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CITY OF Lincoln COUNCIL

EXECUTIVE

Monday, 20 January 2020	6.00 pm	Committee Room 1, City Hall

Membership: Councillors Ric Metcalfe (Chair), Donald Nannestad (Vice-Chair), Chris Burke, Bob Bushell, Rosanne Kirk and Neil Murray

Officers attending: Angela Andrews, Democratic Services, Kate Ellis, Jaclyn Gibson, Daren Turner, Simon Walters and Carolyn Wheater

A G E N D A

SECTION A **Page(s)**

MINUTES AND EXTRACTS

OUR PEOPLE AND RESOURCES

QUALITY HOUSING

REMARKABLE PLACE

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Executive **6 January 2020**

Present:	Councillor Ric Metcalfe *(in the Chair)*, Councillor Donald Nannestad, Councillor Bob Bushell, Councillor Rosanne Kirk and Councillor Neil Murray
Apologies for Absence:	Councillor Chris Burke

74. Confirmation of Minutes - 25 November 2019

RESOLVED that the minutes of the meeting held on 25 November 2019 be confirmed.

75. Declarations of Interest

No declarations of interest were received.

76. Living Wage Increase November 2019

Purpose of Report

To recommend the proposed increase to the Living Wage as announced by the Living Wage Foundation in November 2019.

Decision

That the implementation of the latest Living Wage uplift during April 2020 be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

The Council was committed to maintaining its Living Wage accreditation and in order to do so the authority had six months to implement the Living Wage following the announcement of increase. In November 2019 it was announced that the Living Wage would increase from £9.00 an hour to £9.30 an hour.

The aim of implementing the Living Wage was to ensure that no employees were paid below the Living Wage hourly rate.

77. Collection Fund Surplus/Deficit - Council Tax

Purpose of Report

To report the estimated balance for the Council Tax element of the Collection Fund and the surplus or deficit to be declared for 2019/20.

Decision

That the action of the Chief Finance Officer in declaring a Council Tax surplus of £382,814 be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

Prior to setting the Council Tax for 2020/21 the City Council was required to estimate whether there was to be a surplus or deficit on the Council Tax element of the collection fund for the current financial year.

The Council would therefore declare a surplus on Council Tax of £382,814 for the financial year 2019/20.

The main reasons for the surplus were noted as being a higher than anticipated collection rate for the financial year together with a lower rate of write-offs than had originally been estimated.

78. Housing Delivery Programme Update

Purpose of Report

To provide an update on the programme of development and acquisitions to maintain a pipeline of affordable housing delivery and seek approval to proceed to the pre-construction phase for the proposed scheme of new build affordable homes on land owned by the Council off Rookery Lane.

The report also sought approval to carry out the demolition of Garfield View, Woodburn View and Trelawney Church, all located off Queen Elizabeth Road on land identified for future development.

Decision

(1) That the outline proposals for the delivery of a scheme of approximately 48 units off Rookery Lane be approved.

(2) That a further report be presented to the Executive once the final scheme cost has been confirmed.

(3) That a further budget allocation to proceed to the pre-construction phase of the scheme, funded from the Housing Improvement Programme new build allocation, be approved.

(4) That proposals for the demolition of Garfield View, Woodburn View and the former Ermine Methodist Church and a budget, funded from the Housing Improvement Programme new build allocation, be approved.

Alternative Options Considered and Rejected

Other options considered and rejected were set out in paragraph 8.1 of the report.

Reason for Decision

The report provided an updated programme for the delivery of housing across the City for the period up to 2022.

A concept plan for a scheme of 48 affordance homes off Rookery Lane was proposed, as set out in the report. This proposal would be developed for further consultation and a planning application prepared for submission in March 2020. During this pre-construction phase, technical survey work would be carried out to inform the detailed design of the scheme in order to improve cost certainty. It was estimated that the scheme would commence on-site by December 2020, subject to the granting of planning permission and approval of the final costs and delivery budget. This would be the subject of a further report to the Executive.

It was also proposed to progress with the demolition of Garfield View, Woodburn View and Trelawney Church, all located off Queen Elizabeth Road. The demolition of Garfield View and Woodburn View was required to enable access into the proposed housing site whereas the demolition of Trelawney Church was required to prepare the site for future development. Early demolition of these properties would reduce the authority's Council Tax liability and costs associated with the upkeep and maintenance of vacant property whilst development proposals were being reviewed.

Further details regarding the programme for delivery up to 2022 and proposals relating to Rookery Lane and Queen Elizabeth Road in particular, were set out in the report.

79. Scrutiny Review of Social Isolation

Purpose of Report

To provide the Executive with an opportunity to consider the final report of the Community Leadership Scrutiny Committee's scrutiny review into social isolation, which set out draft recommendations based on evidence gathered and key outcomes highlighted as part of the review.

Decision

That the key findings and conclusions of the scrutiny review be actioned as necessary and fed into the development and formation of the Health and Wellbeing strand of the Council's Reducing Inequality theme of its Vision 2025.

Alternative Options Considered and Rejected

None.

Reason for Decision

The Community Leadership Scrutiny Committee undertook a scrutiny review into social isolation, the scope of which was to investigate:

- how prevalent social isolation was in Lincoln and why it was occurring;
- what support was currently in place for people suffering from isolation;
- whether the current support was sufficient to address the issue of social isolation.

Representatives from a range of organisations delivering services and support across the city, and wider county, attended meetings of the Committee in order to contribute to the review and provide evidence which was used to formulate key findings and conclusions as set out in the report. Extracts of the evidence received from contributors to the review were attached at Appendix A of the report.

A summary of the main findings and conclusions was noted as follows:

- the Council could play a more active role in bringing organisations together to encourage and perhaps facilitate greater partnership working and sharing of information and good practice. This could include the promotion of services, events and activities available in communities and raising awareness of social isolation and loneliness;
- more could be done to promote the symptoms or characteristics associated with social isolation, as well as contact details of key organisations in order to facilitate the effective signposting of services;
- the issue of social isolation and loneliness should be highlighted to the Council's staff and elected members, particularly those who come into contact with residents regularly as part of their day-to-day business in order that they can identify symptoms and understand what services or organisations to signpost people to;
- acknowledging those people unable to access online services or electronic communication, the Council should ensure that there was always an option to contact any of its services without the need to access the service online;
- a review should take place to ensure that the Council's approach to responding to requests for holding community events included guidance and advice that was supportive and user-friendly;
- consideration should be given to ways in which the Government's £2 million funding aimed at addressing loneliness could be promoted to those frontline organisations so that it could be effectively utilised in Lincoln. Further consideration should also be given to the availability of any other sources of external funding to support the issue of social isolation and loneliness in the City of Lincoln.

Councillor Ric Metcalfe, Leader of the Council, placed on record his thanks on behalf of the Executive to the Community Leadership Scrutiny Committee for an excellence piece of work which he was pleased to see would feed into the Council's Health and Wellbeing strand of the Reducing Inequality theme of its Vision 2025.

80. Lincoln Intervention Team - Year 2 Funding - Amendment

Purpose of Report

To update the Executive on a successful funding bid for the Intervention Team and seek approval to amend the funding structure previously approved to cover a third year of the Team.

Decision

That the re-allocation of £60,000 reserve funding into 2020/21 used to enable the Intervention Team to continue through to December 2021 be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

The Lincoln Intervention Team was introduced in October 2018 as a one year project. Further funding had since been secured via the Council and partners to continue for a further year, however, a successful funding application to the National Lottery Community Fund had enabled the project to continue through to a third year.

Proposed funding structures for the second and third year were set out within the report with a re-profiled spending account outlined in paragraph seven of the report.

It was noted that the Intervention Team provided a holistic and innovative service that worked closely with key partners to achieve an improvement for both individuals and communities that would lead to sustainable positive changes.

81. Hartsholme Country Park - Fees and Charges

Purpose of Report

To seek agreement to the use of some specific charges in Hartsholme Country Park, in advance of the Council formally agreeing the Council's full table of fees and charges for the year ahead.

To seek an adjustment of the way that fees and charges for some areas of the Council's business were set, moving to a two year proposal, so that customers could have certainty in advance therefore permitting earlier bookings to be taken.

To seek agreement to support the Council's channel shift initiatives by taking card payments only.

Decision

(1) That the principle of setting some fees two years ahead where there was a business need be endorsed and that this be reflected in future fees and charges setting reports to the Council.

(2) That the fees and charges set out in Appendix A be supported and referred to the Council for consideration.

Alternative Options Considered and Rejected

Alternative options considered and rejected were set out in paragraph seven of the report.

Reason for Decision

Fees and charges were currently set on a year-by-year basis, however, in some trading areas where advance bookings were taken it had been identified that there was demand for customers to book and pay on timetables not compatible with the Council's current process. The ability to advertise the availability of bookings a long way ahead was important, which the current annual process of setting fees and charges did not currently support.

It was proposed that the table of fees and charges for Hartsholme Country Park was amended to make recommendations for two years. These had reference to the normal procedure of inflation based on 3% annually, but were also mindful of market pressures from competition, had reference to the quality of facilities offered and took into account customer feedback. The revised schedule of fees and charges as proposed was set out in Appendix A of the report.

The proposal to only accept card payments for bookings was in line with the Council's channel shift initiatives.

82. New Developments - Charges for Bins

Purpose of Report

To provide clarification to a decision taken by the Executive last year in relation to the costs of providing waste bins in new developments, making clear that this was for the provision of the bin only, not the ongoing service, and that developers were the first choice for payment.

Decision

(1) That the Council maintains its first approach to charge developers, making a developer responsible for bin provision costs in alignment with previously agreed fees and charges.

(2) That, where a developer refuses to pay, this cost be passed to residents directly, explaining the reason for the charge.

Alternative Options Considered and Rejected

None.

Reason for Decision

In October 2017 the Executive agreed to charge developers for bin provision and agreed a set of charges as set out at paragraph 5.1 of the report.

The Council would continue to ask developers to cover these costs but in those cases where developers refused to pay the new residents would be approached directly to pay, explaining that they were being asked due to the refusal of the developer to pay. It was noted that the legislation permitting charging of residents was clear and beyond challenge.

A comparison of the state of charging by some other authorities was attached to the report at Appendix A. Whilst not all Councils charged, it was understood that many other authorities did and of those that did not many were in the process of considering this option due to financial pressures. It was expected that this would be standard practice in due course.

83. Lincoln Zero Carbon Update Report

Purpose of Report

To inform and update the Executive on progress towards Lincoln's net zero carbon dioxide (CO2) emissions target by 2030 and request that consideration be given to the resources required across a range of service areas to deliver the proposed actions outlined in the report.

Decision

(1) That the Council continues to provide ongoing secretariat support to the Lincoln Climate Commission and to work collectively with the Commission to deliver a science based zero carbon roadmap for the Lincoln local authority area and establish a citizens' assembly to broaden consultation.

(2) That the bronze, silver and green membership levels for investment in the environment and the resources required to proceed with the implementation of an Environmental Management System be noted.

(3) That an Environmental Policy be prepared by the end of March 2020.

(4) That a Lincoln Christmas Market Environmental Policy be prepared by October 2020.

(5) That the key points from the emerging Electric Vehicle Infrastructure Strategy be noted.

Alternative Options Considered and Rejected

None.

Reason for Decision

The City Council hosted Lincoln's first low carbon conference on 14 March 2012, launching the Low Carbon Lincoln Partnership and Charter. To date, 48 local organisations and businesses had signed the Low Carbon Lincoln Charter and following the launch event the Partnership prepared the Low Carbon Lincoln Plan 2012-2020 and agreed a target to reduce Lincoln's CO2 emissions by 25% by 2020. The latest figures for Lincoln indicated a per capita CO2 reduction of 44% between 2005 and 2017.

In March 2018, as part of a Vision 2020 drive to integrate sustainability into the Council's operations and services, the Corporate Management Team agreed to set up a Carbon Reduction Taskforce made up of officers representing all Directorates and service areas of the authority with responsibility for environmental management and property management. The Taskforce was also attended by the Portfolio Holder for Remarkable Place, the Sustainability Advocate and the Strategic Director of Major Developments in her capacity as the Corporate Management Team's Sustainability Champion. An overview of the work undertaken by the Taskforce since 2018 was set out at paragraph 2.3 of the report with actions scheduled during 2019/20 outlined at paragraph 2.4.

At its meeting on 23 July 2019 the City Council agreed a motion declaring a Climate and Environmental emergency. The motion included a commitment for Lincoln to achieve a net zero carbon target by 2030. It was reported that for Lincoln to become a net zero carbon city by 2030, emissions would need to be capped at approximately 53 kilo tonnes per capita. It would be necessary to drastically reduce emissions by a further 51% from the current 3.5ft CO2 per capita to 1.7t per capita per annum.

The report provided detailed information on Lincoln's CO2 emissions in respect of the following:

- electricity consumption;
- gas consumption;
- transport.

In addition, updates were provided on the following:

- the Lincoln Climate Commission;
- the role of digital/smart technology and Lincolnshire's energy assets to achieve zero carbon;
- the scope of Lincoln's roadmap to zero carbon;
- the Lincoln Transport Taskforce.

With regard to the City of Lincoln Council's own emissions and mechanisms in place to contribute towards a zero carbon target, updates were provided in the report on the following key areas:

- the Housing Revenue Account Business Plan;
- new homes;
- the Western Growth Corridor;
- travel plans;
- a review of Council fleet vehicles;
- the Emerging Electric Vehicle Infrastructure Strategy;
- the Council's Environmental Management System;
- the Council's commitment to reduce single-use plastics;
- Lincoln Christmas Market Environmental Policy.

Councillor Bob Bushell, Portfolio Holder for Remarkable Place, praised an excellent report which he said showed that progress had been made since the conference in 2012 both within the City Council internally and in working with key stakeholders.

Councillor Ric Metcalfe, Leader of the Council, concurred with the above sentiments and reflected that energy generation, energy use, waste and transport were the key areas that needed addressing on a residential, commercial and industrial level.

84. <u>Exclusion of the Press and Public</u>

RESOLVED that the press and public be excluded from the meeting during consideration of the following items of business because it was likely that if members of the public were present there would be a disclosure to them of 'exempt information' as defined by Section 100I and Schedule 12A to the Local Government Act 1972.

This item was considered in private as it was likely to disclose exempt information, as defined in Schedule 12A of the Local Government Act 1972. No representations had been received in relation to the proposal to consider this item in private.

85. Housing Delivery Programme Update

Minute number 78 includes details of the decision associated with this item.

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EXECUTIVE **20 JANUARY 2020**

SUBJECT:	**COUNCIL TAX BASE 2020/21**
DIRECTORATE:	**CHIEF EXECUTIVE AND TOWN CLERK**
LEAD OFFICER:	**CLAIRE MOSES, REVENUES AND BENEFITS MANAGER (SHARED SERVICE)**

1. Purpose of Report

1.1 The purpose of this report is to seek Members' recommendation of the Council Tax Base for the financial year 2020/21.

2. Executive Summary

2.1 This report is submitted to the Executive each year and sets out the calculation of the Council Tax Base for the following financial year.

3. Background

3.1 The Local Government Finance Act 1992 and Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended) require the Council to formally set its Tax Base as the first stage of the Council Tax setting process.

4. Special Items

4.1 Before setting the Council Tax Base, the issue of any special items relating to a part of the Council's area must be considered. If there are any items of expenditure that relate to one part of the local authority area, then that expenditure can be levied on those residents in that area and not on others.

4.2 There are no items of special expenditure.

5. Council Tax Base

5.1 Certain assumptions have to be made in order to determine the number of dwellings within the Authority's area, and these are set out in Appendix A.

