site.
- 2.6 Works are now progressing in line with the master construction programme with a target completion date of 7th October 2025. Relocation and mobilisation of the existing depot to the new location will then follow over a four-week period allowing for an operational go live date of mid November 2025. There will be a requirement to seek additional one-off funding of £500k in order to facilitate the mobilisation of the services from the existing location to Turnpike Close Grantham.

3. Key Considerations

- 3.1 This report sets out the latest position with regards to this flagship project and the next stages in order to deliver the overall scheme. It is important the Committee is kept updated as the scheme progresses.

4. Other Options Considered

- 4.1 No other options are considered.

5. Reasons for the Recommendations

- 5.1 This report provides an update on the construction of the new Waste Depot at Turnpike Close, Grantham.

6. Background Papers

- 6.1 The previous update reports can be accessed here:

[Agenda for Finance and Economic Overview and Scrutiny Committee on Thursday, 27th June, 2024, 2.00 pm | South Kesteven District Council](#)

[Agenda for Finance and Economic Overview and Scrutiny Committee on Wednesday, 17th July, 2024, 10.00 am | South Kesteven District Council](#)

[Agenda for Finance and Economic Overview and Scrutiny Committee on Tuesday, 17th September, 2024, 10.00 am | South Kesteven District Council](#)

7. Appendix

- 7.1 Appendix A – Project Dashboard as of 7th November 2024

TURNPIKE CLOSE GRANTHAM PROJECT DASHBOARD

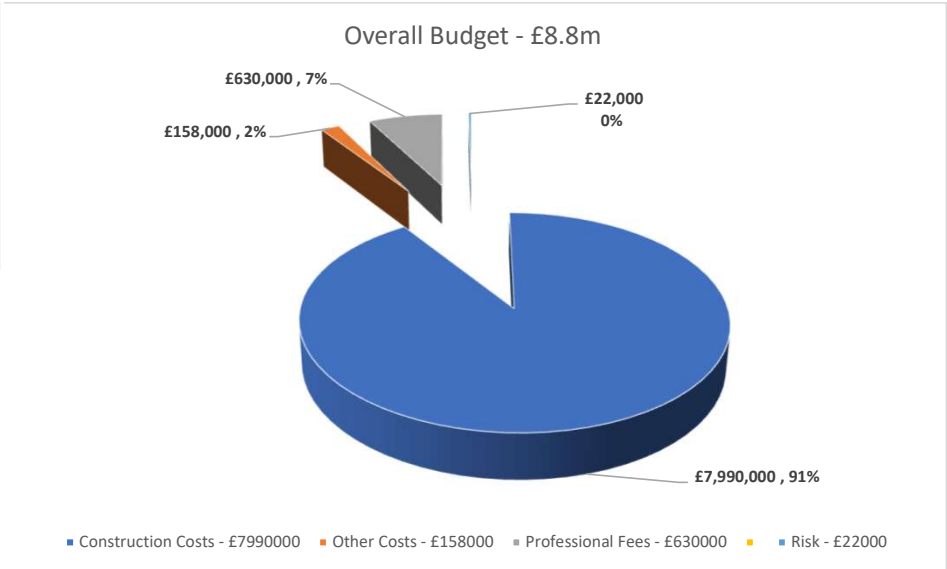
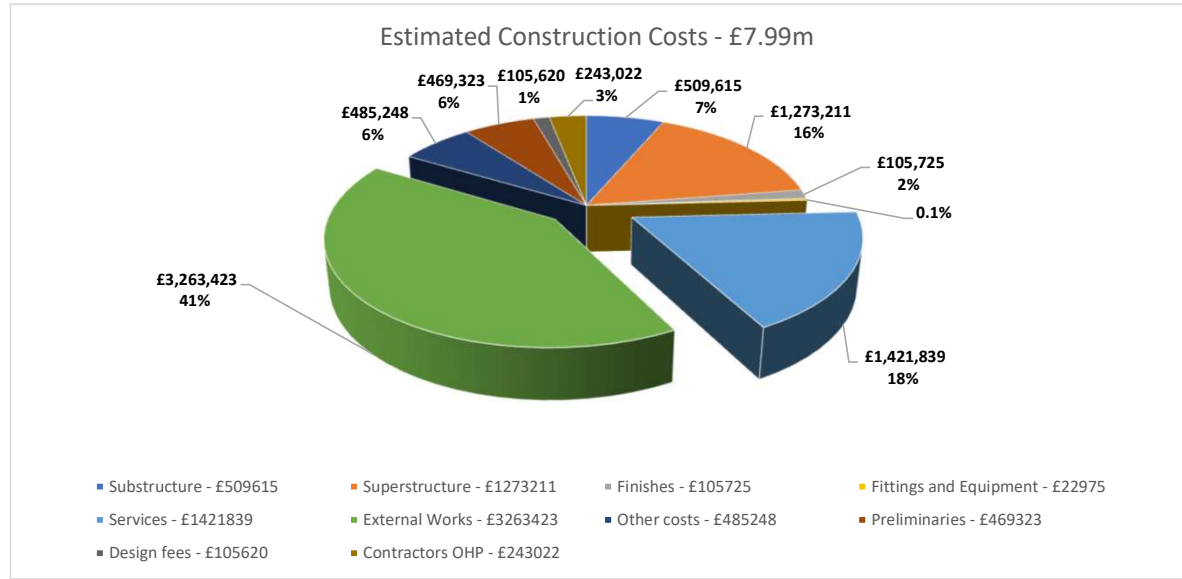
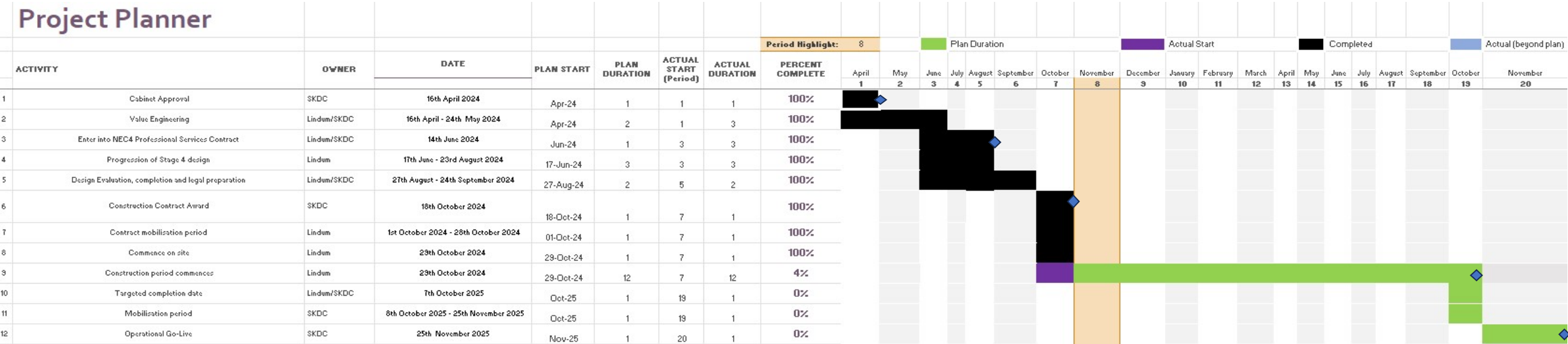
Project Name: New Depot

Current Overall Project Status: Good

Date: Nov-24

Budget: £ 8,800,000.00

Risk Status: Low



KEY RISKS AND ISSUES		
Risk	Action/Overview	Level
Operator Licence and Environmental Permit Applications	Applications to be submitted for operators licence and Environmental Permit in order for waste to operate waste fleet from the new site and permit of waste transfer.	Low
New Planning Application	New Planning application would be required should more significant changes be required.	Low
Planning Conditions	Discharging of pre commencement activities to be progressed	Low
Programme slippage	Risk of further slippage will be mitigated by identification of efficiencies in subsequent phase. Contractors programme has now been confirmed.	Low

Summary

The award of the Construction Contract has now been completed. Contracts have now been prepared, completed and signed by both parties. This did take slightly longer than expected, however, has caused no delay to the commencement of the construction period and the overall delivery timetable. The contractor mobilisation period has completed, between the dates of the 1st October and the 28th October and Lindum are now on site.

Works are now progressing in line with the master construction programme with a target completion date of 7th October 2025. Relocation and mobilisation of the existing depot to the new location will then follow allowing for an operational go live date of November 2025.

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**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Finance and Economic Overview and Scrutiny Committee

Tuesday, 26 November 2024

Councillor Ashley Baxter,
Leader of the Council, Cabinet Member
for Finance, HR and Economic
Development

Localised Council Tax Support Scheme 2025/26

Report Author

Claire Moses, Head of Service (Revenues, Benefits Customer and Community)

✉ claire.moses@southkesteven.gov.uk

Purpose of Report

This report reviews the responses to the public consultation of the Council's proposed Local Council Tax Support scheme 2025/26.

Recommendations

Finance and Economic Overview and Scrutiny Committee:

- 1. Considers and comments on the feedback from the public consultation.**
- 2. Recommends Cabinet support a 'no change' Local Council Tax Support Scheme for 2025/26.**

Decision Information

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Enabling economic opportunities Effective council
Which wards are impacted?	(All Wards);

Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 The actual cost of the Council Tax Support Scheme for working age and pension age residents will not be known for certain until the end of the financial year and will be dependent on the actual caseload in year as well as the levels of Council Tax set by the District Council and the major precepting authorities.
- 1.2 The estimated cost of the scheme, based on current caseload, is taken into consideration when calculating the Council's tax base for the financial year and will impact on the estimated Council Tax yield for the year. Any difference in the actual cost of the discount scheme to that estimated in the tax base calculation will be accounted for within the Collection Fund and will be considered when future years surpluses or deficits are declared.
- 1.3 Should the Council wish to approve the continuation of core elements of the current scheme, the financial impact of this would be:
 - Continuation of the Care Leavers Exemption: This will be a cost of circa £16,198 (based on 10 eligible awards for 2024/25 as of 25 October 2024). This cost is shared between SKDC and the preceptors; and
 - Continuation of the Council Tax Discount for Police Special Constables, this will be a direct cost to the General Fund of circa £10,000 for awards relating to 2024/25 (if all eligible Special Constables applied for the discount).

Completed by: Paul Sutton Interim Head of Finance (Deputy s151))

Legal and Governance

- 1.4 Should the Council wish to approve any proposals which were included within the public consultation, there will be a direct cost to the General Fund and to Preceptors (Lincolnshire County Council and the Police and Crime Commissioner). Some of these costs are currently unknown and this is detailed further within this report and Appendix One. This appendix also provides a background of the option, impact of change if approved and impact if it is not approved.
- 1.5 The regulations for the scheme proposed to be adopted are to be collated and made available for Council in January 2024.

Completed by: Graham Watts, Monitoring Officer

Risk and Mitigation

- 1.6 The Council, and other preceptors, bears the risk of the cost of the Council Tax Support scheme if an increase in caseload causes costs to increase beyond predictions.
- 1.7 Any revisions to the scheme must be approved by 31 January 2025.
- 1.8 The scheme cannot be changed mid-year and therefore it is vital the correct scheme is in place.

Completed by: Tracey Elliott, Governance & Risk Officer

Equalities, Diversity and Inclusion

- 1.9 It is expected that any changes to the current scheme that reduce the current maximum award of support will have an adverse impact on specific household income. Whilst this impact would not be related to any specific protected characteristic identified in law, we are mindful of socio-economic impact and will give due regard as part of the equality impact assessment of the Scheme.