5.2 The calculation of the Council Tax base, detailed in Appendix B, shows the number of Band D equivalent chargeable dwellings as being 24,689.50. This is based on the Regulations in paragraph 3.1 above and assumes that 98.75% of the Council Tax due for 2020/21 will be collected.

5.3 The Council Tax base number of Band D equivalent chargeable dwellings for 2020/21 has been calculated as 29,013.25– less 4,323.76 deduction calculated for the localised Council Tax Support scheme – resulting in a proposed Council Tax base for 2020/21 of 24,689.50.

6. Organisational Impacts

6.1 Finance: The Council must confirm its Council Tax Base as a pre-requisite to setting the Council Tax charge for 2020/21.

6.2 Legal Implications: The Local Government Finance Act 1992 and Statutory Instrument No 1992/612 – Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended) sets out the requirement for the Council to confirm and formally approve its Council Tax Base and notify it to its precepting bodies. The Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012 provide for Councils to make technical changes to certain discounts from April 2013.

6.3 Equality and Diversity: There are no specific equality and diversity impacts as a direct result of this report.

7. Recommendations

7.1 Executive is asked to recommend to Council that it:

a) Notes that there are no special items as defined in Section 35 of the Local Government Finance Act 1992 (as amended) applicable to any part or parts of the City of Lincoln local authority area;

b) Approves the Chief Finance Officers' calculation of the Council Tax Base for the financial year commencing 1 April 2020 and ending 31 March 2021, as set out in Appendix B of this report;

c) Approves, in accordance with the Chief Finance Officers' calculation, and pursuant to the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended), that the Council Tax Base for the 2020/21 financial year is 24,689.50.

Key Decision	No
Do the Exempt Information Categories Apply	No
Call In and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
Does the report contain Appendices?	Yes
If Yes, how many Appendices?	Two
List of Background Papers:	None
Lead Officer:	Claire Moses, Revenues and Benefits Manager (Shared Service), Telephone (01522) 873764

APPENDIX A: Executive 20 January 2019

Assumptions made in the Calculation of the Council Tax Base (See APPENDIX B)

Number of Dwellings:	The number of dwellings on the Council's database as at 30 November 2019
Exempt properties:	These are laid down by Regulations and are properties exempt from Council Tax, e.g. student occupied property. The total in each of the exemption categories has been calculated as at 30 November 2019 and it has been assumed that the exemption will remain throughout 2020/21.
Disabled relief:	These are properties that are occupied by disabled persons and may be placed in a lower valuation band if they fulfil the criteria laid down by the Regulations. The number of these properties has been calculated at 30 November 2019 and it has been assumed that the relief will remain throughout 2020/21.
Discounts on relevant Day – i.e. 25%, 50%, 10% + 100% levy:	These are laid down by Regulations, in addition to technical changes introduced from April 2013, and are properties subject to a percentage discount from the Council Tax, i.e. second homes, single person households or empty properties. The total in each of the discount categories has been calculated as at 30 November 2019 and it has been assumed that the discount will remain throughout 2020/21.
Net additions expected In year:	This is an estimate of the number of dwellings known to be currently under construction plus the anticipated number to be constructed throughout 2020/21. Account is taken where dwellings will not come into a charge until part way through the year. Adjustments to discounts and exemptions and appeals are also taken into account
Collection Rate:	It is assumed that 98.75% of the Council Tax due for 2020/21 will be collected.
Council Tax Support:	These are estimates of the amount of Council Tax Support to be granted in 2020/21 (localised replacement scheme for Council Tax Benefit from April 2013).

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Appendix B: City of Lincoln - 2019/20 Council Tax Base Estimate as at 30 November 2019

	Valuation Bands	**A-**	**A**	**B**	**C**	**D**
1	Properties	0.00	27791.00	8982.00	4903.00	2542.00
2	Exempt properties	0.00	-2202.00	-610.00	-247.00	-104.00
3	Disabled Band Reductions	60.00	0.00	-16.00	-14.00	-16.00
4	Adjusted Chargable Dwellings	60.00	25589.00	8356.00	4642.00	2422.00
5	25% Discounts (SPD and disregards)	-4.25	-2987.00	-668.00	-316.25	-136.00
6	25% Discounts (less than 2 years)	0.00	0.00	0.00	0.00	0.00
7	50% Discounts (empty properties)	0.00	-12.50	-2.50	-1.00	-3.00
8	0% Discounts (second homes)	0.00	30.10	12.10	5.20	2.50
8A	0% Discounts (second homes)	0.00	-5.34	-1.44	-0.76	-0.42
9	100% Discounts	0.00	-111.00	-21.00	-5.00	-6.00
10	100% levy	0.00	234.00	22.00	16.00	12.00
11	Estimated Future Adjustment	0.00	60.00	20.00	10.00	5.00
12	Adjusted Dwellings	55.75	22797.26	7717.16	4350.19	2296.08
13	Ratio to Band D	5/9th	6/9th	7/9th	8/9th	9/9th
14	Band D Equivalent	30.97	15198.17	6002.24	3866.84	2296.08
15	Less Estimated non-collection (1.25%)	-0.39	-189.98	-75.03	-48.34	-28.70
16	Crown Properties	0.00	37.36	12.07	6.59	3.42
17	**Adjusted to Band D Equivalent**	**30.59**	**15045.55**	**5939.28**	**3825.09**	**2270.80**
18	CTR (Working Age)	-9.72	-2522.40	-212.18	-52.18	-24.70
19	CTR (Pensioner Age)	-2.67	-1134.07	-217.70	-110.67	-22.50
20	**Council Tax Base**	**18.20**	**11389.09**	**5509.40**	**3662.25**	**2223.60**

E	F	G	H	TOTAL	19/20 Figures
1315.00	412.00	131.00	47.00	46123.00	45744.00
-307.00	-33.00	-4.00	-23.00	-3530.00	-3547.00
-3.00	-5.00	8.00	-11.00	3.00	-2.00
1005.00	374.00	135.00	13.00	42596.00	42496.00
-48.50	-17.25	-3.25	0.00	-4180.50	-4086.25
0.00	0.00	0.00	0.00	0.00	0.00
-1.50	-2.50	-6.00	-3.50	-32.50	-108.00
1.10	0.30	0.20	0.00	51.50	-34.20
-0.16	-0.11	-0.03	0.00	-8.26	-6.13
-1.00	0.00	0.00	0.00	-144.00	-322.00
2.00	2.00	2.00	0.00	290.00	73.50
3.00	1.00	1.00	0.00	100.00	300.00
959.94	357.44	128.92	9.50	38672.24	38312.92
11/9th	13/9th	15/9th	18/9th		
1173.26	516.30	214.87	19.00	29317.73	29070.16
-14.67	-6.45	-2.69	-0.24	-366.47	-363.38
1.77	0.55	0.18	0.06	62.00	60.00
1160.36	**510.40**	**212.36**	**18.83**	29013.25	28766.78
-7.70	-0.29	0.00	0.00	-2829.17	-2855.92
-5.26	-1.73	0.00	0.00	-1494.59	-1561.70
1147.41	**508.38**	**212.36**	**18.83**	**24689.50**	**24349.16**

Item No. 4

EXECUTIVE **20 JANUARY 2020**

SUBJECT:	**LOCALISED COUNCIL TAX SUPPORT SCHEME – 2020/21**
DIRECTORATE:	**CHIEF EXECUTIVE AND TOWN CLERK**
LEAD OFFICER:	**MARTIN WALMSLEY, HEAD OF SHARED REVENUES AND BENEFITS**

1. Purpose of Report

1.1 For Executive to review consultation responses and consider/approve a proposed 'no change' scheme for Local Council Tax Support (CTS) for the financial year 2020/21, as well as regarding proposals made in relation to an Exceptional Hardship Scheme, also regarding Council Tax changes.

2. Background

2.1 The Council Tax Benefit system was abolished on 31st March 2013 and replaced by the Council Tax Support Scheme. This scheme can be determined locally by the Billing Authority having had due consultation with precepting authorities, key stakeholders and residents. There are currently 8,542 residents claiming Council Tax Support in the Lincoln District.

There are 2,903 pensioners in receipt of Council Tax Support. Pensioners are protected under the legislation and receive Council Tax Support as prescribed by the Government (broadly similar to the level of Council Tax Benefit) and as a result are not affected by any changes made to the Council Tax Support Scheme.

It is the 5,639 working age claimants who will be affected by any changes made to the scheme, and as such any potential reduction in support being provided.

2.2 The Council agreed to a Local Council Tax Support Scheme which came into effect on 1st April 2013. Our scheme matched the previous Council Tax Benefit scheme, giving 100% support for both pension and working age customers.

2.3 The proposed CTS scheme must go through certain steps to comply with the provisions stated in the Local Government Finance Act 2012 before it can be adopted by this 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 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.

3. Our Council Tax Support Scheme

3.1 Our scheme has been updated by minor amendments each year to maintain the link with Housing Benefit and the previous Council Tax Benefit scheme.

3.2 For 2019/20, the cost of the scheme as at 31st August 2019 is £7,783,612, the Council's share of which is £1,183,109, for 8,542 claimants, 2,903 who are pensioners and 5,639 who are working age.

3.3 The current scheme has the following restrictions for working age customers: -

- Capital over £8,000;
- Minimum entitlement of £2 per week;
- Property banding capped at Band B e.g. a customer in Band C (and above) property, will only have their CTS calculated on Band B liability;
- Backdating restricted to 1 month; and
- Temporary absence from home in line with Housing Benefit.

3.4 The current scheme has the following Council Tax technical restrictions for all Council Tax Payers: -

- Introduction of additional 50% premium to empty properties over 2 years – total premium is 100% (total charge 200%);
- Care leavers council tax exemption – 100% for those aged between 18 and 21st birthday and 50% for those up to their 22nd birthday;
- Unoccupied discount 100% for the first month; and
- Second Home discount of 0%.

4. Proposed Council Tax Support 'no change' Scheme for 2020-21

4.1 Based on the current core elements of the existing scheme, a caseload reduction of 1% has been modelled, along with an increase in Council Tax (ranging from 2% to 4%). These are summarised in Appendix 1, giving an indication of the potential cost and savings to City of Lincoln. Also included is the potential value for non-collection (based on projected collection in the taxbase of 98.75%).

4.2 As a billing authority the Council can decide whether or not to amend core elements of its scheme each year. Officers are not proposing any changes to the core elements of the scheme.

There will be some technical changes that will still need to be applied to ensure that the Council's scheme complies with the Prescribed Scheme Regulations (covering Universal Credit, premiums and discounts). These details are still awaiting from the Ministry of Housing, Communities and Local Government (MHCLG).

Technical amendments to the scheme in relation to uprating income, applicable amounts, disregards and allowances are to be collated once statutory details have been released by the Secretary of State; it is intended that these will be circulated to Members for consideration at Executive on 20 January 2020. There will be no change to the adopted policy in the way CTS is calculated for these areas. Officers have considered if there is any need for any transitional arrangements to the revised scheme and concluded transitional arrangements are not needed for the 2020/21 scheme.

4.3 In developing the modelling for each of the Council Tax Support Scheme options a number of assumptions have been made, as follows:

- Uprating Freeze for social security benefits, based on the current national policy.

- As the Council and major preceptors are likely to set differing levels of Council Tax increases it creates a variety of modelling scenarios. An overall increase on all elements of between 2% and 4% has therefore been assumed for modelling purposes. The final cost of the scheme will though be increased by the level of Council Tax increases applied. The modelling does not though take into consideration that the Council's percentage share of the overall cost of the scheme would slightly reduce if other preceptors increase their Band D by a greater percentage than the Council, this would in effect reduce the cost of the scheme to the Council.

- 1% reduction in caseload for 2020/21.

- Collection Rate of 98.75%. The current Council Tax base is calculated on this collection rate which takes into account in year collection and collection of arrears. For 2020/21 it is proposed that the collection rate, based on current collection, is maintained at 98.75%.

4.4 **Exceptional Hardship Scheme:**

Alongside a proposed 'no change' CTS scheme for 2020/21, it is also suggested that £20,000 for an Exceptional Hardship Scheme continues. Exceptional Hardship Payments (EHP) assist persons who have applied for Council Tax Support and who are facing 'exceptional hardship' – it is similar to the Discretionary Housing Payment scheme for Housing Benefit shortfalls. EHP provides a further financial contribution where an applicant is in receipt of Council Tax Support but the level of support being paid by the Council does not meet their full Council Tax liability.

The Council is required to provide financial assistance to the most vulnerable residents, who have been disproportionately affected by the changes made in 2020 to the Council Tax Support Scheme. Since April 2013, the Council agreed to introduce an Exceptional Hardship Scheme each year, in order to provide a safety net for customers, in receipt of Council Tax Support who were experiencing difficulty paying their council tax. Exceptional Hardship falls within Section 13A (1) of the Local Government Finance Act 1992 and forms part of the Council Tax Support Scheme.

The current EHP budget is £20,000 and the cost of EHP awards is being borne solely by City of Lincoln. As at 31st August 2019, a total of £9,396 EHP has been awarded.

5. Proposed Changes to Council Tax

5.1 Care Leavers Council Tax Exemption:

In July 2016, HM Government, Edward Timpson, Minister of State for Children and Families produced a report titled 'Keep On Caring - Supporting Young People from Care to Independence'. The report encourages all local authorities to consider how they can support their care leavers, using flexibilities at their disposal. One of these flexibilities is through the award of a Council Tax exemption.

In January 2019, Council approved for City of Lincoln to introduce support for care leavers within their 2019/20 Council Tax Support Scheme. A summary of the scheme is as follows: -

- *Award 100% discount on balance of Council Tax up to the individuals 21st birthday, then give 50% discount for a further year to the 22nd birthday. This would give a phased reduction towards full liability for Council Tax from the individuals 22nd birthday. Award to be made through the 2019/20 Council Tax Support Scheme.*

The Children's Society suggested that care leavers up to, at least the age of 21 be exempt from paying council tax, but that they would also receive additional support from the county up to the age of 25.

The term 'care leaver' is defined in The Children (Care Leavers) Act 2000 and refers to eligible, relevant and former relevant children.

- Eligible children are young people aged 16-17 who are still in care and have been 'looked after' for a total of 13 weeks from the age of 14 and including their 16th birthday.
- Relevant children are young people aged 16 and 17 who have already left care and who were 'looked after' for at least 13 weeks from the age of 14 and have been 'looked after' at some time while they were 16 or 17.

- Former relevant children are young people aged 18, 19, or 20 who have been eligible and/or received relevant support prior to this age.

Officers propose to consider the extension of the 100% support up to their 25th birthday. There are currently 3 care leavers between the age of 22 and 25 where this exemption could apply. If we were to assume support for those 3 cases, the **total cost would be £3,617.28** (assuming full support at Band A of £1,205.76). **For City of Lincoln, this would be a cost of £578.76.**

5.2 Council Tax Empty Homes Premium:

From 1 April 2013, billing authorities have been able to charge a premium on a class of property that has been unoccupied and unfurnished for 2 years or more. From 1st April 2019, the premium increased to 100% (from 50%) of the Council Tax on the property – giving a total charge of up to 200%. From 1st April 2020, councils will have the powers to charge even greater premiums on homes left empty following an amendment to a government Bill.

The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 allows billing authorities to charge higher premiums on homes left empty.

The legislation provides for the following: –

- April 2020 – any property empty between five and ten years to receive a premium of 200% (giving a total charge of up to 300%); and

- April 2021 – any property empty over ten years to receive a premium of 300% (giving a total charge of up to 400%).

Decisions on whether to charge a premium, and the exact rates to be charged will remain a matter for Councils, taking local circumstances into account. Officers have included in consultation a number of considerations to be taken into account when applying the premium, - i.e. a range of factors to be considered by officers when determining whether or not such a premium is to be charged at individual case level.

Approval of any change for 2021/22 cannot be made until the 2021/22 Local Council Tax Support scheme has been consulted on.

6. Timetable

6.1 The timetable to approve any change to the new scheme takes into account the existing calendar of meetings. The Full Council as Billing Authority needs to approve the scheme after consultation as outlined in paragraph 2.3.

6.2 The timetable is as follows: -

- Consultation – 30th October 2019 to 14th January 2020 - the Council is required to review their current Council Tax Support scheme. The proposals and recommendations seek to ensure the Council has a robust review of its current scheme and understand the implications of adopting a new scheme.
- Policy Scrutiny Committee – 14th January 2020 as part of consultation process.
- Executive – 20th January 2020.
- Council – 21st January 2020 - the Local Government Finance Act 2012 requires a full review of the scheme by the Billing Authority. City of Lincoln Council will need to approve a new scheme after consultation by 31st January 2020.

7. Significant Policy Impacts

7.1 Strategic Priorities

Let's drive economic growth - Council Tax Support has a key role in Reducing Poverty and disadvantage by ensuring residents in those households who cannot afford to pay their Council Tax receive financial support. The changes to Council Tax Support form part of the national welfare reform agenda, with the risks of changes to numbers of claimants due to economic change and funding gap costs being passed from central government to local authorities. Central government now has a fixed cost funding arrangement whereas local government must set a scheme in advance of the financial year it applies to but cannot change it should circumstances change unexpectedly or if the assumptions used to decide the scheme are not realised. Central government states that this places responsibility for the local economy such as creating businesses and jobs on local government as part of the localism agenda

Let's reduce inequality - The Authority will be obliged to comply with its general equality duty under the Equality Act 2010. The scheme is being amended in line with statutory requirements and uprating the financial allowances. Early modelling shows the number of customers affected and pay how much (total and average per week). Once a decision has been made regarding the options of modelling, an equality impact assessment will be undertaken.

Council Tax Support awards are notified on Council Tax bills. If the scheme were likely to change, consultation with precepting authorities, stakeholders (such as Citizens Advice and Financial Inclusion Partnership) and residents would be required. Once a decision has been made, notification within Council Tax bills and annual CTS uprating letters would be issued advising claimants of the decision once their award for the new financial year is known.

7.2 **Organisational Impacts**

Finance (including whole life costs where applicable)

The actual cost of the discount scheme in 2020/21 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 City Council and the major precepting authorities.

An indicative range of costs based on various scenarios for 2020/21 is set out in Appendix 1.

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 taken into account when future years surpluses or deficits are declared.

The exceptional hardship fund of £20,000, made available during 2019/20, is proposed to continue for 2020/21.

If the care leavers' exemption was extended to the age of 25, there will be an additional cost of £3,617.28 (assuming full support at Band A of £1,205.76). For City of Lincoln, this would be a cost of £578.76.

7.3 **Legal Implications inc Procurement Rules**

The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012, laid before Parliament on 22nd November 2012, set out the regulations for a default scheme and this was adopted by the Council subject to local policy needs in January 2013. The Secretary of State has issued amendment regulations setting out some changes that must be adopted by the Council for pensioners and the Council has also decided in 2013 to keep the schemes allowances and premiums in line with those for Housing Benefit for working age claimants. These are incorporated into amendments to the local scheme for approval by the Council.

The regulations for the City of Lincoln Council scheme proposed to be adopted are to be collated and made available for Council in January 2020.

7.4 **Equality, Diversity and Human Rights**

The Authority will be obliged to comply with its general equality duty under the Equality Act 2010 and is shown in Appendix 7. The scheme is being amended in line with statutory requirements and uprating the financial allowances.

7.5 **Staffing**

No change to current staffing arrangements as a result of this policy.

8. Risk Implications

8.1 The Council, along with the other preceptors, bears the risk of the cost of the Council Tax Support scheme should caseload increase causing the cost to increase more than predicted.

8.2 Any revisions to the scheme must be approved by 31st January 2020, before the financial year begins.

8.3 The scheme cannot be changed mid-year and therefore it is vital the correct scheme is in place.

9. Recommendations

9.1 Executive is asked to recommend to Council that it: -

1) Reviews consultation responses relating to the Localised Council Tax Support Scheme for 2020/21;

2) Approves a proposed ‘no change’ Council Tax Support scheme for 2020/21 as set out in Section 4;

3) Approves continuation of the £20,000 Exceptional Hardship fund for 2020/21 to top up Council Tax Support awards in appropriate cases (this amount is funded through the collection fund);

4) Approves Council Tax changes for 2020/21, being:

- Care Leavers: 100% Council Tax exemption being extended up to their 25th birthday;

- Council Tax empty homes premium: for any property empty between five and ten years to receive a premium of 200% (giving a total Council Tax charge of up to 300%), but subject to criteria as outlined in Appendix 3.

Key Decision	Yes
Do the Exempt Information Categories Apply	No
Call In and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
Does the report contain Appendices?	Yes
If Yes, how many Appendices?	7 Appendix 1: Modelling 2020/21 Appendix 2: Consultation Outcome Appendix 3: Suggested adjustments to Premium charges Appendix 4: 14th January 2020 Policy Scrutiny Committee Minutes – *to follow* Appendix 5: Response from Lincolnshire County Council Appendix 6: Response from Lincolnshire Police and Crime Commissioner Appendix 7: Equality Impact Assessment
List of Background Papers:	None
Lead Officer:	Martin Walmsley – Telephone 01522 873597

Council Tax Support Scheme 'no change' proposal as at 31 August 2019

All applicable amounts have been frozen, income with 0% increase, Council Tax with 2%, 3% and 4% increase and 1% caseload decrease.

Option 1: No change to current scheme	**Estimated Total Spend**	**City of Lincoln Spend – 15.2%**	**Difference to MTFS (1,237,579) – saving / (cost)**	**Amount expected to be collected using collection figure of 98.75%**
Current scheme only – 2% Council Tax increase	£8,004,133	£1,216,392	£21,177	£20,912
Current scheme only – 3% Council Tax increase	£8,087,399	£1,229,046	£8,523	£8,416
Current scheme only – 4% Council Tax increase	£8,170,678	£1,241,702	(£4,132)	(£4,080)

Council Tax Technical Options for change as at 19 September 2019

Option 4: Council Tax Empty Homes Premium	**Council Tax Band**	**Total properties per band**	**Additional revenue per band @ 200%**	**City of Lincoln Additional revenue – 16%**	**Amount expected to be collected using collection figure of 98.75%**
Introduce 200% premium (300%) charge for properties empty over 5 years	A	33	£39,776	£6,364	£6,285
	B	4	£5,625	£900	£889
	C	3	£4,821	£771	£762
	D	3	£5,424	£868	£857
	E	0	£0	£0	£0
	F	0	£0	£0	£0
	G	1	£3,013	£482	£476
	H	0	£0	£0	£0
Total		32	£58,659	£9,385	£9,269

Care Leavers

Officers propose to consider the extension of the 100% support up to their 25th birthday. There are currently 3 care leavers between the age of 22 and 25 where this exemption could apply. If officers were to assume support for those 3 cases, the **total cost would be £3,617.28** (assuming full support at Band A of £1,205.76). **For City of Lincoln, this would be a cost of £578.76**

Appendix 2 – Executive 20th January 2020

City of Lincoln Council – Council Tax Support Scheme for 2020/21 – responses to consultation

Council Tax Support Survey – proposed scheme for 2020/21

Total responses = 237

Q1. We have designed our proposed support scheme taking into account the following principles:

- Reduced support where it is likely that a household has more income coming in or have savings to pay Council Tax
- Pension age – protection is statutory under Central Government Legislation

Do you agree with these principles? (tick one)
Yes = 169
No = 40
Don't Know = 28

Q2. We offer an exemption from Council Tax for care leavers up to the age of 22. We propose to extend the exemption to the age of 25.

Do you agree with this propose change? (tick one)
Yes = 179
No = 23
Don't Know = 35

Q3. Council Tax empty homes premium – Currently properties that have been unoccupied (and substantially unfurnished) for 5 years or more are subject to additional Council Tax premium charge of 100% - giving a total change of 200%. The Government may propose to change this from 1 April 2020, and increase it to 300%. Do you agree City of Lincoln Council should increase the premium to 300%?

Do you agree? (tick one)
Yes = 145
No = 45
Don't know = 47

How many months do you think this suggested amount should apply for?

12 months = 87
6 months = 70
3 months = 42
Disagree with the above option – 37
No response = 1

Question 4b: Properties undergoing repair

How many months do you think this suggested amount should apply for?

6 months = 144
3 months = 54
Disagree with the above option = 38
No response = 1

Question 4c: Properties being marketed for sale

How many months do you think this suggested amount should apply for?

3 months = 180
Disagree with the above option = 56
No response = 1

Question 4d: Property undergoing adjustment to make it suitable for disabled living

How many months do you think this suggested amount should apply for?

9 months = 98
6 months = 93
Disagree with the above option = 45
No response = 1

Question 4e: Properties undergoing environmental efficiency improvement

How many months do you think this suggested amount should apply for?

9 months = 81
6 months = 110
Disagree with the above option = 45
No response = 1

Council Tax Premium Charges 2020/21 - Background

1. Section 11B of the Local Government Finance Act 1992 gives Councils to power to charge additional amounts of Council Tax on long term empty properties. A long term empty property in this context is any property which has been both unoccupied and unfurnished for a period of over two years.

2. The amount of the additional charge is capped by the legislation at:

    a. properties that have been long term empty for less than 5 years, 100% - City of Lincoln current have 89 (65 Band D equivalent) properties within this category; and

    b. properties that have been long term empty between 5 and ten years, 200% - City of Lincoln current have 20 (14 Band D equivalent) properties within this category; and

    c. properties that have been long term empty for 10 years or longer, 300% - City of Lincoln current have 24 (18 Band D equivalent) properties within this category.

3. The 200% premium (maximum charge of 300%) represents a new power for the financial year 2020/21. For the financial year 2021/22, an additional premium of 100% for properties which have been long term for 10 years of longer comes in to force, increasing the total premium to 300% (maximum charge of 400%). However, approval of any change for 2021/22 cannot be made until the 2021/22 Local Council Tax Support scheme is consulted on.

4. Since the Council was granted this power in 2013/14 it has adopted the maximum premium available to it each year. For the financial years 2013/14 to 2018/19, the maximum was 50% (maximum charge of 150%). From 2019/20 the maximum increased to 100% (maximum charge of 200%).

5. To apply the maximum (or any additional charge below the maximum) the Council must make a resolution to this effect prior to the start of the financial year to which it applies.

6. The number of long term empty properties at both Councils has reduced since April 2019 and this is believed to be as a consequence of the increased Premium. It is likely that increasing the Premium for those properties which have been long term empty for more than 5 years from 1st April 2020 (and 10 years from 1st April 2021) could have a similar beneficial effect.

7. The increase in the additional premium to 100% (maximum charge of 200%) from 1st April 2019 generated a considerable amount of criticism, not least because of the blunt nature of the additional charge applying to all qualifying properties, regardless of the circumstances at those properties, or the circumstances of the taxpayers.

8. The criticism is likely to be even greater if the Council were to apply the new maximum levels that come into force from 1st April 2020 in the same manner.

9. To deflect the criticism whilst still giving the Council the opportunity to use the powers available to it, it is recommended that from the commencement of the financial year 2020/21, the Council introduces a combination of the following adjustments to its determination:

    a. a period of grace for the purchasers of long empty properties before they incur the Premium Charge – this could be for 6 months or a year – really a matter of judgement. This has been a justifiable complaint against the Council's application of the Premium Charge. A person purchasing an empty property will not know in advance whether it is a long term property or not and so feel aggrieved that they immediately incur the additional charges.

    b. reductions (subject to conditions) if the taxpayer is:

        i. repairing the property to bring it back into habitable condition

        ii. making reasonable efforts to dispose of the property

        iii. make adjustments to the property to make it suitable accommodation for someone living with a disability

        iv. making adjustments to improve the energy efficiency of the property

10. The amounts of suggested adjustments are contained in Appendix 1 to this document.

11. At 1st November 2018, there were 154 long term empty properties in City of Lincoln. These figures have reduced to 133 on 1st September 2019.

12. There are 59 properties in Lincoln that are currently long term empty and will have been so for more than 5 years on 1st April 2020. Increasing the Premium rate to 200% (maximum charge of 300%) for these properties would have the effect of increasing the tax base by 43 Band D equivalents.

13. A suggested resolution is contained in Annex 2 to this document.

Annex 1

Suggested adjustments to Premium Charges

Circumstances	**Considerations**	**Suggested Premium Amount**	**Length of adjustment**	**Details for owners**
Change of owner	• What changes of ownership are acceptable? (suggest property has to have been marketed for sale to prevent abuse such as transfer between relatives etc.) • Length of adjustment	0% (so new owners effectively paying standard empty property rate for first period of purchase)	6 months	The Council would write to the owner to advise of 0% charge from the first day of liability. The letter will advise of the % increase after 6 months
Properties undergoing repair	There is a locally defined discount with statutorily defined circumstances which applies and it would appear sensible to use those circumstances with some provisos. • Cannot apply to anyone who has already received the similar local discount at the property • Question whether the discount can only apply in a specific period (e.g. in the first two years that the person is the taxpayer) so that people cannot hold on to property for years before commencing work on property to maximise discount • The Council would have to be satisfied that work is actually taking place and likely to be completed in a reasonable	Additional Charge to be halved So for long term empty property that is: • Less than 5 years, 50% 5 years or longer, 100% • Could consider only applying to those over 5 years	3 months (this could be in addition to the initial 6 months) – new owners only	

	timescale (so as not to encourage delay)			
Properties being marketed for sale	• Should only apply (if at all) to properties which are suitable for immediate occupation, so there is an incentive on owners to keep property in repair. • Council would need to see evidence of marketing • Council would need to be convinced that valuation is reasonable	Additional Charge to be halved So for long term empty property that is: • Less than 5 years, 50% 5 years or longer, 100% Could consider only applying to those over 5 years	3 months	
Property undergoing adjustment to make it suitable for disabled living	Probably similar to those undergoing repair, except it may be appropriate for it to be for a longer period, or in addition to the local discount.	Additional Charge to be halved So for long term empty property that is: • Less than 5 years, 50% 5 years or longer, 100% Could consider only applying to those over 5 years	6 months Not limited – all owners	
Properties undergoing environmental	Probably similar to those undergoing repair, except it may be appropriate for	Additional Charge to be halved	6 months	

efficiency improvement	it to be for a longer period, or in addition to the local discount.	So for long term empty property that is: • Less than 5 years, 50% 5 years or longer, 100% Could consider only applying to those over 5 years		

Annex 2

Suggested resolution

1. Pursuant to Section 11B of the Local Government Finance Act 1992, the Council resolves that it shall levy an additional charge on the Council Tax for long term empty properties for financial years commencing with the financial year 2020/21. The additional charge shall, subject to paragraphs 2 and 3 below, be the maximum permitted by the legislation for any class of property according to the length of time that it has been a long term empty property.

2. (a) The additional charge shall not apply in the first 12 months that a taxpayer becomes liable for the Council Tax for a property following the date of its purchase.

   (b) This paragraph shall not apply if in the Council's view, the sale and purchase of the property was contrived in order to avoid the additional charges.

   (c) For the purpose of this paragraph, a property will only be considered to have been sold if there is a conveyance leading to an amendment regarding the proprietorship of the property on the Land Register entry for the property.