Carol Drury, Community Engagement Manager

2. Background to the Report

- 2.1. The Council has a clear commitment in its Corporate Plan 2024-2027 to enabling economic opportunity and being an effective council. This report, and the support provided through the Council's Localised Council Tax Support Scheme, delivers these priorities.
- 2.2. The Council Tax Benefit system was abolished on 31 March 2013 and replaced by the Local Council Tax Support Scheme (LCTSS). This scheme can be determined locally by the Billing Authority after due consultation with precepting authorities, key stakeholders, and residents.
- 2.3. There are currently 7,152 residents in receipt of Council Tax Support in the South Kesteven District. Of these, 4,023 are working age and 3,129 are pension age who are protected under the legislation and receive Council Tax support as prescribed by the Government.
- 2.4. A breakdown of caseload is shown in the table below:

1 st of month	Working age	Pension age	Total
March 2023	4,094	3,141	7,235
June 2023	4,113	3,133	7,246
September 2023	4,001	3,115	7,116
December 2023	4,014	3,090	7,104
March 2024	4,046	3,082	7,128
June 2024	4,096	3,076	7,172
October 2024*	3,996	3,081	7,077

*Data as of 25 October 2024

- 2.5. The Council agreed to a LCTSS, which came into effect on 1 April 2013. The core scheme currently provides
- 80% support for working age claimants
 - 100% support for pension age claimants
- 2.6. The Local Government Finance Act 2012 requires any proposed scheme to go through certain steps before it can be adopted by the Council as a Billing Authority:

Before making a scheme, the authority must (in the following order): -

- (a) consult any major precepting authority which has power to issue a precept to it;*
- (b) publish a draft scheme in such a manner as it thinks fit; and*

(c) consult such other persons as it considers are likely to have an interest in the operation of the scheme

- 2.7. There is ongoing uncertainty regarding the impact of remaining legacy benefit claimants moving to Universal Credit by the end of 2026, which resumed in May 2022. The transition date from Housing Benefit to Universal Credit has been pushed back on many occasions (nationally). However, indications are that this work is progressing, with the working age caseload decreasing from 4,046 in March 2024 to 3,996 in October 2024.
- 2.8. The restart follows a pause during the Covid pandemic when Department for Work and Pension (DWP) staff were focussed on supporting a surge of new claimants to Universal Credit.
- 2.9. The six benefits being replaced all have complex eligibility criteria and Universal Credit is designed to provide each claimant with individually-tailored support to help them into employment. The rollout will be carefully managed by the DWP, and claimants will be asked to move to Universal Credit.
- 2.10. It is not yet known how many of the legacy customers will be moved over during the remaining months of 2024/25 however, it is expected the reduction will continue with the current rollout being managed by the DWP from in April 2024, whereby claimants are being contacted by DWP and asked to move to Universal Credit. The number of legacy customers moving over during 2024/25 is unknown, along with whether or not their entitlement to Council Tax Support will change.
- 2.11. Given the current operating context, it will be problematic to fundamentally re-assess any Council Tax scheme due to the volatility that is impacting on a number of the objectives listed above.

Financial cost of the current Council Tax Support Scheme (2024/25)

- 2.12. Despite the scheme being a 'local' CTS scheme, due to the nature of protection provided to pensioners and vulnerable working age customers, the Council will always incur some costs over which it has no influence.
- 2.13. Current caseload can be broken down as follows and shows any changes implemented will only apply to 14.34% of the caseload (working age), as pensioners and vulnerable working age are protected. This is a reduction from the previous year of 1.73% (working age caseload was 14.34%).

Caseload breakdown	Caseload	% of caseload
Total caseload	7,077	100%
Pensioner (protected)	3,081	43.54%
Working age vulnerable (protected)	2,981	42.12%
Working age (local discretion)	1,015	14.34%

- 2.14. Based on caseload on 25 October 2024, the current cost of the scheme is £7,639,286 (increased by £403,024 from £7,236,262 at the same point in 2023). South Kesteven's share of the total cost of the scheme is £687,536 (9%) and has increased by £36,272 at the same point in 2023.
- 2.15. Due to the protections from changes (referenced in paragraph 2.13) to pensioners and vulnerable working age customers, any reduction in cost to the proposed scheme can only be applied to the 1,015 working customers, or 14.34% of the caseload. This means out of the Council's current share of the cost of £687,536 – only £98,593 (14.34%) can be influenced by any change made to the current scheme.

Current Local Council Tax Support Scheme – 2024/25

- 2.16. The Council's local scheme has been updated with amendments since the introduction in April 2013 to maintain the link with Housing Benefit and the previous Council Tax Benefit scheme.
- 2.17. The current scheme has the following restrictions for working age customers: -
- Maximum entitlement capped to 80%.
- 2.18. The current scheme also has the following amendments to Council Tax technical restrictions for all Council Tax payers: -
- Introduction of additional premiums to properties empty over 2 years, plus the original charge: -
 - 200% premium – empty between 2 and 5 years;
 - 300% premium – empty between 5 and 10 years; and
 - 400% premium – empty over 10 years.
 - Unoccupied discount of 100% for the first month
 - Care leavers Council Tax exemption – 100% for those aged between 18 and 25; and

- Reduction for Special Constables who live in the district – 25% for each special constable resident in the household (up to 2 resident, equalling 50% reduction).

Council Tax Exemption for care leavers – 2024/25

- 2.19. The scheme was first approved for 2019/20, for a local discretionary Council Tax exemption of up to 100% for care leavers aged 18 to 21 years, with the exemption ending on the individual's 22nd birthday.
- 2.20. The scheme was amended for 2021/22 and the age limit was increased to 24 years of age, with the discount ending on the individual's 25th birthday.

Special Constabulary Council Tax Discount Scheme – 2023/24

- 2.21. The scheme was first approved and introduced on 1 April 2022. The award of the discount is retrospective and therefore, the discount was awarded for the financial year 2021/22.
- 2.22. The discount has been awarded to two Special Constables for 2023/24 totalling £2,092.66. The scheme has now closed for this financial year (applicable year 2023/24).
- 2.23. Should the continuation of the scheme be approved by Council, the Police and Crime Commissioner (PCC) will write to all Special Constables who live within the district of South Kesteven, by 30 April 2025, confirming they have met the hours worked criteria, and will provide a link to the Council's website.
- 2.24. The Special Constable will be required to complete the online application form and upload the letter from the PCC.
- 2.25. The award of the discount will be referenced to service during 2024/25. As a result, the eligibility for the discount will be considered, and an award made no later than the 31 May 2025 and will be applied to the Council Tax account for 2024/25.
- 2.26. In the response to the public consultation (Appendix Three), the PCC is supportive of the continuation of support for Special Constables.

Discretionary Council Tax Payment Fund - £30,000

- 2.27. A Discretionary Council Tax Payment (DCTP) is available to anyone in receipt of Council Tax Support who has a shortfall between the weekly amount awarded and their Council Tax liability.
- 2.28. The total amount of funding allocated for each year is £30,000. For 2024/25, the decision was taken to move any unspent funding from 2023/24 into the new year. As a result, in 2024/25 there was a total of £38,568 funding available.
- 2.29. To date, £18,332 has been awarded, meaning there is £20,236 remaining, to be issued up to 31 March 2025.
- 2.30. Discretionary Payments can be applied for independently but are often considered as part of the application process for Discretionary Housing Payments (support for shortfall between Housing Benefit / Universal Credit award and eligible rent). Officers are aware of the DP and actively encourage customers to apply where eligibility criteria are met.

War Pension and Armed Forces Compensation Disregard for Housing Benefit and Council Tax Support

- 2.31. Section 134 8(a) of the Social Security Administration Act 1992, allows local authorities to modify any part of the Housing Benefit scheme to provide for the disregarding of prescribed war disablement pensions or war widows' pensions.
- 2.32. South Kesteven District Council has applied a disregard of 100% through Officer Delegated decision. However, a result of the 2021/22 Housing Benefit audit, a recommendation was taken forward for the Council Tax Support and Housing Benefit War Pension and Armed Forces Compensation Disregard to be included as part of this consultation and decision making process and was first brought to this Committee for inclusion in consultation in July 2023, for the 2024/25 scheme.

The alignment of the value of the capital tariff limit and disregard for working age claimants to the pension age claimant values

- 2.33. This was first brought to this Committee for inclusion in consultation in July 2023, for the 2024/25 scheme and was approved by Council in January 2024, to be included within the scheme from 1 April 2024.

- 2.34. The capital tariff limit and disregard for working age claimants has been aligned to that of the pension age claimant values with effect from 1 April 2024 – these being a capital tariff of £1 for every £500, and a disregard of the first £10,000 of capital.

Outcome of public consultation (October 2024) – proposed ‘no change’ scheme for 2025/26

- 2.35. A report was presented to this Committee on 17 July 2024 to consider a ‘no change scheme’ for 2025/26 for public consultation. The recommendation by this Committee was to undertake consultation for the 2025/26 Localised Council Tax support scheme and to consider the outcome of the consultation findings prior to making a recommendation to Cabinet, for the final scheme to be presented to Council in January 2025.
- 2.36. Public consultation began on 1 September 2024 and ran to 30 September 2024. Consultation has been undertaken with major precepting authorities, stakeholders, and residents through a variety of methods, as detailed below: -
- An online survey (support provided by the Benefits Team where the resident was unable to complete the survey themselves);
 - All South Kesteven District Council Members and Parish Clerks were issued with an email advising them of the consultation;
 - Partner organisations were also advised of the proposed scheme – include Citizens Advice; and
 - Major preceptors – Police and Crime Commissioner (PCC) and Lincolnshire County Council (LCC).
- 2.37. Letters were issued to all those in receipt of Council Tax Support at the start of the consultation. This was a total of 7,108 recipients. A total of 336 responses were received – this is a rate of 4.73% (compared to 371 responses of 7,133 – 5.20% for the previous year).
- 2.38. The key findings of the consultation are detailed within Appendix One and a summary of the responses is detailed below:

	Agreed		Disagreed		Didn't Know	
	No.	%	No.	%	No.	%
Agreed with the principles of the current scheme	301	89.6%	14	4.2%	21	6.3%
Thought the level of discounts and premiums for unoccupied,	259	77.1%	22	6.5%	55	16.4%

	Agreed		Disagreed		Didn't Know	
	No.	%	No.	%	No.	%
unfurnished and second home properties should continue						
Thought the exemption for young people leaving the care system should continue	266	79.2%	38	11.3%	32	9.5%
Thought the Special Constable Discount scheme should continue	227	67.6%	52	15.5%	57	17.0%
Thought the War Pension and Armed Forces Compensation Disregard for Housing Benefit and Council Tax Support should continue	257	76.7%	16	4.8%	62	18.5%
Thought the Capital tariff limit and disregard for working age claimants to be aligned to pension age claimant values should continue	240	71.4%	16	4.8%	80	23.8%
Thought the Discretionary Council Tax Payment scheme should continue for 2024/25	314	93.5%	7	2.1%	15	4.5%
Thought the Council had worked hard to ensure that its Council Tax Support Scheme is fair, protects pensioners and those in vulnerable groups, and responds to local concerns	315	93.8%	6	1.8%	15	4.5%

2.39. The consultation response from Lincolnshire County Council and the Police and Crime Commissioner are detailed in Appendix Two and Three.

2.40. A consultation response was also received from the Royal British Legion with support for the disregard of War Pension and Armed Forces Compensation payments within the calculation of income for Council Tax Support.

Introduction of the second home premium from 1 April 2025

2.41. This is a measure, which is included in the Levelling Up & Regeneration Bill, to allow councils the ability to charge a council tax premium of up to 100% for any property left empty for more than 72 days a year.

2.42. As part of the consultation and approval process for the 2024/25 LCTS scheme, Council approved the introduction of the premium from 1 April 2025 at its meeting on 25 January 2024.

- 2.43. The regulations were laid before parliament on 8 October 2024 which set out the exceptions to council tax premiums on second homes: [The Council Tax \(Prescribed Classes of Dwellings and Consequential Amendments\) \(England\) Regulations 2024](#). These regulations came into force on 1 November 2024 and effect from 1 April 2025.
- 2.44. The Ministry of Housing, Communities and Local Government intends to publish a detailed information letter for councils on these regulations, along with guidance on the application of premiums and exceptions. Once this guidance has been published, the Revenues Team will be able to undertake the necessary action to determine those properties for which the premium should correctly apply.
- 2.45. The current discount of 10% is a total cost of £63,590. Introducing the premium will result in removal of this discount and an additional 100% charge will be applied.
- 2.46. There are currently 370 Council Tax properties which would attract a premium. Such premiums would increase Council Tax annual liability by £668,074 per annum. If this was paid in full, South Kesteven's share of this additional income would be £60,127 (9%).

3. Key Considerations

- 3.1. Consideration needs to be given to all the options proposed and consulted on which are detailed in Appendix One.
- 3.2. It is proposed there are no changes made to the scheme and the current core elements of the 2024/25 scheme, as detailed in paragraphs 2.16 to 2.46 of this report are retained and continue for 2025/26.

4. Other Options Considered

- 4.1 All options for consultation are detailed in **Appendix One** of this report.
- 4.2 Not undertaking any consultation, is not an option. Consultation as to the administrative and financial impact of a change/new scheme is a legal requirement. This scheme must be reviewed, consulted upon, and approved on an annual basis.

5. Reasons for the Recommendations

- 5.1. These are set out in the report.

6. Consultation

- 6.1. The timetable to approve a no change or any change to the scheme is set out below and considers the existing calendar of meetings. The full Council, as Billing Authority, needs to approve the scheme after consultation as outlined in paragraph 2.6.
- 6.2. The remaining consultation timetable is as follows: -
- 16 January 2025: Cabinet – recommendation of scheme for 2025/26 for Council.
 - 30 January 2025: Council – decision required: approval of final 2025/26 scheme for implementation from 1 April 2025. The Local Government Finance Act 2012 requires a full review of the scheme by the Billing Authority. South Kesteven District Council will need to approve a new scheme after consultation by 31 January 2025.

7. Background Papers

- 7.1 A full report was presented to Finance and Economic Overview and Scrutiny Committee on 17 July 2024 (item 24) agreeing to recommendations for consultation. The report can be accessed here: [Agenda for Finance and Economic Overview and Scrutiny Committee on Wednesday, 17th July, 2024, 10.00 am | South Kesteven District Council](#)

8. Appendices

- 8.1. There are three appendices to this report.
- Appendix 1: Analysis of public consultation and Council Tax Support Scheme Options for public consultation
 - Appendix 2: Lincolnshire County Council consultation response
 - Appendix 3: Police and Crime Commissioner consultation response

Council Tax Support Consultation – 2025/26 Scheme

Results

October 2024

Introduction

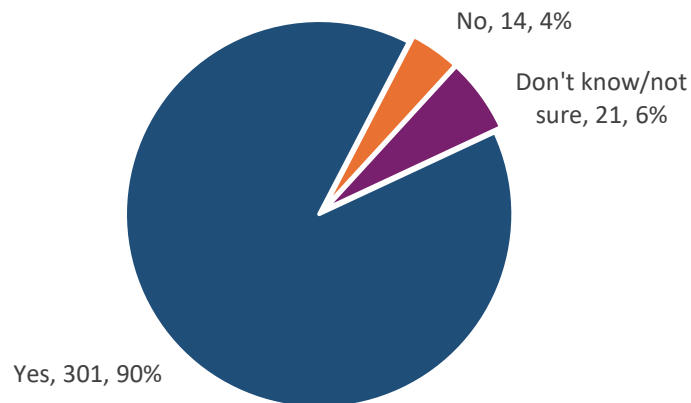
1. South Kesteven District Council (SKDC) is required by law to provide a Local Council Tax Support Scheme. The purpose of this scheme is to offer council tax reductions to those facing financial hardship.
2. It is administered by the Council using national legislation and rules which have been set locally and is only partly funded by the government.
3. To fulfil a legislative requirement to consult on the scheme annually, respondents were asked for their opinion on various parameters including an exemption for those leaving the care system and a discount for special constables.
4. 336 individuals responded to the annual Council Tax Support consultation, which took place during the month of September 2024.

The Council Tax Support Scheme:

5. Central to SKDC's Council Tax Support Scheme are two principles. These are:
 - A cap of 80% on entitlement for all applicants of working age. This means anyone of working age eligible for help paying their Council Tax will be entitled to claim for help with **up to but no more than** 80% of their bill.
 - Pensioners and vulnerable persons eligible for help paying their Council Tax are protected by legislation.
6. The first question asked respondents if they agreed with these principles. Nine out of ten respondents agreed with them, as illustrated below in the table and pie chart:

	No	%
Yes, I agree with these principles	301	89.6
No, I don't agree with these principles	14	4.2
I don't know if I agree or disagree with these principles	21	6.3
	336	100.0

Q1. Do you agree with these principles?



7. When asked why they didn't agree with the principles of the Council Tax Support Scheme, some respondents objected to the 80% threshold. A few objected to the scheme on principle, as illustrated by the quotes below:

"I believe that help should be available to the maximum of 100% should the claimant need support."

"If you cannot afford the tax, it should be 100% deduction, even 20% is too high for some people."

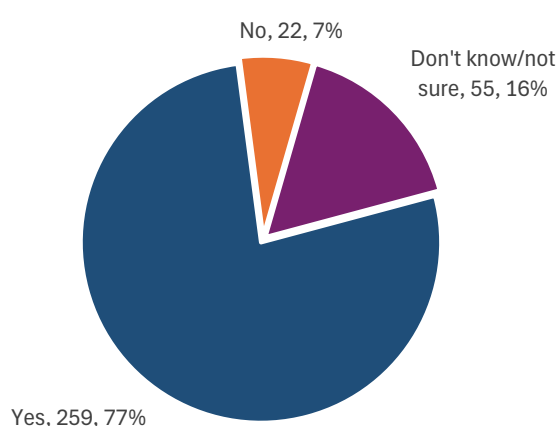
"More Stringent checks should be in place so that other 'nonessential' things have to be sacrificed BEFORE any council Tax deduction should be considered."

8. SKDC's current scheme also has the following amendments to Council Tax technical restrictions for all Council Taxpayers. These have been made because of changes to legislation. They are: -
- Introduction of changes to the properties which are unoccupied and unfurnished: -
 - 100% discount for one month;
 - 25% discount for the following 5 months;
 - 100% charge thereafter.
 - Introduction of additional premiums to properties empty over 2 years, plus the original charge: -
 - 200% premium – empty between 2 and 5 years.
 - 300% premium – empty between 5 and 10 years.
 - 400% premium – empty over 10 years.
 - Unoccupied discount of 100% for the first month.
 - Council Tax premium of 100% for a property classed as a second home (i.e. any dwelling that is furnished and is no-one's sole or main residence)
9. The Council is proposing to continue with these levels of discounts and premiums.

10. When asked if they thought these discounts and premiums should continue to apply, three quarters of respondents thought that they should, as illustrated below:

	No	%
Yes, I think the discounts and premiums should continue	259	77.1
No, I don't think the discounts and premiums should continue	22	6.5
I don't know if the discounts and premiums should continue	55	16.4
	336	100.0

Q3. Do you think these discounts and premiums should continue in 2025/26?



11. When asked to describe why they didn't agree with the discounts and premiums, respondents were either against charging those owning empty properties or thought if the householder could afford more than one property, they should pay for it. This is illustrated in the quotes below:

"Seems unfair to charge unoccupied properties when they receive no services"

"Should be no charge for empty properties"

"They are wealthy enough to own an empty property"

"If they can afford a home not to be lived in, they should pay council tax"

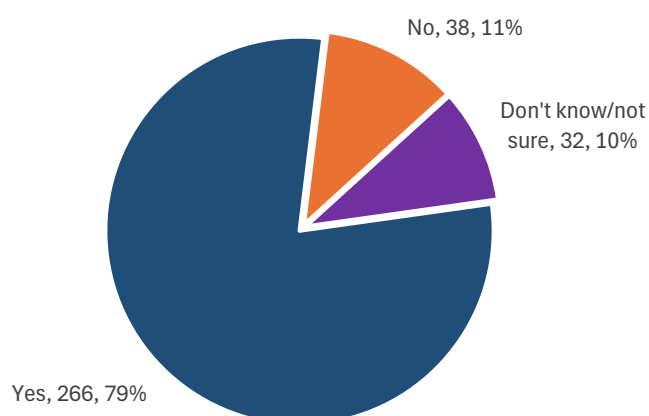
Exemption for young people leaving the care system:

12. In South Kesteven all young people leaving the care system are currently exempt from paying Council Tax in properties they rent or own, until they are 25.
13. The Council is proposing to continue to apply this exemption.

14. Eight out of ten respondents thought all young people leaving the care system should continue to be exempt from paying Council Tax for owned or rented properties, until they are 25. This is illustrated in the table and graph overleaf:

	No	%
Yes, I think the exemption should continue	266	79.2
No, I don't think the exemption should continue	38	11.3
I don't know if the exemption should continue	32	9.5
	336	100.0

Q5. Do you think this exemption should continue in 2025/26?



15. When asked why they didn't support this exemption, most comments were centred around the amount of income being earned. Subjecting the care leavers to means testing to justify an exemption was also a popular suggestion, as illustrated here:

“No exemption - should be based on income”

“If working they should pay Council Tax based on their income”

“They should be means tested if in full time work”

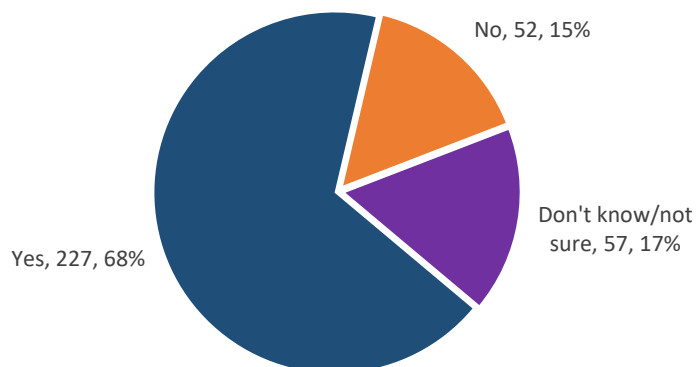
“Why isn't this means tested?”

Special Constable Discount Scheme:

16. In South Kesteven, Special Constables can make an application for a 25% Council Tax discount for each eligible Special Constable in the household (up to 50%).
17. The Council is proposing to continue with this discount.
18. Just over two thirds of respondents thought the Special Constable Discount Scheme should continue to operate in 2025/26, as illustrated overleaf:

	No	%
Yes, I think the scheme should continue	227	67.6
No, I don't think the scheme should continue	52	15.5
I don't know if the scheme should continue	57	17.0
	336	100.0

Q7. Do you think a Special Constable Discount should continue to be available in 2025/26?



19. When asked why they didn't support special constables being awarded a discount on their council tax, respondents' reasons were varied. They included the nature of the role (i.e. because it is voluntary), why they are treated differently to householders in other roles and the view that a discount should be awarded based on household income, not the job people hold.