3. (a) The amount of the additional charge shall be halved in the following situations:

   (i) Subject to sub paragraphs (b) and (d), the Council is satisfied that the taxpayer is taking reasonable steps to return the property to a habitable state
   (ii) Subject to sub paragraph (c), the Council is satisfied that the taxpayer is taking reasonable steps to bring the property back into occupation
   (iii) Subject to sub paragraph (d), the Council is satisfied that the taxpayer is taking reasonable steps to make the property suitable for occupation by a person with a disability.

   (b) This paragraph shall not apply in the following circumstances:

   (i) The taxpayer has already received a local discount from the Council from the Council Tax for this property under Section 11A of the Local Government Finance Act 1992 and Class D of the Council Tax (Prescribed Classes of Dwellings) Order 2003.
   (ii) The taxpayer has at the time of the repairs commencing been liable for the Council Tax at the property for a period of 18 months or longer.

   (c) This paragraph applies for a maximum period of 3 months.

   (d) This paragraph applies for a maximum period of 6 months.

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Lincolnshire
COUNTY COUNCIL
Working for a better future

Ref: MG/VBDEC19

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Beaumont Fee
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LN1 1DD

19th December 2019

Dear Jaclyn

Re: Local Council Tax Support Scheme 2020/2021

Thank you for providing us with an opportunity to comment on your planned proposals relating to the City of Lincoln Council's Local Council Tax Support Scheme 2020/21.

Lincolnshire County Council is happy to support your recommendation of no change to your current scheme of council tax support. We are also happy to support your proposed technical changes to Council Tax in relation to:

1) Extension to care leavers Council Tax Exemption to 25 years of age
2) Increase to Council Tax empty homes premium to 200%.

Yours sincerely

MGrady

Michelle Grady
Assistant Director

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Lincolnshire
POLICE & CRIME COMMISSIONER
SAFER TOGETHER

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Date: 19th December 2019
Our Ref: JF/ch/2019-1364

Jaclyn Gibson
Chief Finance Officer
City of Lincoln Council
City Hall
Beaumont Fee
LINCOLN
LN1 1DD

By Email: jaclyn.gibson@lincoln.gov.uk

Dear Jaclyn

Re: Local Council Tax Support Scheme

Thank you for your letter of 21st November 2019 in which you seek the Police and Crime Commissioner's view on your Local Council Tax Support Scheme for 2020/21.

Whilst your letter includes a number of detailed options, the Police and Crime Commissioner's (PCC) comments are focussed on the aggregate impact of the scheme from the prospective of the police precept. The PCC has no desire to make additional service reductions or propose additional increases in his council tax to fund potential shortfalls arising from Local Council Tax Support Schemes. As a result, the PCC supports proposals for Council Tax Support Schemes which eliminate, or at least minimise, the consequent funding reductions. In addition, the PCC supports proposals to increase income through the discretions for Council Tax exemptions.

Thank you for giving us the opportunity to comment.

Yours sincerely

Julie Flint

Julie Flint
Chief Finance Officer

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Equality with Human Rights Analysis Toolkit

SECTION A

Name of policy / project / service	Council Tax Support Scheme 2020/21
Background and aims of policy / project / service at outset	In January 2019, the meeting of Full Council approved City of Lincoln Councils Council Tax Support Scheme (CTS) for 2019/20. There were a number of changes made to the scheme. The Council must review and reapprove its Council Tax Support scheme each year as part of its budget setting process, and make any necessary changes for 1 April 2020 It is recognised that the combined effects of the wider welfare reform package on the residents of the District requires a robust and detailed Equality Impact Assessment. The current document contains data derived from the current Council Tax Support caseload. Following publication of the draft scheme, formal consultation will commence on 30 October 2019 and will end on 11 December 2019, utilising a combination of the council's consultation web-portal, press releases and social media directing the public to the on-line consultation documents. Letters will also be issued to all customers in receipt of Council Tax Support. Emails will be issued to relevant stakeholders, including Citizens Advice and the Financial Inclusion Partnership. The level of changes to the current scheme have been modelled and individuals / groups impacted by the selection of changes is shown below: - • Retain current scheme with a Council Tax increase between 2% to 4% and 1% caseload reduction – 8,542 CTS customers affected; and • Council Tax Empty Homes Premium to be increased from 100% to 200% (charge from 200% to 300%) - 20 council tax payers affected Each of these will be considered in relation to how the changes might differently and / or adversely affect

	people with protected characteristics. The Equality Assessment provided support in approach to the consultation on the proposed scheme. Details of the responses to the consultation will be presented in the Localised Council Tax Support 2020/21 report pack which will be presented to Strategic Review Group on 16 December 2019.
Person(s) responsible for policy or decision, or advising on decision, and also responsible for equality analysis	Claire Moses – Revenues and Benefits Manager (Shared Service)
Key people involved *i.e. decision-makers, staff implementing it*	Decision Makers – City of Lincoln Members, and Executive Staff implementing any changes

SECTION B

This is to be completed and reviewed as policy / project / service development progresses

	Is the likely effect positive or negative? (please tick all that apply)			Please describe the effect and evidence that supports this?*	Is action possible to mitigate adverse impacts?	Details of action planned including dates, or why action is not possible
	Positive	**Negative**	**None**			
Age	Y	Y		Pensioners are a protected group for the purposes of council tax support scheme so will not be financially affected, therefore the reduction in benefit will be borne by the remainder of those in receipt of Council Tax Support (those of working age who are not carers, war widows/ war disablement pensioners and the sick and disabled). There could be a risk people of working age who will bear all the financial impact of the changes, may resent the fact that pensioners are exempt. Due to the current economic climate, it is more difficult for younger people to access employment providing further financial difficulties. Council Tax Support will only be available to those young people who are liable to pay Council Tax and this only applies to householders over 18 years of age. If the young person is living in their parent or other householder's home they will not be liable to pay Council Tax so will not be affected by this Support scheme unless they are a non-	Yes	Action dependant on outcome of consultation. With effect from 1 April 2020

				dependent in the householder's home because the non-dependant deductions are being increased across all age groups and based on the level of income they receive. The personal allowances for under-25's is lower than for those over the age of 25 years. This means that they could get less.		
Disability including carers (see Glossary) 44	Y			The proposal to protected vulnerable groups will include those with a disability. The Department for Work and Pensions state that disabled people remain far less likely to be in employment, therefore the proposals do not impact on this group to the extent that they are regarded as a vulnerable group. The scheme protects disabled persons from the proposed changes except for the general uprating of all allowances and premiums. To qualify as 'disabled' the person must • Qualify for a disability, enhanced disability or severe disability premium for the claimant or partner, or • Qualify for disability or enhanced disability premium for a dependent, or • Qualify for a disability earnings disregard, or • Receive a disability related council tax reduction. • Be in receipt of Employment and Support Allowance (Work Related or Support Group component	NA	With effect from 1 April 2020

Gender re-assignment			Y	There is no evidence at this stage of an impact	NA	With effect from 1 April 2020
Pregnancy and maternity			Y	This does not have any effect on the decisions made under this policy.	NA	With effect from 1 April 2020
Race			Y	Persons from abroad are excluded from provision by statute but race or ethnicity itself does not have any effect on the application of the scheme. Scheme rules do not take into account race or ethnicity. Council Tax Support is proposed to be reduced for all working age customers.	NA	With effect from 1 April 2020
Religion or belief			Y	There is no evidence at this stage of an impact	NA	With effect from 1 April 2020
Sex			Y	There is no evidence at this stage of an impact	NA	With effect from 1 April 2020
Sexual orientation			Y	This does not have any effect on the decisions made under this policy.	NA	With effect from 1 April 2020
Marriage/civil partnership			Y	This does not have any effect on the decisions made under this policy.	NA	With effect from 1 April 2020
Human Rights (see page 8)			Y	This does not have any effect on the decisions made under this policy.	NA	With effect from 1 April 2020

- *Evidence could include information from consultations; voluntary group feedback; satisfaction and usage data (i.e. complaints, surveys, and service data); and reviews of previous strategies*

Did any information gaps exist?	Y/N/NA	If so what were they and what will you do to fill these?

SECTION C
Decision Point - Outcome of Assessment so far:

Based on the information in section B, what is the decision of the responsible officer (please select one option below):

	Tick here
✓ **No equality or human right Impact** (your analysis shows there is no impact) - sign assessment below	[ ]
✓ **No major change required** (your analysis shows no potential for unlawful discrimination, harassment)- sign assessment below	[ ]
✓ **Adverse Impact but continue** (record objective justification for continuing despite the impact)-complete sections below	[x]
✓ **Adjust the policy** (Change the proposal to mitigate potential effect) -progress below only AFTER changes made	[ ]
✓ **Put Policy on hold** (seek advice from the Policy Unit as adverse effects can't be justified or mitigated) -STOP progress	[ ]

Conclusion of Equality Analysis (describe objective justification for continuing)	Council Tax has to be paid by all those liable to pay it but some people will have limited means to do this because of their low income or they have higher living costs due to illnesses, disabilities or family or personal circumstances. Council Tax is required to raise month to fund Council Services but a certain amount of money is directed to those who cannot afford to pay the Council Tax to reduce the financial burden on those households because they need it or because society considers that financial support is beneficial to help certain categories of people in certain situations. The aim of the proposed changes is to save some scheme expenditure in light of further reductions to local government finance.

When and how will you review and measure the impact after implementation?*	The policy and CTS is the responsibility of City of Lincoln Council. It is approved by Executive and then Full Council. It will be administered by the Council's Shared Revenues and Benefits Service. The Council will analyse its current caseload and produce figures showing the main groups of working age claimants getting Council Tax Support now and likely to be affected by changes to the current scheme. Extracts of the data will allow monitoring of the main types of people affected by the policy can take place as required

Checked and approved by responsible officer(s) (Sign and Print Name)	Claire Moses	Date	3/9/2019
Checked and approved by Assistant Director (Sign and Print Name)	Martin Walmsley	Date	3/9/2019

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Item No. 5

EXECUTIVE **20 JANUARY 2020**

SUBJECT:	**DRAFT MEDIUM TERM FINANCIAL STRATEGY 2020 - 2025**
DIRECTORATE:	**CHIEF EXECUTIVE AND TOWN CLERK**
REPORT AUTHOR:	**JACLYN GIBSON, CHIEF FINANCE OFFICER**

1. Purpose of Report

1.1 To recommend to the Executive the draft Medium Term Financial Strategy for the period 2020-2025 and the draft budget and council tax proposal for 2020/21, for consultation and scrutiny.

1.2 To present the draft Capital Strategy 2020-2025 for consideration.

2. Executive Summary

2.1 The financial landscape for local government over the medium-term period poses significant challenge to the Council due to the volatility, complexity and uncertainty about future funding. Significant national reforms about future departmental spending through the Spending Review 2020, the allocation of this funding to local government though the Fair Funding Review, and the implementation of the 75% Business Rates Retention (BRR) scheme, all of which will affect the Council's MTFS, have been delayed until 2021/22. In addition, the impact of Brexit and the consequent impact on the economic landscape poses significant uncertainty for central and local government. Furthermore, the Council continues to face budget pressures due to changes in use and demand for services as well as escalating costs

2.2 In this current exceptionally difficult national funding situation the Council's overriding financial strategy has been, and is, to drive down its net cost base to ensure it maintains a sound and sustainable financial position. The key mechanism for carrying out this strategy is through the Towards Financial Sustainability (TFS) Programme which seeks to bring service costs in line with available funding and, alongside this, using the Council's influence and direct investment to create the right conditions for the City's economy to grow.

2.3 Although there is a significant level of uncertainty about future funding, based on what is currently known, or can be reasonably assumed, there still remains a current projected budget gap of £1.250m which the Council must close to ensure its financial sustainability. Although closing a gap of this size is a huge challenge it is not unprecedented and the Council should have the confidence that it has a track record of delivering strong financial discipline and that it can rise to the challenge once again.

2.4 This successful financial planning to date has enabled the protection of core services for the people of Lincoln, whilst at the same time allowing for significant investment in the City, and its economy, and delivery of the Council's Vision 2020. The Council will continue to adopt this approach, carefully balancing the allocation of resources to it's new, emerging, Vision 2025 and strategic priorities, whilst ensuring it maintains a sustainable financial position.

2.5 Prior to submission of the MTFS 2020-2025 and the budget and council tax proposal for 2020/21 to Full Council, on 3rd March 2020, this initial draft will be subject to public consultation and member scrutiny.

3. Background

3.1 The MTFS sets out the overall framework on which the Council plans and manages its financial resources to ensure that they fit with, and support, the direction of the Council's vision and strategic priorities.

3.2 The MTFS integrates revenue allocations, savings targets and capital investment and provides the budget for the next financial year and provides indicative budgets and future Council Tax and Housing Rent levels for the period covered by the strategy.

3.3 The MTFS seeks to achieve a number of specific objectives;

- Ensure the Council maintains a sound and sustainable financial base, delivering a balanced budget over the life of the MTFS,

- Continue to drive down the Council's net cost base, in line with available resources, by adopting a commercial mind-set, and ensuring the provision of efficient, effective and economic services, which demonstrate value for money.

- Ensure the Council's limited resources are directed towards its vision and strategic priorities, redirecting where necessary to allow for improvement and investment.

- Maximise income levels, including growing the Council Tax and Business Rates tax base, whilst ensuring that Council Tax rate increases are kept an acceptable level;

- Ensure the Council maintains robust, but not excessive, levels of reserves and balances to address any future risks and unforeseen events without jeopardising key services and the delivery of outcomes;

3.4 Over the last decade the Council, alongside the majority of other local authorities, has experienced unprecedented financial challenges in various forms. They have had to to adapt to; the impact of severe, unprecedented, central government funding reductions; radical reform of the methodology for funding local government - where councils are self-sufficient funded from local taxes with limited reliance on Central Government, changes in the use and demand for services; as well as escalating costs. The reform of the methodology of funding local government has in particular transferred a significant amount of financial risk and uncertainty to local authorities, creating a greater degree of uncertainty over the budget planning parameters for the Council than has been experienced previously.

3.5 In response to this challenging financial environment the Council has embraced a forward thinking, ambitious and commercial approach in maintaining a sound financial position. This is an approach that has served the Council well and allowed savings in excess of £8.5m to be delivered over the last decade.

3.6 Looking ahead the financial landscape for local government continues to poses significant challenge to the Council due to the volatility, complexity and uncertainty about future funding. Therefore in order to ensure that the Council maintains a robust and sustainable financial position and is able to respond to the impact of volatile external events and increased financial risks that it faces, the MTFS needs to remain flexible, the council's reserves resilient and the sound track record of delivering savings and generating new income streams needs to be sustained, whilst ensuring that resources are directed towards its vision strategic priorities.

4. The General Fund

4.1 The Council's spending requirement, after capital charges and contributions to/from reserves are taken into account, for 2020/21 amounts to £12.895m which is £0.173m (3%) lower than the current year's budget. The provisional forecast spending requirements for the remaining four years of the MTFS are, £11.845m for 2021/22, £12.547m for 2022/23, £13.280m for 2023/24 and £13.470m for 2024/25.

4.2 The following paragraphs outline the key elements and assumptions on which the General Fund Revenue estimates have been prepared.

4.3 **Provisional Finance Settlement 2020/21**
The provisional Local Government Finance Settlement for 2020/21 is the first and only year of the Spending Round 2019 and sets out the Council's Core Spending Power which consists of; it's Settlement Funding Assessment (SFA) made up pf Revenue Support Grant (RSG) and Business Rates baselines figures; along with other grant allocations; and an assumed level of Council Tax. Overall, the Council's Core Spending Power has increased by 3.6% in comparison to an increase of 15.2% across all English local authorities.