"Being a Special Constable is voluntary. There are many people who volunteer in our society and I fail to see why a Special Constable should be deemed more deserving than anybody else who gives their time and energy."

"Why? What about those in caring professions, nurses, doctors, fire service..."

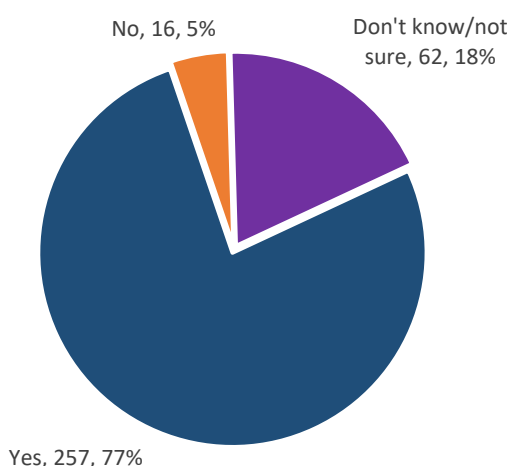
"Many more people are on lower wages but don't get this discount."

War Pension and Armed Forces Compensation Disregard:

20. South Kesteven District Council does not currently include War Pension and Armed Forces Compensation within the calculation of income for Council Tax Support. It disregards these amounts in the calculations it undertakes.
21. The Council is proposing to continue to apply this disregard.
22. Respondents were asked if they thought the Council should continue to disregard War Pension and Armed Forces Compensation for both Housing Benefit and Council Tax Support calculations. Just over three quarters thought that they should, as illustrated below:

	No	%
Yes, I think the Council should continue to apply this disregard	257	76.7
No, I don't think the Council should continue to apply this disregard	16	4.8
I don't know if the Council should continue to apply the disregard or not	62	18.5
	335 ¹	100.0

Q9. Do you think this approach should continue in 2025/26?



23. When asked why they felt they were unable to support this approach, the comments made were like comments made under other scheme parameters. Some respondents used the opportunity to state why they supported this approach. Examples of each are detailed below:

“Don't agree”

“It's discrimination. Do you disregard compensation payments for work related accidents or car accidents?”

“As the son of a war veteran, I think they deserve any help they can get for the service they have given to their country in the country's time of need.”

The alignment of the value of the capital tariff limit and disregard for working age claimants to the pension age claimant values – introduced from 1 April 2024:

24. South Kesteven District Council has aligned the capital tariff limit and disregard of working age claimants to that of the pension age claimant values with effect from 1 April 2024 – these being a capital tariff of £1 for every £500, and a disregard of £10,000.

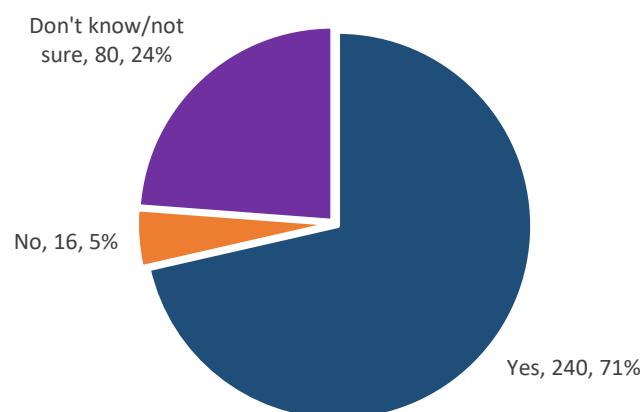
25. The Council is proposing to continue to align working age capital tariffs to pension age.

¹ One respondent didn't answer this question.

26. When asked for their opinion on the alignment of the capital tariff limit and disregard for working age claimants to the pension age claimant values, and if this approach should continue in 2025/26, seven out of ten respondents were in agreement. This is illustrated in the table below:

	No	%
Yes, I think this approach should continue	240	71.4
No, I don't think this approach should continue	16	4.8
I don't know if this approach should continue or not	80	23.8
	336	100.0

Q11. Do you think this approach should continue in 2025/26?



27. When asked to comment on this element of the scheme, there was no consistency across the comments. Some respondents argued for a higher capital tariff limit. Some wanted a higher capital tariff limit but only for pensioners. Others weren't sure what they were being asked. Examples of each of these are shown below:

“Capital Limit should be higher than £10,000.”

“Tariff limit should be higher for pensioners.”

“Don't know what this means, so can't answer.”

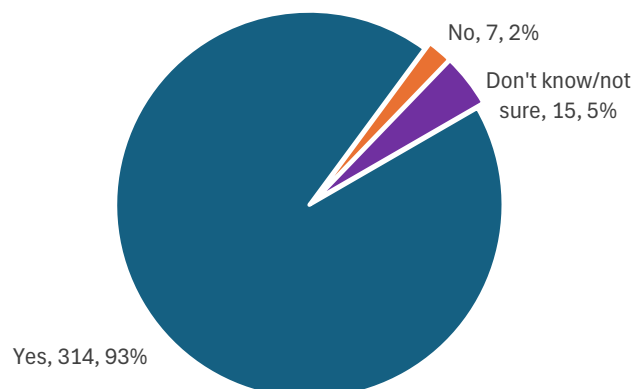
The Discretionary Payment Scheme:

28. South Kesteven District Council also operates a Discretionary Payment Scheme.

29. This scheme has been designed to offer additional support to those struggling to pay their Council Tax and offers limited short-term assistance to those in receipt of Council Tax Support who need further help.
30. The Council is proposing that this scheme should continue to operate.
31. There was really strong support for this initiative, with over 90% of those responding to the survey stating that they think the Discretionary Payment Scheme should continue to operate. This level of support is illustrated below:

	No	%
Yes, I think the Discretionary Payment Scheme should continue	314	93.5
No, I don't think the Discretionary Payment Scheme should continue	7	2.1
I don't know if this scheme should continue or not	15	4.5
	336	100.0

Q13. Do you think this scheme should continue in 2025/26?



32. The main reason cited by respondents who didn't support the Discretionary Payment Scheme was around managing cash flow – in particular prioritising spending. This is illustrated in the quotes below:

“Some people take advantage of this that don't prioritise their cash flow”

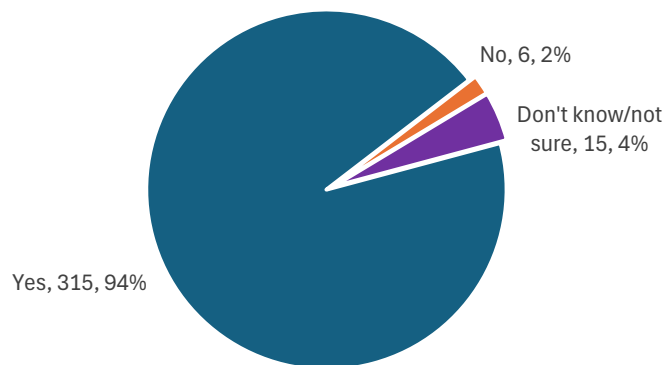
“I have a very low income but by prioritising how my income is spent, I can manage my bills without difficulty.”

33. The final question included in the survey asked respondents if they thought that the Council had worked hard to ensure that its Council Tax Support Scheme is fair, protects pensioners and those in vulnerable groups, and responds to local concerns.

34. When asked if they thought SKDC's Council Tax Support Scheme is fair, protects those in vulnerable groups and responds to local concerns, over 90% of respondents said yes, they thought it was. The distribution of responses is detailed in the table below:

	No	%
Yes, I think SKDC's Council Tax Support Scheme is fair	315	93.8
No, I think SKDC's Council Tax Support Scheme is unfair	6	1.8
I don't know if SKDC's Council Tax Support Scheme is fair or unfair	15	4.5
	336	100.0

Q15. Do you think SKDC's Council Tax Support Scheme is fair, protects those in vulnerable groups and responds to local concerns?



35. When asked why they didn't think that SKDC's Council Tax Support Scheme was fair, protects those in vulnerable groups and responds to local concerns, several respondents said that they didn't have enough information to answer the question. This is illustrated in the quotes below:

"How on earth would anyone be able to answer this without a huge amount of more detailed information."

"Don't know enough about the scheme to comment"

36. The seventeenth question on the survey asked respondents to identify if they had filled out the survey on behalf of an organisation. One parish council responded. The other two names supplied were the names of people.

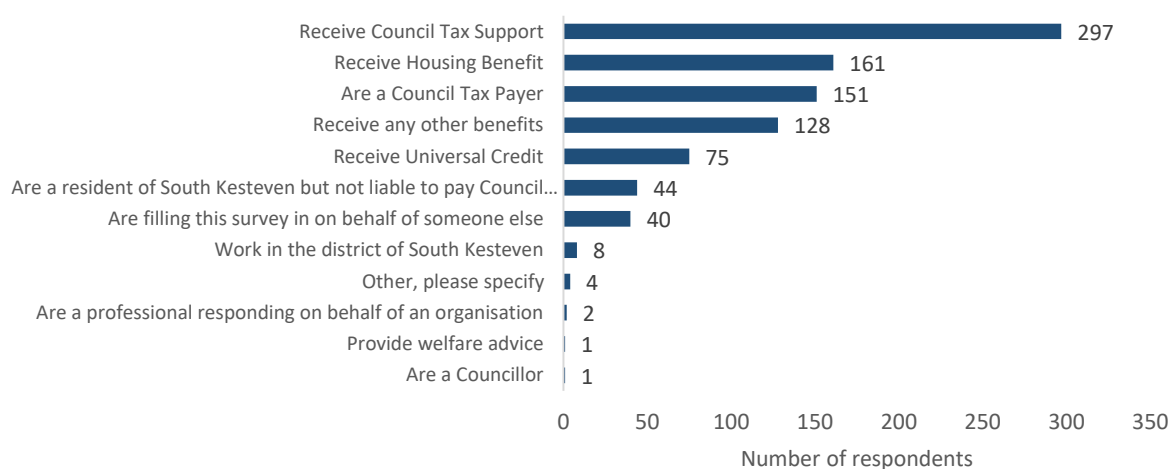
37. The final question on the survey asked people to identify if they:

- Received Council Tax Support, Housing Benefit or Universal Credit or any other benefits
- Are a Council Taxpayer
- Are filling in the survey on behalf of someone else
- Are a councillor, provide welfare advice or are a professional filling it in on behalf of an organisation
- Are a resident of South Kesteven but are not liable to pay Council tax
- Work in the district

38. The purpose of this was to establish that the views of those who might be subject to this scheme are reflected in the responses received. The table below shows the number of respondents who ticked each of these choices. The graph presents the information in numerical order.

	No	%
Receive Council Tax Support	297	88.4
Receive Housing Benefit	161	47.9
Receive Universal Credit	75	22.3
Receive any other benefits	128	38.1
Are a Council Taxpayer	151	44.9
Are filling in the survey on behalf of someone else	40	11.9
Are a councillor	1	0.3
Provide welfare advice	1	0.3
Are a professional on behalf of an organisation	2	0.6
Are a resident of South Kesteven but not liable to pay Council Tax	44	13.1
Work in the district	8	2.4
Other, please specify	4	1.2
	336	100.0

Q18. SKDC would like to know if you.....



39. The consultation closed on 30 September 2024.

Conclusion

40. This consultation illustrates support for the parameters of SKDC's Council Tax Support Scheme. The number and percentage of respondents agreeing with each of the constructs of the scheme ranged from 227 (67.6%) for the Special Constable Discount Scheme to 314 (93.5%) in favour of the Discretionary Payment Scheme.
41. Support for the scheme overall was also very high. 315 respondents (93.8%) thought that SKDC's Council Tax Support Scheme was fair, protects those in vulnerable groups and responds to local concerns.
42. Most respondents were in receipt of benefits. 297 (88.4%) were in receipt of Council Tax Support.
43. Cabinet, CMT and the Head of Revenues, Benefits, Customer and Community are asked to note the contents of this report.

Report prepared by Deb Wyles

Communications

16 October 2024

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Dear Claire

Given the no change position, we have no comment to add to the consultation but thanks as ever for seeking our views

Thanks
Andrew

Deputy Chief Executive & Executive Director of Resources

Lincolnshire County Council
County Offices, Newland, Lincoln, LN1 1YL

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Lincolnshire
POLICE & CRIME COMMISSIONER
SAFER TOGETHER

Deepdale Lane, Nettleham, Lincoln LN2 2LT

Telephone (01522) 212351

E-Mail: lincolnshire-pcc@lincs.police.uk Website: www.lincolnshire-pcc.gov.uk

Date: 27th September 2024

Our Ref: JF/ch/2024-1039

Mr Richard Wyles
Interim Chief Executive & Section 151 Officer
South Kesteven District Council
Council Offices
The Picture House
St Catherine's Road
GRANTHAM
Lincolnshire
NG31 6TT

By email only to: richard.wyles@southkesteven.gov.uk

Dear Richard

Council Tax Support Scheme 2025/26

Thank you for your letter of 2nd September 2024 in which you invite comment on South Kesteven District Council's proposed Council Tax Support Scheme for 2025/26.

I note the proposal to adopt a "no change" scheme for 2025/26, including the continuation of the Special Constable Discount of 25%, of which the Police & Crime Commissioner is fully supportive.

Thank you for providing the opportunity to comment.

Yours sincerely

Julie Flint

Chief Finance Officer



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Finance and Economic Overview & Scrutiny Committee

26 November 2024

Report of Councillor Ashley Baxter,
Leader of the Council and Cabinet
Member for Finance, HR and Economic
Development

Finance Update Report: April - September 2024

Report Author

Paul Sutton, Interim Head of Finance/Deputy Section 151 Officer



Paul.sutton@southkesteven.gov.uk

To present the year end forecasts for the financial year 2024/25 as at 30 September 2024 including General Fund Revenue Budget, Housing Revenue Account Budget, and Capital Programmes for the General Fund and Housing Revenue Account.

Recommendations

The Committee is requested to review and note the forecast 2024/25 Outturn projections for:

- **General Fund Revenue**
- **General Fund Capital Programme**
- **Housing Revenue Account Revenue**
- **Housing Revenue Account Capital Programme**

and to identify any variances requiring action or further investigation.

Decision Information	
Is this a Key Decision?	No
Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	All priorities
Which wards are impacted?	All

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance

1.1 The financial implications are included within the report.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Legal and Governance

1.2 As part of good governance, it is important members are kept updated in respect of the financial position of Council expenditure during the year.

Completed by: James Welbourn, Democratic Services Manager and Deputy Monitoring Officer

Risk and Mitigation

1.3 A risk register is attached at Appendix B and shows that all known current risks are recognised and associated mitigating actions are in place.

Completed by: Tracey Elliott, Governance and Risk Officer

2. Background to the Report

- 2.1 During the current financial year, Finance and Economic Overview and Scrutiny Committee is provided with regular finance reports to monitor and forecast the budget against the current economic conditions facing the Council.

3. Revenue Budget 2024/25 – General Fund

- 3.1 The Net Cost of Services Budget set by Council on 29 February 2024 was £19.744m. In order to show variances against controllable income and expenditure, investment income that is received from treasury management activity has also been included in the report.
- 3.2 Budgets have been updated in order to reflect the approved budget carry forwards from 2023/24 and in year virements, which increase the Net Cost of Services Budget to £28.321m.
- 3.3 Table 1 shows the forecast outturn position as at 30 September 2024.

Table 1 – General Fund Revenue Forecast Outturn Position

Directorate	Current Budget 2024/25	Forecast Outturn 2024/25	Variance	Variance
	£'000	£'000	£'000	%
Corporate, Governance & Public Protection	4,053	4,068	15	0.4%
Finance, Property & Waste Services	11,514	11,292	(222)	(1.9%)
Growth & Culture	11,053	10,743	(310)	(2.8%)
Housing & Projects	1,668	1,661	(7)	(0.4%)
Drainage Rates	947	976	29	3.1%
Investment Income	(914)	(1,144)	(230)	(25.2%)
Net Cost of Service	28,321	27,596	(725)	(2.6%)

- 3.4 Table 2 shows the significant forecast variances which impact across all directorates for General Fund revenue for 2024/25 as at 30 September 2024.

Table 2 – General Fund Revenue – Significant Variances

Explanation of Significant Variances	£'000
Fuel A reduction in predicated inflationary price increases has resulted in a forecast under spend based on modelling at 0.9% increase per week for the remainder of 2024/25. The budget was set using a price of 171p but actual prices have been up to 39% below this.	(236)
Salaries An interim pay award in line with the proposed national award for 2024/25 of <ul style="list-style-type: none"> - £1,290 uplift for pay scales up to and including SK20 - 2.5% uplift for pay scales from SK20A and above was endorsed by the Employment Committee and paid in July 2024. This has been funded by the approved budgets which were increased by an assumed 5% pay award. We have since received confirmation that this is the final approved national award for 2024/25 and as such, no further pay award is due resulting in a forecast underspend. The Council's salary budgets are prepared with a 3% vacancy factor (£553k) to reflect turnover of staffing that occurs during a financial year. The in year vacancies are forecast at (£621k) more than achieving the vacancy factor.	(175)
Investment Income Higher forecast levels of investment income are based on a combination of: more investments being held; and higher average interest achieved on those investments (currently 5.3% compared to 4.75% included in the budget).	(230)

- 3.5 Appendix A provides further details of the outturn revenue position for each Directorate along with service specific variance comments other than those detailed in table 2.

4. Capital Budget 2024/25 – General Fund

- 4.1 The budget set by Council on 29 February 2024 was £20.361m. Budgets have been amended in line with the approved budget carry forwards and further budget approvals, increasing the 2024/25 budget to £25.986m.

4.2 Table 3 shows the forecast outturn position as at 30 September 2024.

Table 3 – General Fund Capital Forecast Outturn Position

Directorate	Current Budget 2024/25	Forecast Outturn 2024/25	Variance	Variance
	£'000	£'000	£'000	%
Corporate, Governance & Public Protection	1,847	1,847	0	0.0%
Finance, Property & Waste Services	13,477	7,366	(6,111)	(45.3%)
Growth & Culture	6,582	6,582	0	0.0%
Housing & Projects	4,080	1,256	(2,824)	(69.2%)
Total	25,986	17,051	(8,935)	(34.4%)

4.3 An allocation of £1m is included in the capital programme towards General Fund asset maintenance and responding to the backlog. Following an analysis of condition surveys, the majority of maintenance relates to repairs and end of life or obsolete replacements or parts. The costs of such expenditure will be charged as revenue rather than capital. Consequently, at year end, capital maintenance budgets will show an underspend and conversely revenue budgets will show an overspend. Nevertheless, the overall financial impact will be balanced.

4.4 Table 4 shows the significant forecast variances for the General Fund capital schemes for 2024/25 at 30 September 2024.

Table 4 – General Fund Capital – Significant Variances

Explanation of Significant Variances	£'000
New Depot RIBA Stage 4 detailed design phase is now complete, and construction has commenced on site with a target completion date of November 2025. The projected spend profile suggests the majority of the expenditure will be incurred during 2025/26.	(5,931)
Decarbonisation Scheme External funding has been awarded (£3.588m) following a successful application for a comprehensive decarbonisation scheme at Grantham Meres Leisure Centre. The budget has been re-profiled in line with the Framework Agreement although it is expected that £1.256m will be spent this financial year on installation of the solar PV array. This is a two-year project with the majority of costs budgeted in 2025/26.	(2,824)

5. Revenue Budget 2024/25 – HRA

5.1 The HRA revenue budget set by Council on 29 February 2024 showed an overall net income of £14.021m. Budgets have been updated in order to reflect the approved budget carry forwards from 2023/24 and in year virements. These changes have resulted in a revised forecast net income amount of £12.221m.

5.2 Table 5 shows the forecast outturn position as at 30 September 2024.

Table 5 – HRA Revenue Forecast Outturn Position

Directorate	Current Budget 2024/25	Forecast Outturn 2024/25	Variance	Variance
	£'000	£'000	£'000	%
Expenditure				
Repairs & Maintenance	11,189	11,374	185	(1.6%)
Supervision & Management – General	2,682	2,764	82	3.1%
Supervision & Management – Special	1,956	1,948	(8)	(0.4%)
Depreciation & Impairment	4,062	4,062	0	0.0%
Total Expenditure	19,889	20,148	259	1.3%
Income				
Dwelling Rents	(28,916)	(28,916)	0	0.0%
Non-Dwelling Rents	(356)	(356)	0	0.0%
Charge for Services & Facilities	(722)	(722)	0	0.0%
Other Income	(17)	(11)	6	35.3%
Interest & Investment Income	(2,099)	(2,627)	(528)	(25.2%)
Total Income	(32,110)	(32,632)	(522)	(1.6%)
Net Cost of HRA Services	(12,221)	(12,483)	(263)	(2.2%)

5.3 Table 6 shows the significant forecast variances which impact across all directorates for the HRA revenue for 2024/25 as at 30 September 2024

Table 6 – HRA Revenue – Significant Variances

Explanation of Significant Variances	£'000
Repairs & Maintenance Increase in material costs (£344k) and disrepair compensation claims (£70k) have been offset by employee restructure and vacancy savings (£229k).	185
Supervision and Management – General The forecast overspends relate to additional decant costs on the Earlesfield project and costs incurred due to mobilisation of the new housing system and requirement for the retention of legacy access.	82
Salary Vacancy Factor The Council's salary budgets included in Repairs and Maintenance and Supervision and Maintenance are prepared with a 3% vacancy factor in order to reflect the turnover of staffing that occurs during a financial year.	
Investment Income Higher forecast levels of investment income are based on a combination of: more investments being held; and higher average interest achieved on those investments (currently 5.3% compared to 4.75% included in the budget).	(528)

6. Capital Budget 2024/25 – HRA

- 6.1 The budget set by Council on 29 February 2024 was £21.492m. Budgets have been amended in line with the approved carry forwards and these changes have increased the 2024/25 budget to £27.208m.
- 6.2 Table 7 shows the forecast outturn position as at 30 September 2024.

Table 7 – HRA Capital Forecast Outturn Position

Directorate	Current Budget 2024/25	Forecast Outturn 2024/25	Variance	Variance
	£'000	£'000	£'000	%
Energy Efficiency Initiatives	5,104	5,534	430	8.4%
ICT	355	355	0	0.0%
Replacement Vehicles	342	342	0	0.0%
New Builds	11,865	10,563	(1,302)	(11.0%)
Refurbishment & Improvement Compliance Works	3,914	4,613	699	17.9%
Other Works	150	150	0	0.0%
Refurbishment & Improvement Works	5,478	4,285	(1,193)	(21.8%)
Total	27,208	25,842	(1,366)	(5.0%)

- 6.3 Table 8 shows the significant forecast variances which impact across all directorates for the HRA Fund capital for 2024/25 as at 30 September 2024.