4.4 **Revenue Support Grant**
In terms of the Council's RSG element of the SFA, as a result of the one-year delay in the implementation of the new 75% BRR scheme, the figures announced in the provisional Finance Settlement are at the same level as the 2019/20 allocations uplifted by 1.63% in line with CPI inflation. Although historically RSG has been the Council's core source of funding this has now been replaced by the BRR scheme and as such RSG has dramatically reduced, and for 2020/21 is now only £0.023m. Beyond 2020/21 RSG is no longer assumed in the MTFS.

4.5 **New Homes Bonus**
The provisional Settlement also provided grant allocations for the New Homes Bonus (NHB), for 2020/21 the Council will receive £0.744m a significant allocation in relation to its other funding streams. The provisional Settlement also announced a Spring 2020 consultation on the future of the scheme to ensure that a new scheme is based on a more targeted approach that rewards ambitious local authorities. It is on this basis that the provisional Settlement set out that 2020/21 'in-year' allocations will not have future years legacy payments as per the current scheme, but that prior years allocations would have their legacy payments honoured through to 2022/23. The MTFS is therefore prepared on this basis and assumes no further NHB from 2023/24 onwards.

4.6 **Business Rates Retention**
The calculation of income to be received through BRR is critical in determining the amount of resources that the Council will have available to fund local services. The Council has undertaken an assessment of the amount of business rates that it expects to collect during 2020/21, based on this and after allowing for the allocation of resources to Central Government and to the County Council it is estimated that £5.755m of the £45.368m of business rates generated within the City will be retained by the Council. Beyond 2020/21, assumptions have been made in relation to the reform of the BRR system, these will continue to be assessed as further details of the changes are released by the Government ahead of implementation in April 2021. However, as much of the design and relative starting positons in the new scheme are as yet unknown it is extremely challenging to forecast the likely level of resources.

4.7 As reported elsewhere on this agenda the Business Rates element of the Collection Fund has declared a surplus in relation 2019/20 of £0.802m of which the Council's share is £0.144m, this has primarily arisen as a result of changes in the level of provision for appeals required along with timing differences arising in relation to Section 31 grants funding for rates relief awarded.

4.8 This level of retained business rates is calculated on the basis that the Council participates in the Lincolnshire Business Rate Pool in 2020/21. The pool consists of this Council, Lincolnshire County Council and the six other Lincolnshire District Councils. Membership of this pool allows the Council to retain an element of growth that would have otherwise been payable via a levy to the Government, this equates to retained resources of £0.672m in 2020/21.

4.9 Forecast business rates in the draft MTFS 2020-25 are based on the most recent available estimates of Lincoln's business rates base. However, until the business rates base for 2020/21 is finalised at the end of January 2020 the estimates in the draft MTFS are subject to change.

Council Tax

4.10 The Localism Act 2011 introduced a power for residents to approve or veto excessive council tax increases. This means that any local authority setting an excessive increase, as set by the Secretary of State, would trigger a referendum of all registered electors in their area. The Government confirmed in the Provisional Settlement that there will continue to be differential limits that will trigger the need for a referendum. There will be a referendum limit of up to 2% for all authorities except Shire Districts and Mayoral Combined Authorities. For District Councils, as in previous years, there will be additional flexibility, with an increase of less than 2% or up to and including £5 (whichever is higher).

4.11 In view of this and taking into consideration the Council's need to protect its financial position from further decline and maximise its local income streams, the MTFS for consideration proposes a 1.90% rise in Council Tax for 2020/21, and a further 1.9% p.a. in each of the subsequent years. An increase of 1.9% in 2020/21 equates to an additional 7p per week for a Band A property and 8p per week for a Band B property (80% of properties fall within Band A and B).

Spending Plans

4.12 The current Vision 2020 and the 3-year programme of activity that supported it was the first phase in the Council's journey towards achieving its long term aspirations for the City by 2030. The Council is now in the process of reviewing the key aspects of its vision and is currently consulting with stakeholders on a new Vison 2025. This will be the second leg of this journey and will provide a programme of activity over the next five years. Whilst the existing four strategic priorities remain, views are being sought on expanding these to cover new, emerging, local and national issues. The new Vision 2025 is expected to be launched in March 2020.

The MTFS provides for the allocation of £1m of revenue resources to support the new Vision 2025, this is a one-off allocation. These additional resources have been released as a result of the one-year delay in the national funding reforms as it had previously been assumed that the full negative impact of the changes in funding levels and mechanisms would impact in 2020/21, these are now deferred to 2021/22, generating additional one-off resources.

4.13 The following other key assumptions have been used in formulating the draft General Fund revenue estimates for 2020/21 – 2024/25 as follows:

- Non-Statutory fees and charges overall yield assumed at 3% pa, although individual service income budgets have been re-based.
- An increase in employer pension contribution rates capped at 1% p.a. for the period 2020/21 to 2022/23.
- A provision for pay awards of 2% p.a.
- A provision for inflation of 3% p.a. for contractual commitments (RPI based)
- A provision for 2% p.a. for general inflationary increases (CPI based)
- Average interest rates on investments have been assumed at 0.85% in 2020/21, 0.95% in 2021/22, 0.95% in 2022/23, 1.0% in 2023/24 and 1.08% in 2024/25.
- Staff turnover targets of 1% pa

Towards Financial Sustainability

4.14 The Council has a successful track record in delivering savings and has, over the last decade, delivered £8.5m of annual revenue savings. Despite this success, the Council must continue to reduce its levels of expenditure or identify additional resources if it is to achieve the savings targets assumed in the MTFS and to remain sustainable.

4.15 As part of developing the MTFS 2020-25, due to changes in key assumptions, it has been necessary to increase and re-profile the existing savings target with new targets from 2020/21 onwards, as follows:

2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	2024/15 £m
0.500	0.850	1.250	1.250	1.250

Although these savings targets are required in order to maintain a balanced financial position for the General Fund Revenue budget there could be the potential for these to increase prior to approval of the final MTFS. This is as a result of the development of the funding package for the Crematorium investment, which is currently being finalised. If this funding package includes an element of prudential borrowing then there will be a requirement to increase the savings targets in order to fund the additional revenue costs of interest payable and MRP.

4.16 The key mechanism in ensuring that the Council maintains a sustainable financial position and delivers the required reductions in the net budget is through its TFS programme. The programme itself reflects the council's innovative, forward thinking and commercial approach alongside its ambitions to maintain high performing services and a performance culture. The programme consists of four key strands as follows:

- "One Council" – cross organisational lean reviews exploring common to all organisational issues and how these can best be combined to a deliver a 'one organisational' approach more efficiently and cost effectively.

- Investment Opportunities – consideration of new opportunities to invest in both commercial properties as well as in regeneration and redevelopment schemes that support the local economy; optimisation of usage and commercial returns of the City's property and land portfolio

- Commercialisation/Income Generation – generation of new income streams, and commercial trading opportunities which provide good financial returns and maximisation of existing income streams.

- Service Withdrawal/Reduction - withdraw from some services or reduce the level of service provided for those services not deemed to be of sufficient priority or any longer affordable.

4.17 Alongside this programme the Council believes that the longer term approach to finding efficiencies, to close the funding gap, is fundamentally through economic growth and investment. It continues to seek ways to maximise its tax bases by creating the right conditions for the economy to grow and increase Business Rates income and to encourage housebuilding to meet growing demand, generating additional Council Tax.

Closing a projected budget gap of this size is a challenge for the Council, but this is not unprecedented and the Council has confidence that it has a track record of delivering strong financial discipline and that it can continue to rise to the challenge.

Robustness and Adequacy of the Budget and Reserves – General Fund

4.18 In presenting the budget to the Council, the Executive must take account of the advice of the Council's Chief Finance Officer in relation to the robustness and adequacy of the budget and reserves.

4.19 The level of earmarked reserves is shown in Appendix 6, which shows the estimated closing balances at the end of each of the next five financial years. These reserves will only be used for the specific purposes for which they were set up. Having reviewed these earmarked reserves the Chief Finance Officer has concluded that they are adequate to fund the planned expenditure identified by the Council.

4.20 As a result of the level of financial risk currently faced by the Council and the threat this poses to the Council's financial position the prudent minimum level of general reserves remains at an increased level. Based on an assessment of the estimated exposure, likelihood and possible mitigation of the financial risks that the Council faces it is deemed prudent to hold general reserves around £1.5m-£2m. Over the MTFS general reserves are maintained in line with this prudent minimum and show an estimated balance of £1.659m by the end of 2024/25.

5. The Housing Revenue Account

5.1 The Council's Housing Revenue Account Business Plan 2016-2046 was approved in February 2016 following a fundamental review of resources, investment requirements and priorities. This Business Plan is scheduled for review during 2020, following completion of refreshed stock condition surveys, agreement of a Lincoln housing specification, refresh of the Lincoln Standard to reflect low carbon/climate change, progression of the Social Housing Green/White paper and to ensure the priority schemes emerging from the new Vision 2025 are all fully reflected. Pending update of the Business Plan, the MTFS is based on the 2016-2046 Plan, updated for revised financial assumptions reflecting current market conditions and expectations, subsequent government policy changes, updated development and investment profiles and other emerging service factors.

5.2 **Housing Rents**

The MTFS 2020/21 - 2024/25 sees the end of the government's requirement for a 1% p.a. rent reduction between 2016/17 and 2019/20 (including the long term impact of the reduction in the base). It is therefore assumed that from 2020/21 rents will increase by CPI+1%, this increase is in line with the Government's announcement in October 2017, followed by a consultation paper in September 2018, that from April 2020 social rents will increase by CPI+1% for 5 years. The approach from 2025 remains uncertain but there is an expectation that social rent increases will remain.

5.3 The Council proposes to set the rent levels for 2020/21 in line with the requirement to increase rents by CPI + 1% for general purpose accommodation and also increase sheltered accommodation and affordable rents, by 2.7%. The average 52 week rent will be £69.57 per week for general purpose accommodation, £69.87 per week for sheltered accommodation, and £107.82 for affordable rents.

5.4 **Financing the capital programme**
Under HRA self-financing, the primary sources of funding for capital investment in the Council's housing stock is from the revenue account through asset depreciation charges and direct revenue contributions. This has however been lessened to some extent by the removal of the HRA borrowing cap, but based on the current Housing Investment Programme (HIP), the need for £54.189m of revenue support is still anticipated over the MTFS period.

5.5 The following other key assumptions have been used in formulating the HRA estimates for 2020/21 – 2024/25 as follows:

- Assumptions for price inflation, interest rates, pay awards, vacancy savings and employer pension contributions are as per the General Fund
- Average Garage Rents increase of 3% pa
- Housing voids assumed at 1.0% pa.
- A collection rate of 99% p.a.
- Additional rental income from 53 new build properties.
- Additional rental income from 60 Purchase and Repair Properties

Robustness and Adequacy of the Budget and Reserves – HRA

5.6 In presenting the budget to the Council, the Executive must take account of the advice of the Council's Chief Finance Officer in relation to the robustness and adequacy of the budget and reserves.

5.7 The level of earmarked reserves is shown in Appendix 6, which shows the estimated closing balances at the end of each of the next five financial years. These reserves will only be used for the specific purposes for which they were set up. The Chief Finance Officer has reviewed the level and purpose of the reserves as part of the budget setting process and has concluded that these are adequate to fund the planned expenditure identified by the Council.

5.8 The prudent level of general reserves on the Housing Revenue Account is considered to be £1m - £1.5m. Over the MTFS they are maintained in line with this prudent minimum and show an estimated balance of £1.001m at the end of 2024/25. Although this is at the lower end of the range, the HRA does also have a repairs account reserve with a forecast balance of £0.5m at the end of 2024/25.

6. The General Investment Programme

6.1 The General Investment Programme (GIP) for the period 2020/21 – 2024/25 is included within the MTFS at Appendix 2. The total allocated capital programme over the next five years is £18.531m of which £13.973m is estimated to be spent in 2020/21.

6.2 The GIP includes the delivery of key legacy capital schemes from Vision 2020, schemes emerging through the development of Vision 2025 where they are sufficiently progressed and funding is in place, schemes identified as required investment in order to deliver revenue savings as part of the Towards Financial

Sustainability Programme, schemes resulting from joint working with partners, and ongoing capital schemes, particularly the investment required in the property portfolio. Of the total £18.531m programme there are two key schemes:

- Western Growth Corridor Phase 1a - £9.543m
- Crematorium Investment - £4.7m

6.3 Further schemes in support of the new, emerging Vision 2025 will be included in the GIP at the relevant stage in their development e.g. grant funding secure, design stage completed etc.

7. The Housing Investment Programme

7.1 The Housing Investment Programme (HIP) for the period 2020/21 – 2024/25 is included within the MTFS at Appendix 4. The total allocated capital programme over the next five years is £73.778m of which £22.968m is estimated to be spent in 2020/21.

7.2 The 5-year HIP is based on the HRA 30 year business plan, updated to reflect revised spending and funding profiles of approved schemes as detailed schemes are developed. The key elements of the HIP include maintenance of Decent Homes and implementation of the Lincoln Standard, delivery of the Council House New Build Programme, De Wint Court Redevelopment and other health & safety and environmental works to the Council's dwellings.

7.3 Future spending plans for the HIP are expected to include capital investment in further progression of the Council House New Build Programme, initiatives through the Council's carbon neutral ambition, other new schemes emerging through Vision 2025 and implications arising from the anticipated Social Housing White Paper. As set out above the HRA 30 year business plan is due to be refreshed during 2020, which will shape the direction of the HIP and its priority areas.

7.4 As set out in paragraph 5.3 above, the primary sources of financing for the HIP are from depreciation, with financing of £35.089m over the 5-year period and from revenue contributions, totaling £19.099m over the 5-year period. In addition the HIP is set to utilise £10.454m of prudential borrowing to fund the Council House New Build Progamme this is further supported by capital receipts (including Right-to-Buy receipts).

8. Capital Strategy

8.1 The CIPFA revised 2017 Prudential and Treasury Management Code now requires all local authorities to prepare a Capital Strategy which will provide the following;

- A high level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- An overview of how the associated risk is managed
- The implications for future financial sustainability.

8.2 The Capital Strategy should complement other key documents such as the MTFS, the Asset Management Plan, the Council's Strategic Plan, and Treasury Management Strategy, etc. by defining the approach, structure and governance for the effective management of the Council's capital investment needs and ambitions.

8.3 A draft Capital Strategy is attached at Appendix B.

9. Consultation and Scrutiny

9.1 Budget consultation will be undertaken primarily based on an online survey, the key purpose of which will be to;

1. Highlight the proposed budget and Council Tax for 2020/21, seeking views on the proposed increase.

2. Outline the likely scale of the longer term financial challenges facing the Council beyond the 2020/21 financial year.

9.2 In terms of member budget scrutiny an all member workshop will be undertaken during January 2020 to ensure that as large a number of members as possible have the opportunity to fully understand the financial position of the Council. This will be followed by a Budget Review Group who will focus on the detail of the draft MTFS, proposed budget and Council Tax recommendation.

9.3 Consultation and scrutiny comments and responses will be considered when the Executive makes its final budget recommendations on 24th February 2020.

10. Strategic Priorities

10.1 The MTFS underpins this policy and financial planning framework and set out the overall framework on which the Council plans and manages its financial resources to ensure that they fit with, and support, the direction of the Council's vision and strategic priorities.

11. Organisational Impacts

11.1 Finance - There are no direct financial implications arising from the approval of the Draft MTFS 2020-2025 for consultation and scrutiny. The strategy provides information on the Council's spending, income and key financial challenges.