Table 8 – HRA Capital – Significant Variances

Explanation of Significant Variances	£'000
New Builds The new build and acquisition programme continues to make significant progress. This is reviewed regularly by the Housing OSC. In July 2024, Cabinet approved a contract award for a housing development at Larch Close, Grantham to Mercer Building Solutions. They are currently working on detailed designs and discharging the planning conditions although these are more complex than anticipated. Works are expected to begin on site during November 2024. The delays have resulted in a forecast budget underspend in 2024/25, consequently a budget carry forward will be requested at year end to ensure there are sufficient funds available to complete the project in 2025/26.	(1,302)
Housing Stock Refurbishment Improvement Programme The programme is made up of multiple budgets managed as an overall programme. The programme includes the variances below equate to a forecast underspend of £64k. Virements will be undertaken against individual budget lines.	
Central Heating & Ventilation This overspend is due to works associated with: the Earlesfield Project; reactive installation of replacement heating systems; and the Riverside Communal Heating System.	430
Electrical Rewires A fire risk assessment and electrical testing at one of the Council's Sheltered Housing Schemes has identified that electrical improvement works and upgraded emergency lighting is required to meets regulations.	700
Passenger Lifts The Council intends to install 6 new lifts at Sheltered Housing Schemes during 2024/25. So far 1 lift has been installed and 2 more are in process. The remaining 3 lifts have been ordered and are expected to be installed before the end of the financial year. The cost of the lifts is less than originally anticipated.	(216)
Fire Prevention The fire risk assessments surveys completed at the Council's Sheltered Housing Schemes have identified fire compartmentation works which need to be completed to ensure the buildings meet current regulations. The cost of these essential works has resulted in a project budget overspend which will be funded from underspends on other capital schemes.	215
Roofing In July 2024, Cabinet approved a contract award for HRA Roofing Services to Foster Property Maintenance Ltd. The contract is expected to commence in October. The contractor will provide a programme of works but due to both the delays in the commencement of works in 2024/25 and the expected impact of inclement weather during the latter part of the year a budget underspend is anticipated.	(750)

Kitchens & Bathrooms

(443)

In October 2024, Cabinet approved a contract award for Kitchen and Bathroom Replacements to Gratton Construction Ltd. The delay in procuring the new contract will impact on the number of kitchens and bathrooms that can be installed during 2024/25.

7. Other Options Considered

7.1 This is a monitoring report, therefore there were no other options considered.

8. Collection Rates

8.1 Table 9 details the current collection rates against target for 2024/25.

Table 9 - Collection Rates

Target Rates	Council Tax	Business Rates	Rents
Target annual collection rate	98.48%	99.06%	97.35%
Target collection rate to end of September 2024	55.52%	55.88%	49.55%
Actual collection rate to end of September 2024	55.52%	55.93%	49.97%

8.2 Council Tax:

- At 30 September 2024 collection of £58.772m was on target against an annual debt of £105.848m.
- Collection rates are being maintained, through an increase in recovery activity, despite an increase in the level of arrears due to non-payment.
- All 7 Districts in Lincolnshire share their collection rates monthly. South Kesteven have the highest net collectable debt in the county (£105.848m), with the next Councils debt being £102.909m. South Kesteven have also collected the highest amount as of 30 September 2024.

8.3 Business Rates:

- At 30 September 2024, £24.157m has been collected against an annual debt of £43.188m. The collection rate is 0.05% above target.

- All 7 District Councils in Lincolnshire share their collection rates monthly. South Kesteven have the highest net collectable debt in the county (£43.188m), with the next Councils debt being £41.611m.

8.4 Rent:

- Collection was £14.969m as of 30 September 2024 against an annual debt of £29.958m. As shown in the table above, the collection rate was 0.42% above target equating to an increase in the collection of £125k.

9. Reasons for the Recommendations

- 9.1 Members should be kept updated on the financial position of the Authority, because effective budget management is critical to ensuring financial resources are targeted towards the Council's priorities. Monitoring enables early identification of variations against the plan and facilitates timely corrective action.
- 9.2 This report provides an overview of the forecast 2024/25 financial position for the Council and focuses on the position as at the end of July 2024.

10. Consultation

- 10.1 This report will be presented to Cabinet on 3 December 2024 for review and to identify any variance that might require action or investigation.
- 10.2 Reports will be presented at each Finance and Economic Overview and Scrutiny Committee (OSC) to ensure that members are kept regularly updated regarding the projected financial outturn position.

11. Appendices

- 11.1 Appendix A – 2024/25 – General Fund Significant Variance Analysis
- 11.2 Appendix B – 2024/25 – Finance Risk Register

2024/25 General Fund Revenue Significant Variance Analysis

Corporate, Governance & Public Protection Service				
Service Area	2024/25 Current Budget	2024/25 Forecast Outturn	Forecast Variance	Forecast Variance
	£	£	£	%
Corporate Management	497,750	513,450	15,700	3.2%
Human Resources & Organisational Development	467,450	470,450	3,000	0.6%
Legal & Democratic	1,666,550	1,656,050	(10,500)	(0.6%)
Public Protection	1,421,200	1,427,900	6,700	0.5%
TOTAL	4,052,950	4,067,850	14,900	0.4%

Finance, Property & Waste Services				
Service Area	2024/25 Current Budget	2024/25 Forecast Outturn	Forecast Variance	Forecast Variance
	£	£	£	%
Community Engagement	334,900	339,200	4,300	1.3%
Finance	1,711,005	1,752,505	41,500	2.4%
Finance Management	273,900	287,500	13,600	5.0%
ICT Services	1,752,760	1,759,160	6,400	0.4%
Property Services	2,825,685	2,734,385	(91,300)*	(3.2%)
Revenues, Benefits, Customer & Community Services	785,750	794,550	8,800	8.8%
Waste Depot	93,000	93,000	0	0.0%
Waste & Markets	3,736,550	3,531,650	(204,900)*	(5.5%)
TOTAL	11,513,550	11,291,950	(221,600)	(1.9%)

* Variance explanation partially included in table 2 of the report

Explanation of Significant Variances	£'000
Waste & Markets Garden Waste - Additional income of (£62k) has been received with 29,994 households renewing their subscription for 2024/25 (30,165 at this point last year) and 617 new households joining the service	(205)

Growth & Culture				
Service Area	2024/25 Current Budget	2024/25 Forecast Outturn	Forecast Variance	Forecast Variance
	£	£	£	%
Arts & Culture	1,704,700	1,673,800	(30,900)	(1.8%)
Building Control	97,190	52,916	(44,274)	(45.6%)
Communications	309,700	286,900	(22,800)	(7.4%)
Culture & Leisure Mgmt	168,700	173,500	4,800	2.8%
Development & Policy	693,540	559,100	(134,440)*	(19.4%)
Economic Development	2,630,500	2,643,300	12,800	0.5%
Growth Management	367,500	378,900	11,400	3.1%
Leisure	2,494,450	2,494,450	0	0.0%
Parks & Open Spaces	704,100	734,500	30,400	4.3%
Street Scene	1,882,650	1,745,650	(137,000)*	(7.3%)
TOTAL	11,053,030	10,753,216	(299,814)	(2.7%)

* Variance explanation partially included in table 2 of the report

Explanation of Significant Variances	£'000
Development & Policy There has been a national decline of 14% in the number of planning applications submitted and this has been reflected in the number of applications received by South Kesteven. We have however received a major application for a solar farm with a significant planning application fee which has bolstered the income above budgeted levels. This has resulted in a forecast increase of income of £200k. The number of applications and fee income are monitored on a monthly basis.	(134)

Housing & Projects

Service Area	2024/25 Current Budget	2024/25 Forecast Outturn	Forecast Variance	Forecast Variance
	£	£	£	%
Centralised & Business Support	494,550	490,450	(4,100)	(0.8%)
Corporate Projects & Performance	526,300	493,852	(32,448)	(6.2%)
Health & Safety	146,000	149,100	3,100	2.1%
Housing Services	501,350	528,050	26,700	5.3%
TOTAL	1,668,200	1,661,452	(6,748)	(0.4%)

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Appendix B – Finance Risk Register

Risk	Likelihood	Impact	Residual Risk Score	Mitigating Action
1. Capital programmes requiring borrowing in the medium term	4	3	12 Very High	Continue to undertake financial modelling to identify consequences of undertaking borrowing and align this with savings that will need to be approved before borrowing is undertaken in order to ensure ongoing affordability and financial sustainability. The capital programme can currently be financed without borrowing although this is kept under review.
2. Lack of clarity for funding levels from 2025/26 and beyond	3	3	9 High	The Government announced a one-year settlement for 2024/25. Any changes to the assumed levels will need to be modelled to assess their impact.
3. Increase in Borrowing Interest Rates	2	3	6 High	Interest rates are continually monitored as they increased to an average of 4 - 5% compared to <1% 12 months earlier. This has a positive impact on the investment income received although should the Council consider external borrowing then there is now an additional resource pressure as borrowing rates have increased significantly.
4. Increase in bad debts as a result of economic circumstances	3	3	6 High	The Council has pro-active debt management procedures in place.
5. Increased maintenance costs of fixed assets	3	2	6 High	The budget proposals for 2024/25 include an approved budget for asset maintenance and the budget carry forward proposals include a further £142k. The medium-term outlook is a continuation of high levels of maintenance that will require financing
6. Inflation increases beyond budgeted levels	1	3	3 Low	Budget assumptions kept up to date with most recent projections and monthly sensitivity analysis is produced to monitor the impact of inflationary increases.
7. Fuel and Utility Price Volatility	1	3	3 Low	Weekly monitoring of fuel charge and proactive interventions to ensure optimisation of fuel consumption. Any utility cost increases will have an adverse impact on the Council finances.

8. Inadequate capital resources to finance future desired plans	3	3	9 High	Asset disposal programme approved and pipeline of asset disposal in progress in order to generate capital receipts
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Impact	Impact	Critical None or very low tolerance to the risk	4	10 Medium	13 High	15 Very High	16 Very High
		Major Some tolerance to the risk	3	6 Medium	9 High	12 High	14 Very High
		Moderate Risk can be tolerated in most cases	2	3 Low	5 Medium	8 High	11 High
		Minor Risk can be tolerated	1	1 Low	2 Low	4 Medium	7 Medium
	Likelihood			1	2	3	4
				Unlikely	Possible	Likely	Certain
				Low but not impossible <20%	Fairly likely to occur 21% - 50%	More likely to occur than not 51% - 80%	Expected to occur in most circumstances >80%



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**



Finance & Economic Overview & Scrutiny Committee

Tuesday, 26 November 2024

Report of Councillor Philip Knowles,
Cabinet Member for Corporate
Governance and Licensing

Corporate Plan 2024-27: Key Performance Indicators Report - Mid-Year (Q2) 2024/25

Report Author

Charles James, Policy Officer

 Charles.James@southkesteven.gov.uk

Purpose of Report

To present the Council's performance against the Corporate Plan 2024-27 Key Performance Indicators (KPIs) for quarter 2 2024/25.

Recommendations

That the Committee:

- 1. Reviews and scrutinises the performance against the Corporate Plan Key Performance Indicators in relation to the delivery of the Corporate Plan 2024-27.**

Decision Information	
Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Enabling Economic Opportunities Effective Council
Which wards are impacted?	All

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 There are no financial implications arising directly from this report, which is for noting.

Completed by: Paul Sutton Interim Head of Finance (Deputy s151)

Legal and Governance

- 1.2 Regular monitoring of service area performance by the relevant Committee of the Council is to be welcomed and represents good governance. This report is for noting and there are no significant legal or governance implications arising from the report.

Completed by: Graham Watts, Assistant Director (Governance & Public Protection) and Monitoring Officer

2. Background to the Report

- 2.1 The Corporate Plan 2024-2027 was adopted by Council on 25 January 2024. It was proposed actions, key performance indicators (KPIs) and targets would be developed by the relevant overview and scrutiny committees, which would retain oversight of the performance management arrangements at a strategic level.
- 2.2 The actions within the remit of this Committee with accompanying measures were presented to and agreed by the Committee on 20 February 2024.

3. Key Considerations

- 3.1 This report is the first of the new reporting cycle, and covers the period July to September 2024 (Quarter 2 2024/25).
- 3.2 Appendix A presents the overall performance against the fourteen actions being presented in this session. Commentary by the responsible officer is provided for each action. Performance is summarised using a RAG system as follows:
- 3.3 Nine of the actions are rated Green. These are actions which are on or above target as planned.
- 3.4 Two actions are rated as Amber, these are 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.
- 3.5 Zero actions are rated Red. These are actions that are significantly below target.
- 3.6 Three actions are rated as N/A. These are actions for which work has not yet meaningfully commenced e.g. being sequenced on the completion of other items, or where data unavailable.
- 3.7 The KPIs have been developed in close consultation with the relevant Officers for each service. It is expected that the KPI suite will experience a degree of evolution over the next four years. This improvement will be prompted by the needs of decision makers and the Committees, and further consideration of how to best meet those needs by Officers.

4. Other Options Considered

- 4.1 As Council has agreed the Committees will lead monitoring performance, there are no viable alternatives. An absence of performance arrangements would mean the delivery of the Corporate Plan is unmonitored and prevent continuous improvement. A purely internal KPI suite would prevent effective and transparent scrutiny and accountability.

5. Reasons for the Recommendations

- 5.1 This is a regular report where Members are invited to scrutinise and comment on performance.

6. Appendices

- 5.2 Appendix A – Corporate Plan 2024-27 KPI Report: Finance & Economic OSC Mid-Year (Q2) 2024/25

Corporate Plan 2024-27: KPI Summary Report Q2 2024/25 – Finance & Economic Overview & Scrutiny Committee							
Index	Priority	Action	Owner	Target/s	Q2 Value	Q2 Status	Manager Commentary
ECON1	Enabling Economic Opportunity	Deliver the Economic Development Strategy and accompanying action plan.	Head of Economic Development	Deliver 100% of the Economic Development action plan.	See Commentary	On Target	A member workshop was held in July 2024 to review comments and feedback from the public consultation. The final draft of the strategy has been approved by the Finance & Economic OSC and will be presented to Cabinet in October for adoption.
ECON2	Enabling Economic Opportunity	Deliver initiatives to expand and deepen engagement with business.	Head of Economic Development	Following the introduction of a customer relationship management system (CRM), introduce a 'call and care programme' for local business (targeting support for twenty businesses annually, five quarterly)	See Commentary	On Target	Officers are collaborating across the Council to understand how current software systems can be better utilised to provide a CRM system to track engagement with business and stakeholders. Officers have identified an initial list of high growth and high value SK businesses across the district, which will form part of the initial 'call and care programme'.
				Increase business participation in the Local Economic Forum (LEF).	See Commentary	On Target	Good progress. Relationships with businesses are maintained through attendance of local business clubs, the LEF and social media.
ECON3	Enabling Economic Opportunity	Continue to distribute the UK Shared Prosperity Fund (UKSPF) and Rural England Prosperity Fund (REPF) and explore opportunities to develop a legacy beyond the funding period.	Head of Economic Development	Total - £4,283,101 UKSPF - £3,742,641 REPF – £540,460	Main and Rural fund funds are broadly committed.	On Target	The main programme will be fully committed before the end of March 2025. Good progress is being made to allocate residual funding on the Rural Fund.

Index	Priority	Action	Owner	Target/s	Q2 Value	Q2 Status	Manager Commentary
ECON4	Enabling Economic Opportunity	Embed and strengthen the Local Economic Forum as a key institution for local stakeholders to shape the district's approach to skills, business support and investment.	Head of Economic Development	Attend 12 events (annually) with Town Councils and local business clubs. Attend 3 events quarterly	Total business events attended YTD – 7 Events attended in Q2 - 3	On Target	Relationships with business clubs are steadily being strengthened, with attendance at further business clubs across the districts planned for Q3 & Q4. 3 business clubs attended across the Deepings and Grantham. Bourne was attended in Q1. Attendance at Town Councils will commence once the strategy document has been agreed with Cabinet.
ECON5	Enabling Economic Opportunity	Work with the Lincolnshire Growth Hub to support businesses start, succeed and grow.	Head of Economic Development	To support 60 businesses, create 100 jobs and attract 2 inward investment projects.	133 businesses and 27 individuals were supported in Q2 throughout South Kesteven.	On Target	Since April, 320 businesses have been supported with 3+ hours to date in SK. 10 jobs have been created to date. 8 new businesses have been created via the Growth Hub. 4 new to firm products have been created. 2 new to market products have been created. Feedback from engaged businesses to the Growth Hub has been very positive.
ECON6	Enabling Economic Opportunity	Strategically leverage the Council's procurement spend to maximise social value.	Head of Economic Development	Introduce an SKDC Procurement Charter to exploit local employment and supply change opportunities.	See Commentary	N/A	Progress on procurement support sequenced to proceed after the adoption of the Economic Development Strategy. Meetings scheduled with the Procurement team to move the project forward.
				Introduce a statement of principles and publish guidance for suppliers on how to do business with Council		N/A	Procurement events were organised for November 2024, but with the government's announcement that the regulations and guidance would be delayed to February 2025, these events will also be postponed until early 2025 to ensure clarity is delivered to businesses across the district.
				Provide the opportunity for contracts frame work and supply chain opportunities by delivering 2 procurement events.	See Commentary	N/A	Procurement events are being organised for early 2025, in line with delayed guidance and regulations from government.

Index	Priority	Action	Owner	Target/s	Q2 Value	Q2 Status	Manager Commentary
ECON7	Enabling Economic Opportunity	Consider targeted interventions – planning powers and schemes, to achieve high-quality regeneration across the district and explore options to unlock stalled sites.	Head of Economic Development	Identify site constraints and opportunities to unlock sites and Develop an investment prospectus to promote the district regionally and nationally.	See Commentary	On Target	Supported Planning team with respect of the Local Plan Review to support the inclusion of strategic employment and residential land allocations. Discussions held with the rail operators and landowners with respect of potential development of underused space around Grantham Railway Station
ECON8	Enabling Economic Opportunity	Bring forward a step change in the way Council-run Street markets are presented, operated, marketed and promoted.	Head of Waste Management & Market Services	Deliver 100% of the Operational Delivery Plan actions.	See Commentary	N/A	Operational delivery plans with accompanying KPIs will be established by March 2025 after feedback from external consultations has been explored.
ECON9	Enabling Economic Opportunity	Develop a long-term approach to regeneration and be prepared for investment and funding opportunities.	Head of Economic Development	Refresh the Infrastructure Strategy	See Commentary	On Target	Further research has been carried out on potential regeneration sites across the district in support of the creation of a 'Regeneration Plan'. Meetings with Landowners of key sites in Grantham arranged for November
COUN7	Effective Council	Deliver a balanced, sustainable financial plan over the medium term.	Interim Deputy 151 Officer	Successful management of approved budget.	See Commentary	N/A	The Budget 24/25 was approved by Council in February with a sustainable medium term forecast. Work has commenced on the 25/26 budget and it is anticipated that a balanced budget will be achieved without reliance on reserves. There are likely to be Government funding changes however that put pressure on District Council budgets from 25/26.
COUN8	Effective Council	Implement and embed the new finance system.	Interim Deputy 151 Officer	<div>% of users accessing the system.</div> <div>% reports generated from the system within 5 working days of the months end.</div>	See Commentary	Below Target	The project is now scheduled to go-live on 1 April 2025 to allow for reporting and budget modules to be implemented. The project plans and timetable to include the new modules are being developed. With the progress already made and the resources now available there is sufficient time to deliver successfully.

Index	Priority	Action	Owner	Target/s	Q2 Value	Q2 Status	Manager Commentary
COUN9	Effective Council	Deliver the IT Roadmap, ensuring all systems meet the needs of internal and external customers, and explore opportunities for new technologies and innovation.	IT Manager	% of service desk tickets resolved within 1 day. (80% - Standard SLA is 5 working days)	95.99%	On Target	All metrics have matched or exceeded target
				Availability of main corporate systems (council tax, housing, planning) during primary working hours. (99%)	99.6%	On Target	
				To monitor system security and ensure data is not compromised (100% availability of security software)	100%	On Target	
COUN12	Effective Council	Ensure procurement is always compliant, fair and delivers value for money.	Procurement Lead	% of compliant contracts awarded with the value >25k	61%	Below Target	Contracts must be signed, procured in line with Councils Contract Procedure Rules, and be published on the Contracts Register. Work is underway to ensure all contracts are published accordingly.
				% of spend with registered SMEs	38%	N/A	38% of procurement spend in Q2 was with small/medium sized enterprises. 6% was with micro suppliers, and 44% with large suppliers.
COUN14	Effective Council	Develop and deliver Planned Maintenance Strategy and accompanying action plan.	Head of Service (Property)	Develop and adopt the strategy and action plan.	See Commentary	On Target	The Corporate Property Maintenance Strategy was adopted by Cabinet in September 2024. Condition surveys had been carried out on all corporate assets in accordance with the Action Plan. Completed condition surveys are being uploaded to the Council's electronic asset management system. This is was expected to be completed in early Q3. The information will be used to generate a work programme for the buildings concerned.



SOUTH
KESTEVEN
DISTRICT
COUNCIL

Finance and
Economic Overview
and Scrutiny
Committee

26th November 2024

Report of Councillor Richard Cleaver,
Cabinet Member for Property and
Public Engagement

Leisure Centres Maintenance Update

Report Author

Gyles Teasdale, Head of Property and ICT

 Gyles.teasdale@southkesteven.gov.uk

Purpose of Report

This report provides an update on the ongoing maintenance programme of the Council operated leisure centres.

Recommendations

The Committee is asked to note the contents of the report and provide any views or comments accordingly.

Decision Information

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Connecting communities Sustainable South Kesteven Effective council
Which wards are impacted?	All (All Wards);

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 The current year budget includes a maintenance allocation of £1m to respond to both reactive maintenance and to provide funding towards the development of a pipeline of planned maintenance schemes. Given the level of maintenance backlog, further budget allocations will need to be considered both in the short and the medium term. The prioritisation of financial resources will be undertaken in accordance with the criteria set out in the Maintenance Strategy.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Legal and Governance

- 1.2 The Council is legally responsible for the assets associated with the leisure centres it operates, which includes maintenance. This report outlines the implementation of the Council's agreed maintenance strategy. There are no significant legal or governance implications arising from this report, which is for noting.

Completed by: Graham Watts – Monitoring Officer

Climate Change

- 1.3 Leisure buildings are responsible for 41% of carbon emissions in South Kesteven District Council's carbon baseline. A programme of updates across the centres to improve energy efficiency, reduce electricity and gas use, and install new renewable energy measures is ongoing and has resulted in a marked decrease in operational carbon emissions.

Completed by: Serena Brown, Sustainability and Climate Change Manager

2. Background to the Report

- 2.1. The Council is responsible for the maintenance for a number of operational assets and has recently approved a Maintenance Strategy ([Agenda for Cabinet on Tuesday, 10th September, 2024, 10.00 am | South Kesteven District Council](#)) in order to establish a criteria for the allocation of funding to deal with maintenance – both responsive and planned. In summary the assets the Council has maintenance responsibility for are:

Operational portfolio

- Civic buildings – our main civic office buildings
- Environment buildings – including waste depots or parks buildings.
- Community buildings – community centres
- Art Centres and Theatres

Non-Operational portfolio

- Leisure buildings – wet and dry sports centres
- Environment buildings – including sports pavilions, car parks & travellers' site
- Libraries and museums
- Historic buildings and monuments – St Leonard's Priory, Stamford
- Cemeteries and crematoria
- Investment properties
- Community assets - assets that the council intends to hold in perpetuity for public use including parks & recreation grounds, monuments, cemeteries and allotments.