11.2 Legal Implications including Procurement Rules - Local authorities must decide, prior to the 11th March, each year how much they are going to raise from council tax. They base their decision on a budget that sets out estimates of what they plan to spend on services. Because they decide on the council tax before the year begins and can't increase it during the year, they have to consider risks and uncertainties that might force them to spend more on their services than they planned. Allowance is made for these risks by:

- making prudent allowance in the estimates for services; and

- ensuring that there are adequate reserves to draw on if the service estimates turn out to be insufficient.

11.3 Local government legislation requires an authority's Chief Finance Officer to make a report to the authority when it is considering its budget and council tax. The report must deal with the robustness of the estimates and the adequacy of the reserves allowed for in the budget proposals, so Members will have authoritative advice available to them when they make their decisions.

11.4 Land, property and accommodation - Specific implications for the deployment and management of the Council’s assets are included within the Capital Strategy and Asset Management Plan which support the achievement of the objectives of the MTFS.

11.5 Equality, Diversity and Human Rights –

This report provides a summary of the financial planning activities across the Council. As a consequence of the approval of the MTFS and budget for 2020/21 there may be an impact on certain council services which will be subject to review. Planning work undertaken to develop the Towards Financial Sustainability Programme and strands and investment in the Vision 2025 and strategic priorities, set out above, involves taking an overview of the potential cumulative impact. This is further expanded and built upon as the specific reviews and projects are developed and so detailed equalities implications will be assessed at the individual service level.

12. Risk Implications

12.1 The Council has a very proactive approach to managing risk and there are effective arrangements for financial control already in place. That said, there is always a risk that the Council will become liable for expenditure that it has not budgeted for or face a reduction in resource available, the impact of which must be mitigated by holding reserves. Due to the significant change in core funding mechanisms for local authorities the level of volatility and risk to which the Council is exposed has increased significantly, the MTFS therefore needs to remain flexible and the council’s reserves resilient.

12.2 The financial risks, Appendix 5 of the MTFS, have been identified and an assessment of the estimated exposure, likelihood and possible mitigation has been made in the context of the Council’s overall approach to risk management and internal financial controls. Officers will continually monitor and appraise these risks as part of the on-going budget monitoring and reporting to Members.

13. Recommendation

13.1 That the Executive agree, for consultation and scrutiny, the

- The Draft Medium Term Financial Strategy 2020-2025, and;
- The Draft Capital Strategy 2020-2025

Including the following specific elements:

- A proposed council tax Increase of 1.9% for 2020/21.
- A proposed housing rent increase of 2.7% for 2020/21.
- The Council is member of the Lincolnshire Business Rates Pool in 2020/21
- The Draft General Fund Revenue Forecast 2020/21-2024/25 as shown in Appendix 1 and the main basis on which this budget has been calculated (as set out in paragraph 4).
- The Draft General Investment Programme 2020/21-2024/25 as shown in Appendix 2, and the main basis on which the programme has been calculated (as set out in paragraph 6).
- The Draft Housing Revenue Account Forecast 2020/21-2024/25 as shown in Appendix 3 and the main basis on which this budget has been calculated (as set out in paragraph 5).
- The Draft Housing Investment Programme 2020/21-2024/25 as shown in Appendix 4, and the main basis on which the programme has been calculated (as set out in paragraph 7).

13.2 That Executive agree to delegate to the Chief Finance Officer approval of the final Business Rates Base for the financial year commencing 1st April 2020 and ending 31st March 2021 and submission of the base (via the NNDR1 return) to the DCLG by 31st January 2020. All changes to the base estimated in the Draft MTFS 2020-25 will be reported to the Executive as part of the Final MTFS 2020-25 on 24th February 2020.

Is this a Key Decision?	No – Draft proposals only
Do the Exempt Information Categories Apply?	No
Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?	No

How many appendices does the report contain?	Two
List of Background Papers:	Medium Term Financial Strategy 2019-24 – Executive 25th February 2019 Setting the 2020/21 Budget and Medium Term Financial Strategy 2020-25 – Executive 28th October 2019
Lead Officer:	Jaclyn Gibson Chief Finance Officer Telephone: 01522 873258

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Medium Term Financial Strategy

2020/21 - 2024/25

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Foreword

Welcome to this latest version of the City Council's Medium Term Financial Strategy covering the period 2020-2025.

The City of Lincoln Council is a high-performing and innovative organisation, focussed on providing quality services and delivering outcomes that matter. Our current Vision 2020 and emerging new Vision 2025 is an ambitious strategic plan that is helping us to transform both the Council and the City through our strategic priorities.

This Strategy sets out how the Council will use it's financial resources to underpin it's new, emerging, Vision 2025 and strategic priorities. It is the Council's commitment to use the financial resources it employs over the coming years to make a positive difference to the city and its residents.

Over the last decade the Council, alongside the majority of other local authorities, has experienced unprecedented financial challenges in various forms and have had to adapt to; the impact of severe, unprecedented, central government funding reductions; radical reform of the methodology for funding local government - where councils are self-sufficient; changes in the use and demand for services; as well as escalating costs.

In response to this challenging financial environment the Council has embraced a forward thinking, ambitious and commercial approach in maintaining a sound financial position. We have a strong track record of planning ahead, securing savings in advance, shifting away from traditional cost cutting exercises to more ambitious and forward thinking opportunities, re-investing in more efficient ways of working, adopting a more commercial approach, prioritising resources for economic development measures, whilst making careful use of reserves to meet funding gaps and mitigate risks. This is an approach that has served the Council well and allowed us to deliver savings in excess of £8.5m over a ten-year period, a significant reduction in comparison to the overall net expenditure budget.

This successful financial management to date has enabled the protection of core services for the people of Lincoln while at the same time allowing the redirection of resources to priority areas in the Council's vision.

That is not to say though that the Council will not continue to have to navigate a difficult financial path in the forthcoming years in order to maintain a sustainable financial position. Looking ahead the financial landscape for local government continues to poses significant risks to the Council's priorities and ambitions. This MTFS has been prepared against a backdrop of uncertainty with regard to significant national reforms about; future departmental sending through the Spending Review 2020; the allocation of this funding to local government through the Fair Funding Review; and the implementation of a new Business Rates Retention Scheme.

In this current exceptionally difficult national funding situation the Council's overriding financial strategy has been, and is, to drive down it's net cost base to ensure it maintains a sound and sustainable financial position. The key mechanism for carrying out this strategy is through the Towards Financial Sustainability

Programme which seeks to bring service costs in line with available funding and, alongside this, using the Council's influence and direct investment to create the right conditions for the City's economy to grow.

Although there is a significant level of uncertainty about future funding, based on what is currently known, or can be reasonably assumed, there still remains a current projected budget gap of £1.250m which the Council must close to ensure it's financial sustainability. Although closing a gap of this size is a huge challenge it is not unprecedented and the Council should have the confidence that it has a track record of delivering strong financial discipline and that it can rise to the challenge once again.

This successful financial planning to date has enabled the protection of core services for the people of Lincoln, whilst at the same time allowing for significant investment in the City, and its economy, and delivery of the Council's Vision 2020. The Council will continue to adopt this approach, carefully balancing the allocation of resources to it's new Vision 2025, whilst ensuring it maintains a sustainable financial position.

Jaclyn Gibson, ACCA
Chief Finance Officer

Section 1 – Introduction

The purpose of the MTFS is to set out the overall framework on which the Council plans and manages its financial resources to ensure that they fit with, and support, the direction of the Council's vision and strategic priorities. The Council currently has four clear strategic priorities, with a fifth priority emerging through the development of it's new Vision 2025, and in order to achieve those priorities the Council must have a clear and robust financial strategy which focuses on the long term financial sustainability of the organisation

The MTFS draws on a review of the local economic landscape, and the impacts of the wider national economic and political landscape. It looks ahead over the coming five financial years to identify the resource likely to be required by the Council to finance its priorities and meet the financial consequences of the demand for council services. It also looks ahead to determine the resources likely to be available to the Council over the same period. This plays a critical role in ensuring that as the Council develops its key plans and strategies it has a sound understanding of the organisations longer term financial sustainability which enables decisions to be made that balance the resource implications of the Council's policies against financial constraints.

The MTFS integrates revenue allocations, savings targets, reserves and capital investment and provides indicative budgets and future Council Tax and Housing Rent levels for the period covered by the plan. This approach has been in place for a number of years now and is an essential part of the budget setting process.

Although the Strategy is set against a medium-term time frame, to fit with the Council's corporate planning framework, in principle it will exist for longer as it provides the overall direction and parameters for financial management at the Council.

Inevitably the Council's plans will need to evolve and develop in response to new financial opportunities and risks and new policy directions, this has never been more evident than in the current climate. Therefore, the Strategy will be reviewed on a regular basis and at least annually.

The MTFS is underpinned by a sound finance system, coupled with a solid internal control framework, sufficiently flexible to allow the organisation to respond to changing demands over time and opportunities that arise.

Objectives

The MTFS seeks to achieve a number of specific objectives;

- Ensure the Council maintains a sound and sustainable financial base, delivering a balanced budget over the life of the MTFS;

- Continue to drive down the Council's net cost base in line with available resources, by adopting a commercial mind-set, and ensuring the provision of efficient, effective and economic services which demonstrate value for money;

- Ensure the Council's limited resources are directed towards its vision and strategic priorities, redirecting where necessary to allow for improvement and investment.

- Maximise income levels, including growing the Council Tax and Business Rates tax base, whilst ensuring that Council Tax rate increases are kept an acceptable level;

- Ensure the Council maintains robust, but not excessive, levels of reserves and balances to address any future risks and unforeseen events without jeopardising key services and the delivery of outcomes;

Policy and Financial Planning Framework

The Council's Strategic Plan, Vision 2020 (and emerging Vision 2025), is the thread that links the Council's integrated policy and financial planning framework. It is underpinned by the MTFS, which aims to ensure that all financial resources are directed towards delivery of the vision and flows through to the Council's other key plans and strategies, service planning and individual staff performance appraisals. This ensures that the Council's vision and strategic priorities drive the activity and allocation of resources of the Council.

The Vision 2020 (and emerging Vision 2025) promotes a clear view of the Council's strategic focus and in particular its key priorities. These priorities are a commitment by the Council to use the resources it employs over the coming years to a make a positive difference to the city and its residents.

Section 2 – Context

In order to set the framework for the Council's approach to policy and financial planning it is important to understand the overall national policy context, and economic conditions as well as the policy and delivery priorities for the Council over the MTFS period.

Economic Climate

Brexit continues to dominate the future outlook for the UK economy, although the likelihood of a deal being agreed upon by Parliament by 31st January 2020 is now looking more likely there is still much uncertainty as the detail of a trade deal will still need to be negotiated by the end of the current end of the transition period in December 2020.

The prolonged nature of the Brexit uncertainty together with; deterioration in the global economic conditions; and trade wars between the US and China, have negatively impacted on the UK's GDP growth. The start of 2019 saw growth of 0.5% for the first quarter but then the second quarter showed the economy going into reverse with a contraction of 0.2%. Growth in the third quarter surprised on the upside with 0.4%, avoiding a technical recession, defined as two consecutive quarters of economic decline. However, the peak of Brexit uncertainty during the final quarter appears to have suppressed quarterly growth to around zero, giving annual growth in the economy of around 0.7%, a downgrade from earlier forecasts and the weakest expansion outside a recession for more than half a century.

Beyond 2019, whilst the election result could provide the greater clarity required to boost activity levels, supporting stronger economic growth, the lingering uncertainty over a trade deal with the EU is likely to continue to hold back growth in 2020. Current forecasts predict that the economy is likely to tread water in 2020 with tepid growth of around about 1%, with overall balance of risks of even but, heavily dependent on a successful outcome of negotiations on a trade deal.

The Consumer Price Index (CPI) has been hovering around the Bank of England's target rate of 2% during 2019 but fell again in both October and November to a three year low of 1.5%. It is likely to remain under 2% over the next two years, settling back in line with the Government's target rate of 2% around the beginning of 2022. The Retail Price Index (RPI) stood at 2.2% in November, up from 2.1% in October which was it's lowest level since 2016. It is predicted to increase over 2020 to around 3% remaining around this level until at least early 2022.

At it's latest vote Members of the Bank of England's Monetary Policy Committee (MPC) voted 7-2 to maintain a Bank Rate of 0.75%, but two Members were sufficiently concerned to vote for an immediate Bank Rate cut to 0.5%. The MPC warned that if global growth does not pick up or Brexit uncertainties intensify, then a rate cut was now more likely. Conversely, if risks do recede, then a more rapid recovery of growth will require gradual and limited rate rises.

With the UK's economic outlook continuing to be dominated by Brexit, the risk that this poses for economic performance and subsequent tax revenues continues to pose a threat to the Government's agenda for the next Parliamentary session as set out in the Queen's Speech and will undoubtedly impact on the Government's plans for borrowing, taxes, and public expenditure, including Local Government. This threat along with the impact on other indicators highlighted above make financial forecasting beyond 2020/21 very difficult.

National Priorities

Over the last decade the key driver for government policy has been securing the recovery of the economy through the deficit reduction programme, primarily focussing on public expenditure control. The government had made substantial progress in delivering this and reached a turning point in 2018 with the improving health of the public finances and with the Chancellor's Budget 2018 being introduced on the promise that "the era of austerity is finally coming to an end".

However, since 2018 there has been considerable upheaval on the political front with the resignation of the Prime Minister, appointment of a new Prime Minister and then subsequent General Election in December 2019. All of which has been against a backdrop of uncertainty as to when the UK will leave the EU and with or without a deal. The context in which public spending therefore must be considered continues to be very much dominated by the debate concerning the impact of the UK's exit from the EU and the strength and resilience of the national economy

The 2019 Budget was due to be announced on the 6th November 2019. Following the announcement of the General Election on the 12th December, it was made clear that the Budget would not be held until after the Election. Although no date has yet been specified indications are that the next Budget will be held in February 2020.

Following the postponement of the Budget, the Office for Budget Responsibility (OBR) was minded to publish a restated version of their March 2019 public finance forecast, incorporating subsequent ONS classification and other statistical changes. The OBR later announced that it was no longer possible to do this as it would not be consistent with the Cabinet Office's General Election Guidance, there are therefore no up to date projections for public finances.

Prior to the onset of the current political turbulence the Government had intended on making a number of significant national reforms which will have fundamental impacts on the level of funding for local government and the mechanisms for distribution of such funding, those being;

- The Spending Review 2019
- The Fair Funding Review
- Business Rates System Reset and introduction of 75% Rates Retention in 2020/21

With the need to focus on the delivery of Brexit, these reforms have now been deferred by 12 months to 2021/22, creating an extended period of uncertainty for local authorities. Updates on each of these key reforms are set out in the following paragraphs.

Spending Round 2019

The government previously stated its intention to hold a new Spending Review in 2019, covering the period 2020/21 to 2022/23. However, it was announced that a one-year Spending Round (SR) would be provided, covering the financial year 2020/21; and that this would be followed in 2020 by a full Spending Review, reviewing public spending as a whole and setting multi-year budgets.

The SR was announced on 4th September 2019 and was delivered within the current fiscal rules, as set out in the Charter for Budget Responsibility. These are to keep the cyclically adjusted deficit below 2% of GDP by 2020/21 (the borrowing rule) and have debt falling as a proportion of GDP in 2020/21 (the debt rule). The government highlights that the deficit was 1.1% in 2018/19, compared to nearly 10% of GDP in 2010 and they therefore believe that it is now possible to spend more on public services. In its March 2019 forecast, the Office for Budget Responsibility (OBR) set out that the government had headroom against its borrowing rule in 2020/21.