- 2.2 A register of these assets is detailed in item 31 Maintenance Strategy - Appendix A. [Agenda for Cabinet on Tuesday, 10th September, 2024, 10.00 am | South Kesteven District Council](#). There is currently a high amount of backlog maintenance across the portfolio due to lack of investment over recent years. This is currently being addressed but given the scale of the backlog and the limited financial resources available, it will take a number of years to clear the backlog and move the Council into a planned maintenance programme rather than a reactive maintenance programme.
- 2.3 Property repairs are prioritised by their functional corporate importance. Decisions in respect of importance and service delivery are made in line with the approved allocation criteria.
- 2.4 These categories are split into the following areas:

Operational Assets

- Critical to core service or high-profile asset to be in the best possible condition, maximum availability required.
- Important to core service, asset to be in good condition operationally and aesthetically, minimum downtime.
- Core service, asset to be in compliant and in reasonable condition, able to meet operational and statutory requirements.

Non – Operational Assets

- Non-core service operational facility. Meets minimum acceptable statutory and operational requirements.
- Non-core service, non-operational property maintained to meet minimum statutory requirements only. Unoccupied and considered to be ancillary to requirements subject to asset review.
- Investment Property externally managed.

3. Key Considerations

3.1. The Authority has undertaken condition surveys for its properties in order to establish a basis for the physical condition of the buildings to assess its maintenance and repair status. These surveys are typically non-intrusive and are carried out by qualified professionals.

3.2. A condition assessment is then based on the real time data collected from the programmed condition surveys. The condition rating is a simple but comprehensive description of the overall condition of the building element expressed as complying with one of four categories:

Grade	Expression	Description
A	Good	As new and performing as intended and with regular maintenance will continue to operate efficiently.
B	Satisfactory	Performing as intended but exhibiting minor deterioration.
C	Poor	Exhibiting major defects and/or not operating as intended and will require attention in the short term, although not immediate.
D	Bad	Life expired and/or serious risk of imminent failure.

Leisure Centres

3.3. This asset category currently carries the highest level of maintenance issues given the age and complexity of the assets. There are currently three leisure centres and one stadium within the portfolio. The two leisure centres at Bourne and Stamford are both over 30 years old and the Grantham Meres Leisure Centre and SK Stadium are both over 25 years old.

3.4. A condition survey has been undertaken for each of the venues and this has revealed the scale of the maintenance backlog that will require significant levels of funding in order to bring the venues up to an acceptable standard. Condition surveys

Building	22/23 Actual Spend (£)	22/23 – Condition Survey Required Spend (£)	23/24 - Actual Spend (£)	23/24 – Condition Survey Required Spend (£)	24/25 Budgeted Spend (£)	24/25 – Condition Survey Required Spend (£)	25/26 – Condition Survey Required Spend (£)	26/27 – Condition Survey Proposed Spend (£)
Stamford LC	55,016	232,296	63,033	244,175	330,184	141,421	90,962	78,260
Bourne LC	72,261	343,533	244,760	358,119	497,102	122,340	110,609	68,798
Meres LC	185,405	218,803	341,960	542,091	278,953	508,400	434,912	366,604
SK Sports Stadium	23,450	153,137	97,462	249,269	89,204	177,028	164,389	113,229
Totals	336,132	947,769	747,215	1,393,654	1,195,443	949,189	800,872	626,891

categorise work between D (bad) to A (good).

3.5. In order to respond to the D category works, increased investment commenced in 2023/24 and below is a summary of the work that has been undertaken to date:

3.6. Bourne Leisure Centre

Details	Amount (£)	Date Undertaken
Pool hall skylight replacement and guttering repairs	178,405	Completed Sept 2024
Pool Heating and Domestic Hot Water boiler replacement	98,360	Completed Jan 2024
Replacement cold water booster pumps	8,210	Completed August 2024
Wave machine control panel replacement and associated parts	43,545	Order raised, due to be brought back into operational use early 2025.
UV Filtration upgrade and replacement	29,952	Completed May 2023
Pool filter media replacement	30,460	Completed April 2023
Pool plant chemical upgrades	4,214	Completed March 2023
New pool covers	33,406	Completed April 2024

3.7. Stamford Leisure Pool

Details	Amount (£)	Date Undertaken
Wave machine control panel replacement and associated parts	38,000	Completed July 2024
Internal fire door replacement	17,151	Completed April 2024
Partial car park resurfacing	24,536	Completed Sept 2024
Replacement electrical distribution boards	7,792	3 Completed October 2024 - with 1 more to follow.
Pressurisation Unit replacement	15,264	Completed April 2023
Pool plant chemical upgrades	3,321	Completed March 2023
Replacement gym air conditioning	7,321	Completed May 2023
New pool covers	36,226	Completed April 2024

3.8. Grantham Meres Leisure Centre

Details	Amount (£)	Date Undertaken
Internal fire door replacement	107,219	Completed January 2024
Pool plant chemical upgrades	5,377	Completed March 2023
Table tennis centre sports hall flooring refurbishment	14,164 funded by the NHS	Completed February 2024
New intruder alarm installed	24,007	Completed December 23
3G Pitch LED Lighting Upgrade	22,338	Completed February 24
Main and Small Hall LED Lighting Upgrade	36,795	Completed April 24

3.9. Grantham Stadium

Details	Amount (£)	Date Undertaken
Main Stand Plant Room Upgrade	81,040	Completed September 23
East Stand Boiler & Hot water upgrade	21,398	Completed September 24
New intruder alarm installed	3,192	Completed January 24

3.10. In addition to this, the Council has benefited from external funding in order to introduce a number of energy efficiency solutions for which the tables below show a breakdown of the funding received per Centre:

3.11. Grantham Meres Leisure Centre

Funding Source	Project Cost (£)	Improvement	Completed (Y/N)	Expected Completion Date
Swimming Pool Support Fund Phase Two – Sport England	46,725	Pool Covers – Main and Learner Pool	Yes	N/A
Swimming Pool Support Fund Phase Two – Sport England	397,858	Additional Solar PV Panels	No	February 2025 – construction works due to commence 07/11/24
Public Sector Decarbonisation Scheme Phase 3c – Salix Finance	4,080,000	Low Carbon Heating Upgrades	No	March 2026 – design works currently being undertaken to bring the project to cost certainty with construction due to commence in the next financial year

3.12. Taking into consideration both the investment from the Council directly and the external funding that has been secured, the total amount of the investment across all of the centres totals £2,724,902 (Total maintenance + Grant 2023-2025) to date, with additional £4,080,000 from Public Sector Decarbonisation Scheme Phase 3c – Salix Finance, due to be received in 2025/26 for improvements to the Grantham Meres Leisure Centre.

3.13. However, the condition survey has identified maintenance requirements between 2022/23 – 2025/26 that totals £3,290,612 when compared against the maintenance costs that have been incurred reveals a funding shortfall of £1,011,822 since 2022/23. This deficit is anticipated to carry into 2025/26 and beyond.

3.14. Looking ahead, the level of maintenance investment identified by the condition surveys will continue to exceed funding resources and therefore available funding will need to be prioritised between the leisure centres and the maintenance backlog at

other Council locations such as car parks, bus stations, arts centres, municipal buildings and community assets.

- 3.15. The budget proposals for 2025/26 will seek further funding for tackling the backlog maintenance and if approved, the allocation will be targeted at those assets that are in urgent need of work or improvements. The allocation for any available funding will follow the Maintenance Strategy criteria as outlined in the Asset Maintenance Strategy.

4. Other Options considered

- 4.1 To suggest any amendments to the strategic approach outlined in this report in relation to the Council's maintenance of its operated leisure centres.

5. Reason for the Recommendations

- 5.1 To note the progress associated with the Council's maintenance programme for Council operated leisure centres.

Finance and Economic Overview and Scrutiny Committee Work Programme 2024-2025

REPORT TITLE	LEAD OFFICER	PURPOSE	ORIGINATED
26 NOVEMBER 2024			
Grantham Future High Streets Fund Mid-Year Update	Lead Officer: Nick Hibberd (Head of Economic Development)	Mid-year update for the Committee to consider.	Standing Item
Turnpike Close Depot Update	Lead Officer: Richard Wyles (Deputy Chief Executive)	To provide the Committee with an update.	Standing item
Localised Council Tax Support Scheme 2025/2026	Lead Officer: Claire Moses (Head of Service (Revenues, Benefits, Customer and Community))	To further review the Scheme before any recommendation to Cabinet/Council.	Standing item
Marketplace footfall report	Lead Officer: Melanie Brown (Grantham Engagement Manager)	To update Members on progress made towards the production of an Action plan for Grantham Town Centre.	This update includes feedback on the feasibility work requested by FEOSC Members at their June 2024 committee meeting.
Finance Update Report: April – September 2024	Lead Officer: Richard Wyles (Deputy Chief Executive)	To provide the Committee with the latest update.	Standing item
Corporate Plan 2024-27 Key Performance Indicators: 2024/25 Mid-Year (Q2) Report	Lead Officer: Debbie Roberts (Head of Corporate Projects, Policy and Performance)	Mid year review of the Committee's agreed KPIs.	Standing item
Leisure Maintenance Update	Lead Officer: Gyles Teasdale (Head of Property Services and ICT)	Review of the current maintenance plans of our Leisure services with a breakdown planned work per site and possible impact to our residents	Request by Cllr
Verbal Update on St Martin's Park, Stamford	Lead Officer: Debbie Roberts (Head of Corporate Projects, Policy and Performance)		

REPORT TITLE		LEAD OFFICER	PURPOSE	ORIGINATED
18 FEBRUARY 2025				
Turnpike Depot Update	Lead Officer: Richard Wyles (Deputy Chief Executive)		To provide the Committee with an update.	Standing item
Budget Monitoring Q3 Forecast	Lead Officer: Richard Wyles (Deputy Chief Executive)		To provide the Committee with the latest update.	Standing item
Maintenance Strategy Action Plan	Lead Officer: Gyles Teasdale (Head of Property Services and ICT)		An updated action plan following the report to Cabinet	New item
Update on St Martin's Park	Lead Officer: Debbie Roberts (Head of Corporate Projects, Policy and Performance)			
REPORT TITLE		LEAD OFFICER	PURPOSE	ORIGINATED
13 MAY 2025				
Turnpike Depot Update	Lead Officer: Richard Wyles (Deputy Chief Executive)		To provide the Committee with an update.	Standing item
Update on East Midlands Building Consultancy	Lead Officer: Jeremy Barlow (Building Control Manager)		To provide the Committee with the latest update.	Standing item
Update on South Kesteven Economic Development Strategy 2024/28	Lead Officer: Nick Hibberd (Head of Economic Development)		To provide the Committee with the latest update.	Requested at meeting held on 17 September 2024

The Committee's Remit

The remit of the Finance and Economic Overview and Scrutiny Committee will be to work alongside Cabinet Members to assist with the development of policy and to scrutinise decisions in respect of, but not limited to:

- Budget monitoring
- Budget setting
- Business rate relief

- Business trade and licensing (Policy)
- Business transformation
- Charitable rate relief
- Council-owned property, assets, and maintenance (non-council house)
- Customer access strategy
- Data protection reporting
- Economic development
- Fees and charges
- Large-scale development projects
- Medium term financial planning and national funding proposals
- Procurement
- Review of outturn
- Town centre developments and partnerships

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