The government has therefore announced an increase to current and capital spending by £13.4 billion in 2020/21, compared to the OBR's forecast at Spring Statement 2019. With this in mind, the SR set out that Resource Departmental Expenditure Limits (DEL) across government departments will increase from £330.8bn to £352.3bn, representing growth of 4.1%.

In terms of local government resource the SR has provided local authorities with much of the funding certainty and stability needed for 2020/21. The Chancellor announced a funding package of more than £3.5 billion for vital council services. This is the biggest year on year real terms increase in spending power for local government in a decade. This funding will allow councils to meet the increase in cost and demand pressures they face in 2020/21 (these are however primarily in relation to social care pressures). Specifically the SR announced:

- A £2.9bn increase in local government Core Spending power overall, a real terms increase of 4.3% (i.e a cash increase 6.3%). This is the biggest year on year real terms increase in spending power for local government in a decade. This includes;

    - An additional £1bn for adult and children's social care; the government will be consulting on a 2% adult social care precept to enable councils to access a further £0.5bn.

    - Increased Council Tax bases (through 2% increase and growth in tax base) of £1.1bn

    - An additional £54m in 2020/21 to help reduce homelessness and rough sleeping to add to the funding already provided in 2019/20.

- Excluding local tax income, the underlying general funding to local government will rise by £1.1bn or 12.4% in real terms, this compares to a 3.1% real terms increase to NHS England and a 3.3% real terms increase to education.

- Combining the £2.9bn increase in Core Spending Power with announcements in high-needs funding for schools, public health funding and in the increase to the NHS contribution to adult social care through the Better Care Fund, local authorities can benefit from more than £3.5bn of additional resources.

- Confirmation that the Fair Funding Review, Business Rates Review and business rates reset has been deferred by 12 months to 2021/22.

- A proposed Council Tax core referendum limit of 2% but this will be subject to consultation in the Provisional Settlement.

- Baseline funding will be uprated by CPI (which includes RSG).

- Funding to remove negative RSG has been continued for 2020/21

- New Homes Bonus – legacy payments will be honoured but the scheme for 2020/21 is still for discussion with ministers.

- 75% business rates pilots will come to an end and there are no new pilots planned for 2020/21.

The Spending Review

With the SR 2019 concentrating on departmental budgets for 2020/21 a full multi-year Spending Review will be carried out in 2020. This is to encompass a full departmental spending review setting out the departmental allocations across government including setting the quantum of funding for local government and will take into account the nature of Brexit and set out further plans for long-term reform. The time period to be covered by the review is unknown but is expected to be up to 3-4 years.

Although the SR 2019 announced the fastest planned increase in day-to-day spending in 15 years with growth of 4.1%, and no department seeing a cut in its day-to-day budget, any future Spending Review and future growth will be dependent on the precise nature of the UK's departure from the EU and the subsequent impact on the UK economy. It is therefore too early to assume that the additional resources and growth announced in the SR 2019 will continue into the next multi-year settlements.

It should also not be assumed that if there is future growth in departmental spending that the funding for local government will automatically increase as a result. Since the onset of austerity measures local government have borne a disproportionate share of government funding reductions in comparison to other parts of the public sector. By 2020 local authorities will have faced a reduction to core funding from the Government of nearly £16bn over the preceding decade. That means that Council's will have lost 60p out of every £1 the government had provided for services, whilst overall public spending will have marginally increased over the same period.

Analysis by the Local Government Association shows that local services face a funding gap of £7.8 billion by 2025. This represents the difference between the cost of funding services at the same standard as in 2017/18, against funding that is estimated to be available to do so. This gap corresponds to keeping local authority services 'standing still' and only having to meet additional demand and deal with inflation costs. It does not include any extra funding needed to improve services or to reverse any cuts made to date.

This is echoed by results of the Housing, Communities and Local Government Select Committee's inquiry, in 2019, into 'Local Government Finance and the Spending Review 2019', which called for the uncertainty for local government and the lack of funding for services to be addressed as a matter of urgency.

The Fair Funding Review

Whilst the planned Spending Review 2020 will set the overall quantum for local government funding it will be the Fair Funding Review that creates a new formula for the distribution of this across the local authorities by establishing new baselines at the start of the reformed Business Rates Retention scheme. The review itself focuses on three key elements;

- Determining Need – assessing the relative needs of local authorities determined by a combination of specific cost drivers

- Determining Resources (deducted from need) – assessing each authority's ability to raise resources locally

- Transition (to the new baselines – providing protection for those authorities facing severe funding reductions as a result of changes in their baseline needs.

The importance of each of these three elements will be different for individual local authorities depending on their own local position.

The latest consultation paper ' A review of local authorities' relative needs and resources – Technical consultation on the assessment of local authorities' relative needs, relative resources and transitional arrangements' was published in December 2018, with consultation closing in February 2019. Whilst this consultation provided further details on the government's guiding principles to test a wide range of options for designing a new distribution methodology it wasn't possible to fully model exemplifications and assess the implications for each authority. From what information was available it is expected that there will be a significant shift of resources away from district councils towards funding statutory social services at county and unitary level. The consultation responses were not responded to by Government and will no doubt be considered as part of further development during 2020. It is likely too that the Review will also take into consideration any new policy decisions on what the focus of local government funding should be in light of any Government priorities.

Business Rates Retention Reform

Before the 2017 election, the Local Government Finance Bill 2016 was prepared with the aim of introducing primary legislation to enact the move from the 50% business rates retention (BRR) scheme to 100% BRR. Subsequently, as part of the Local Government Finance Settlement 2018/19 government announced that local business rate retention would move forward from 50% to 75% in 2020/21 rather than

100% as previously announced. The government has stated though that it is still committed to a long term aspiration of 100% retention of business rates. The introduction of this new scheme has, alongside the Fair Funding Review and Spending Review, now been delayed a year and will now be implemented in 2021/22.

Alongside the publication of the fairer funding review in December 2018 the government also published the consultation paper “Sharing risk and reward, managing volatility and setting up the reformed system”. This was the first consultation on 75% retention and included proposals to update the balance of risk and reward and to mitigate volatility in income and simplify the system, this allowed local authorities to assess to some degree how the future system would work and the likely financial implications. There is an established technical steering group and a number of sub-groups that provide information and expert advice on the setting up and implementation of the new system, the groups have been continuing to meet during 2019 and further develop the proposals. However, as with the Fair Funding Review the Government have not yet responded to the consultation responses or issued any further consultations.

Social Housing Green Paper

The Government’s Social Housing Green Paper was launched in August 2018 and set out a ‘new deal’ for social housing residents around five core principles, those being

- Ensuring homes are safe and decent
- Effective resolution of complaints
- Empowering residents and strengthening the Regulator
- Tackling stigma and celebrating thriving communities
- Expanding supply and supporting home ownership

With consultation on the Green Paper closing in November 2018 a White Paper was expected in Spring 2019, but as the one year anniversary of the Green Paper passes this is still awaited.

However there has been some progress in a number of the core principle areas the most significant of which being the abolishment of the HRA borrowing cap, awarding local authorities the ability to now build good quality affordable new homes and infrastructure that is needed by their communities.

Subsequently, as part of the Queen’s Speech in December 2019 the Government confirmed that it will bring forward the Social Housing White Paper.

Local Priorities

Lincoln is a cathedral city, and is one of the oldest cities in Britain, with a population of around 99,039 (1% increase on the previous year). Lincoln is one of seven Districts in Lincolnshire and, being an urban area located within a predominantly rural county, faces both unique challenges and opportunities.

Although the population of Lincoln is around 99,039, almost twice as many people visit the city during the daytime as live here, boosting the local economy but also putting immense pressure on local services and infrastructure.

In the last ten years Lincoln has seen a significant increase in the number of people who live here at 9.7%, with a larger proportionate increase than England (8.1%) as a whole. Lincoln has also had a bigger increase proportionately than many cities and towns in England that are considered characteristically similar.

There continues to be an increase in the number of residents aged 20-29, influenced by the expanding universities. There are well over 17,000 students at the University of Lincoln and Bishop Grosseteste University. Lincoln has a higher than average proportion of its population aged in their 20's. This age group accounts for 21.5% of the city's total population, compared to only 13.1% nationally.

Like many places, Lincoln is made up of areas of relative affluence, and relative deprivation. The Indices of Multiple Deprivation 2019 shows Lincoln as 68th of 317 Local Authorities. The three domains that Lincoln has scored higher in the rankings are in crime, housing and living environment. These are all in the lowest (9.3%) weighting. Health remains Lincolns worst domain ranking.

In terms of the economy, the City faces a number of challenges. One of these is Lincoln's child poverty rate which is above the county, regional, and national rate. Fuel poverty rates are above the regional and national average.

Overall, approximately 18% of council tax payers receive Housing Benefit and/or Council Tax support. Only around 0.4% of properties fall within council tax bands G and H, and 80% fall within the lowest bands A or B. This low Council Tax base has a significant limiting impact on the Council's ability to raise revenue via the Council Tax and creates a higher dependency on other sources of income.

Both male and female life expectancies are in line with national averages with male life expectancy decreasing a little to 77.3 years while female life expectancy reduced slightly to 80.9 years. Early deaths due to heart disease and cancer had been reducing but rates have seen an increase and Lincoln still ranks high amongst our nearest neighbours.

There are approximately 44,600 households in the city – the City Council is landlord to approximately 7,800 of these, with more than one thousand more belonging to Registered Social Landlords. Despite the fact that housing is generally more affordable in Lincoln than elsewhere, there is still substantial demand for social housing of different types.

These factors place significant demands on key services and resource allocation and are a key driver in the development of the Council's vision for the future of the city and its strategic priorities.

The Council's current Vision 2020 was launched in early 2017 and set out the Council's vision for the future of the City, strategic priorities and core values. This included a three year programme of activity that sought to not only deal with the most pressing issues in the City, but also detailed how the Council would work with others to further grow Lincoln's economy.

The Council's current vision for 2020 is;

"Together, let's deliver Lincoln's ambitious future"

Underpinning this vision are four strategic priorities, each with a number of supporting aspirations. The aspirations are in turn supported by groups of projects that have been delivered by the Council and it's partners throughout the three year programme. The four current strategic priorities are:

- Let's drive economic growth
- Let's reduce inequality
- Let's deliver quality housing
- Let's enhance our remarkable place

These four strategic priorities are supported by a strand called 'professional, high performing service delivery', which is supported by the following programmes of work:

- Creating a skilled and adaptable workforce
- Ensuring efficient, high quality services
- Providing high performing services
- Delivering the Towards Financial Sustainability programme

Additionally the vision includes a set of core values which sum up the Council's culture, and what can be expected from its services and policies. They should also be present in the way its officers and member deal with others, its residents, and its partners. The core values are:

- Let's be approachable
- Let's be innovative
- Let's be trusted to deliver

The Vision 2020 and the 3-year programme of activity was the first phase in the Council's journey towards achieving it's long term aspirations for the City by 2030. The Council is now in the process of reviewing the key aspects of it's vision and is currently consulting with stakeholders on a new Vison 2025. This will be the second leg of this journey and will provide a programme of activity over the next five years. Whilst the existing four strategic priorities remain views are being sought on expanding these to cover new emerging local and national issues. The new Vision 2025 is expected to be launched in March 2020.

Section 3 – Revenue (General Fund)

Spending Plans

The MTFS is central to identifying the Council's financial capacity to deliver its vision and strategic priorities, this requires a balance to be struck between the need to support the delivery of the vision with the need to maintain a sustainable financial position. This balance continues to be difficult with the level of uncertainty that surrounds the Council's future level of resources.

The MTFS provides for the allocation of £1m of revenue resources to support the Council's new and emerging Vision 2025, this is a one-off allocation. These additional resources have been released as a result of the one-year delay in the national funding reforms as it had previously been assumed that the full negative impact of the changes in funding levels and mechanisms would impact in 2020/21, these are now deferred to 2021/22, generating additional one-off resources.

Details of the projects supporting the vision and strategic priorities will be included within the new Vision 2025.

Spending Pressures

A high level review of the financial pressures facing the Council over the planning period of the MTFS has been undertaken. This information has been drawn from experience in previous years, the advice of Directors and Assistant Directors, the current economic climate and other local and national issues that are likely to influence the financial outcomes.

Inflation – Pay and Prices

Automatic inflationary increases of budgets are not provided for all goods and services, instead individual inflation rates have been applied for specific items of expenditure, all remaining areas of expenditure are maintained at the previous year's levels, which is in effect a real terms reduction in spending power. The following rates of inflation have been assumed over the period of the MTFS:

	2020/21 % per year	**2021/22 % per year**	**2022/23 % per year**	**2023/24 % per year**	**2024/25 % per year**
Pay	2.0%	2.0%	2.0%	2.0%	2.0%
General	2.0%	2.0%	2.0%	2.0%	2.0%
Contractual Commitments	3.0%	3.0%	3.0%	3.0%	3.0%
Non domestic rates	2.0%	2.0%	2.0%	2.0%	2.0%

These rates have been based on the Bank of England's target rate of inflation of 2% and a forecast of RPI, at the time of revising the MTFS assumptions, of 3.0% for 2020/21 onwards. A number of the Council's contractual commitments are linked to the RPI at a defined date in the year, primarily December and March; any movement in RPI by these dates will result in an inflationary pressure for the Council. Every 0.5% increase in RPI will equate to approximately an additional £28k pa, this will have a cumulative impact.

Employer's Pension Fund Contributions

The latest triennial revaluation of the Council's Pension Fund took place at 31 March 2019, and the results identified that there has been a significant improvement in the funding position since the last actuarial review from a 69% funding level to 84%.

Although the overall funding position has improved, the employer contribution rates are still required to increase in order to improve the funding position further. The Lincolnshire Pension Fund's overall Funding Level has improved to 93% due, in the main, to excellent investment results during the period, although this level of investment performance is unlikely to be sustainable over the longer term. The Fund's prudent assumption for future investment remains unchanged from the 2016 valuation, however the economic outlook on the whole is slightly more pessimistic than 3 years ago. For employers such as local authorities the Actuary, because of the guaranteed nature of their funding, is able to recommend a stabilisation overlay mechanism whereby the employer's current contribution rate is capped at an affordable level. Without out this in place the Council would be facing significantly higher contribution rates in order to increase the funding position.

This stabilisation approach has allowed the annual increase in the contribution rate to be capped at 1% p.a. over the period 2020/21 to 2022/23.

A further actuarial review will take place in April 2022, which will inform the employer contributions from 2023/24 onwards.

Net Interest Receipts

Net interest receipts incorporate the cost of financing the capital programme (via internal and external borrowing) and interest paid and earned on revenue balances during the year.

Historically investment income, which is heavily dependent on how the Council uses its reserves and the prevailing interest rates, was an important source of income for supporting the Council's service expenditure. However, as a result of the ongoing economic difficulties in both the domestic market and the Eurozone, the Council has seen a significant reduction in the interest rates offered on new investments. The prevailing risk in the financial markets has reduced the credit ratings of many institutions so there are also fewer counterparties available for investment purposes, and investments are being kept short and liquid to reduce the overall risk of the investment portfolio. The total interest income received significantly fallen over the last decade and the average interest rate achieved is barely above base rate.

Interest rates are forecast to remain at low levels until late 2020 and then the expectation is for a very slow recovery in the money markets. This is reflected in investment income forecasts in the MTFS.

Borrowing costs incurred on any short-term borrowings are minimal and the Council's portfolio of long-term borrowings currently includes 3 loans that are due to be repaid during the coming five financial years. The council has short term loans which mature in 2020 and 2021. All other loans mature after 2022/23 and are fixed rate loans. Six of these loans have lender options to vary their terms at six monthly intervals.

Sensitivity to changes in interest rates is linked more markedly to investments rather than to the portfolio of borrowing as all borrowing is at fixed interest rates. As an indication, a change in interest rates of +/- 0.5% would have an estimated combined impact of approximately £38k.

Average interest rates on investments assumed within the MTFS are as follows:

	2020/21 %	2021/22 %	2022/23 %	2023/24 %	2024/25 %
Interest Rate	0.85	0.95	0.95	1.00	1.08

Based on the current forecasts for interest payable on new borrowing (averaging around 3.5%) and receivable on investments (averaging around 0.85%), and the estimated level of balances available for investment, it is currently anticipated that new borrowing will be taken to fund the borrowing requirement for the General Fund over the 5 year strategy. Internal balances will be used to fund the existing borrowing requirement where it remains financially advantageous to do so, reducing the amount of interest that would have been payable on new debt, partially offset by a reduction in interest receivable (due to reduced balances available for investments).

Repairs and Maintenance

The Council's Asset Management Plan identifies the need for significant investment to ensure that its assets are properly maintained and safe for use. Although additional resources have previously been and these have tackled the most urgent issues arising there still remains a considerable amount of work to be undertaken in the medium to longer term, which places an increased pressure on responsive day to day repairs and maintenance budgets.

A structured approach to corporate property maintenance is being taken with the prioritisation of the urgent, essential and desirable works and consideration of the overall resources available. Alongside this the Council continually reviews it's assets for the potential to dispose/transfer those assets with significant repair liabilities or attract external funding.

Resources

Revenue Support Grant/National Non-Domestic Rates

The Provisional Local Government Finance Settlement for 2020/21 sets out the distribution of centrally allocated resources for local authorities and provides authorities with a combination of grant allocations and their baseline figures within the BRR scheme. The 2020/21 announcement is the first and only year of the Spending Round 2019 and is based upon the funding levels announced in the Spending Round, with individual authority allocations based on Spending Review 2015 and subsequent funding allocations.

Future years' announcements will be dependent on a number of factors, including; Spending Review 20, the outcome of the Fair Funding Review, the BRR Reset, the move to 75% BRR and any reform of the New Homes Bonus scheme.

Core Spending Power

The Core Spending Power calculation includes the main sources of Government funding for local authorities, in addition it also includes local resources in the form of assumed levels of Council Tax income.

The table below shows the national changes to Core Spending Power between 2015/16 and 2020/21 and the breakdown across the various funding sources. Overall, spending power will increase by £2.9bn from £46.2bn to £49.1bn, an overall increase for the period 2015/16 to 2020/21 of 10%. However within this, the Settlement Funding Assessment (SFA) will reduce by £6.5bn (30%) and NHB by £0.3bn (24%), which is largely offset by the governments estimate of council tax increasing by £7.3bn (33%).

England	**2015/16**	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**
	£bn	**£bn**	**£bn**	**£bn**	**£bn**	**£bn**
Settlement Funding Assessment	21.250	18.602	16.633	15.574	14.560	14.797
Under-indexing business rates multipler	0.165	0.165	0.175	0.275	0.400	0.500
Council Tax	22.036	23.247	24.666	26.332	27.768	29.370
Improved Better Care Fund	0	0	1.115	1.499	1.837	2.077
New Homes Bonus	1.200	1.485	1.252	0.947	0.918	0.907
Transition Grant	0	0.150	0.150	0	0	0
Rural Services Delivery Grant	0.016	0.081	0.065	0.081	0.081	0.081
Adult Social Care Support Grant	0	0	0.241	0.150	0	0
Winter Pressures Grant	0	0	0	0.240	0.240	0
Social Care Support Grant	0	0	0	0	0.410	1.410
Core Spending Power	**44.667**	**43.730**	**44.296**	**45.098**	**46.213**	**49.142**
Change %		**-2.1%**	**1.3%**	**1.8%**	**2.5%**	**6.3%**
Cumulative change %		**-2.1%**	**-0.8%**	**1.0%**	**3.5%**	**10%**

Although the national level of Core Spending Power is forecast to increase by 10% the variation between individual authorities and types of authority is significant. Shire Districts, including Lincoln have experienced the worst reductions in core spending power, due to changes in the distribution of RSG and due to the top slicing of NHB to redirect towards social care pressures and the allocation of other specific grants towards upper tier or rural authorities. Lincoln's position is as set out in the table below, this shows a total reduction in core spending power of 15.2% over the five year period to 2020/21.

Lincoln	**2015/16**	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
SFA	6.048	5.188	4.543	4.197	3.775	3.837
Council Tax;	5.637	5.916	6.145	6.393	6.679	6.940
Other grants	2.120	2.335	1.709	1.090	0.843	0.924
Core Spending Power	**13.804**	**13.439**	**12.396**	**11.680**	**11.297**	**11.700**
Change over the period (£m)						**-2.104**
Change over the period (%)						**-15.2%**

Settlement Funding Assessment

The SFA for each authority comprises of NNDR Baseline funding level and Revenue Support Grant. For the Council this is broken down as follows:

	2015/16	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
RSG	2.585	1.698	0.981	0.000*	0.022	0.023
Baseline BR Funding Level	3.463	3.491	3.562	4.197	3.753	3.814
SFA	**6.048**	**5.188**	**4.543**	**4.197**	**3.775**	**3.837**
Change over the period (£m)						**-2.211**
Change over the period (%)						**-36.6%**

* added to Baseline BR Funding level as part of 100% business rates pilot in 2018/19

Revenue Support Grant

In terms of the Council's RSG element of the SFA, as a result of the one-year delay in the implementation of the new 75% BRR scheme, the figures announced in the Provisional Finance Settlement are at the same level as the 2019/20 allocations uplifted by 1.63% in line with CPI inflation. Over the 5-year period from 2015/16, the Council's allocation has reduced by 99.1% from £2.585m in 2015/16 to £0.023m in 2020/21, as shown in the table below.

	2015/16 £m	**2016/17 £m**	**2017/18 £m**	**2018/19 £m**	**2019/20 £m**	**2020/21 £m**
RSG	2.585	1.698	0.981	0.528*	0.022	0.023
Change %		-34.3%	-42.2%	-46.2%	-95.8%	1.63%

Cumulative change %		-34.3%	-62.1%	-79.6%	-99.1%	-99.1%

* added to Baseline BR Funding level as part of 100% business rates pilot in 2018/19 but shown here for comparison purposes.

Beyond 2020/21 it is assumed that there will be no further RSG payable by the Government.

Business Rates Retention

The Council has undertaken an assessment of the amount of business rates that it expects to collect during 2020/21 and based on the principles of the current 50% Business Rates Retention scheme it's estimate of the level of NDR to be retained is set out in the table below. Forecasts over the remaining period of the MTFS, i.e. 2021/22 and thereafter, have also been made taking into consideration the introduction of a new 75% retention scheme. However as much of the design and relative starting positions in the new scheme are as yet unknown it is extremely challenging to forecast the level of likely resources.

For 2020/21 the Council along with the County Council, who are a top up authority, and the other six Lincolnshire District Councils have received designation to act as a BRR pool. The governance arrangements for the pool allow for the allocation of any retained levy to be allocated 40% to the County Council and 60% allocated to the District Council that has generated the business rates growth. The estimated benefit of this to the Council is £672k in 2020/21.

An adjustment has however been made from 2021/22 onwards to remove the gains that are currently received from pooling as this element of the scheme will cease to exist in a 75% retained system.

The level of outstanding appeals continues to create a high level of uncertainty both in respect of the outstanding appeals from the 2010 and 2015 ratings lists already lodged with Valuation Office, but also in relation to appeal to the 2017 list that are submitted under the new Check, Challenge Appeal process. The Collection Fund is required to fully provide for the expected result of all appeals and using external assessments as to the likely level and value of these appears. The current provision of outstanding appeals stands at £5.477m, of which the Council's share is £2.191m. In addition to the backdated element of these appeals there is also an ongoing impact due to the reduction in the business rates base, which ultimately reduces the level of income to be retained in the future by the Council, this impact has been assumed at £1.5m p.a.in the BRR forecasts set out below.

As part of the introduction of a 75% retained system it had previously been announced that there would also be a reset of the system in 2020/21, although this is now delayed until 2021/22. This will see NNDR baselines adjusted to better reflect how much local authorities are actually collecting in business rates. The last consultation paper on the reform of the system was published in December 2018 which confirmed that there will be a full reset of the system, wiping out all gains the Council has achieved since 2013. However the total gains on a national level will be redistributed through the system of baseline need so it is likely that the Council will receive an element of this.

The MTFS has been prepared on the basis of a full reset of the system and with an assumed redistribution of the total national gain. This will continue to be assessed as further information regarding the design of the scheme is made available.

Based on the assumptions as set out above the level of retained business rates assumed in the MTFS is as follows:

Income Forecast	**2020/21 £m**	**2021/22 £m**	**2022/23 £m**	**2023/24 £m**	**2024/15 £m**
Forecast retained Income	5.755	4.696	5.156	5.639	5.570

As set out throughout this MTFS, there are a number of key and dramatic changes to Business Rates due in the forthcoming years. These will have the potential to significantly affect the level of business rates retained by the Council, whilst assumptions have been made in the MTFS regarding the potential impacts the actual impact remains a high risk to the Council's future financial sustainability.

Council Tax

The Localism Act 2011 introduced a power for residents to approve or veto excessive council tax increases. This means that any local authority setting an excessive increase as set by the Secretary of State would trigger a referendum of all registered electors in their area. The Government confirmed in the Provisional Local Government Finance Settlement that there will continue to be differential limits that will trigger the need for a referendum. There will be a referendum limit of up to 2% for all authorities except Shire Districts and Mayoral Combined Authorities. For District Councils, as in previous years, there will be additional flexibility with increases of less than 2% or up to and including £5 (whichever is higher).

In light of the financial position of the Council and in accordance with the referendum thresholds to be applied for 2020/21, the MTFS assumes the following indicative council tax increases and subsequent overall yields:

	2020/21	**2021/22**	**2022/23**	**2023/24**	**2024/25**
% Increase	1.90%	1.90%	1.90%	1.90%	1.90%
Council Tax Base	24,689	25,051	25,417	25,788	26,164
Council Tax Yield	£6.915m	£7.149m	£7.391m	£7.640m	£7.900m
Band D	£280.08	£285.39	£290.79	£296.28	£301.95
Band D £ Increase	£5.22	£5.31	£5.40	£5.49	£5.67

For 2020/21 the Council Tax amount for a Band D property (excluding County Council and Police Authority precepts) is £280.08, a 1.90%/£5.22 increase from 2019/20.

Following implementation of the localised council tax support scheme in April 2013 (which changed support from being a benefit to a council tax discount) the council tax base is now directly affected by the number of council tax support claimants. The more council tax support that is awarded the more the taxbase is reduced, therefore limiting the ability to raise council tax. The MTFS has been prepared on a reduction to the tax base of 4,323 relating to the council tax support scheme in the years 2020/21 – 2024/25. The council tax base in the table above reflects the reduction for the council tax support scheme.

Specific Grants

In addition to the Revenue Support Grant further categories of specific grant are available to authorities and are allocated according to mechanisms separate from RSG. Although these are specific grants they are not ring fenced for a specific purpose, this provides the Council the flexibility to consider how to best use the resources available to it.

The most significant of these specific grants for the Council is the New Homes Bonus which rewards local authorities based on the levels of new homes being built, particularly affordable homes, and empty properties returned into use. This grant is top sliced from the overall national level of funding for local government which creates a direct incentive, alongside the Business Rates Retention system, for local authorities to promote growth and development or else risk a reduction in resources.

The Provisional Local Government Finance Settlement announced a Spring 2020 consultation on the future of the scheme, stating that ‘it is not clear that the New Homes Bonus in its current form is focused on incentivising homes where they are needed most’ and the consultation will ‘include moving to a new, more targeted approach that rewards local authorities where they are ambitious in delivering the homes we need, and which is aligned with other measures around planning performance’. The Settlement also announced that 2020/21 ‘in year’ allocations will not have future years legacy payments but that legacy payments from previous years allocations would be honoured. The MTFS is based on the allocations announced in the provisional Settlement and assumes no further funding beyond this.

Set out in the table below are the assumed levels of New Homes Bonus, along with the other specific grants that the council forecasts to receive.

Grant Name	**2020/21 £’000**	**2021/22 £’000**	**2022/23 £’000**	**2023/24 £’000**	**2024/25 £’000**
New Homes Bonus	744	111	50	0	0
Housing Benefit & Council Tax Benefit Administration	481	481	481	481	481
Housing Benefits New Burdens	81	81	81	81	81
TOTAL	**1,306**	**673**	**612**	**562**	**562**

Fees and Charges

The fees and charges levied by the Council are an important source of income and the MTFS assumes that the Council will raise over £10.9m from fees and charges in 2020/21.

The mean average overall increase in the non-statutory fees and charges is 3.1%, however this includes some fees that have been increased by higher and lower percentages.

The most prominent sources of income continue to be car parking and bereavement services, which together equate to 69% of total fees and charges income.

Bridging the Gap

The Council has a successful track record in delivering savings and has over the last ten years, delivered £8.5m of annual revenue savings. The Council's approach has centred on planning ahead, securing savings in advance, re-investing in more efficient ways of working and adopting a more commercial approach whilst making careful use of reserves to meet funding gaps, it's an approach that has served the Council well. Although inevitably there has had to be some withdrawal of services the Council has tried to keep this to a minimum and has sought to protect its core services that matter most.

Despite this success the Council must continue to reduce its levels of expenditure or identify additional resources if it is to achieve the revised savings targets assumed in the MTFS and to remain financially sustainable. As part of developing this MTFS, due to changes in key assumptions it has been necessary to increase and re-profile the savings targets from 2020/21 onwards. The targets are now as set out below:

2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	2024/15 £m
0.500	0.850	1.250	1.250	1.250

Although these savings targets are required in order to maintain a balanced financial position for the General Fund Revenue budget there could be the potential for these to increase prior to approval of the final MTFS. This is as a result of the development of the funding package for the Crematorium investment, which is currently being finalised. If this funding package includes an element of prudential borrowing then there will be a requirement to increase the savings targets in order to fund the additional revenue costs of interest payable and MRP.

The key mechanism in ensuring that the Council maintains a sustainable financial position and delivers the required reductions in the net budget is through it's Towards Financial Sustainability (TFS) programme. The programme itself reflects the council's innovative, forward thinking and commercial approach alongside its ambitions to maintain high performing services and a performance culture. The programme consists of four key strands as follows:

- "One Council" – cross organisational lean reviews exploring common to all organisational issues and how these can best be combined to a deliver a 'one organisational' approach more efficiently and cost effectively.

- Investment Opportunities – consideration of new opportunities to invest in both commercial properties as well as in regeneration and redevelopment schemes that support the local economy; optimisation of usage and commercial returns of the City's property and land portfolio

- Commercialisation/Income Generation – generation of new income streams, and commercial trading opportunities which provide good financial returns and maximisation of existing income streams.

- Service Withdrawal/Reduction - withdraw from some services or reduce the level of service provided for those services not deemed to be of sufficient priority or any longer affordable.

Alongside this programme the Council believes that the longer term approach to finding efficiencies to close the funding gap is fundamentally through economic growth and investment. It continues to seek ways to maximise it's tax bases by creating the right conditions for the economy to grow and increase Business Rates income and to encourage housebuilding to meet growing demand, generating additional Council Tax. As well as supporting these the Council will also seek through direct intervention, such as through its Council House New Build Programme and the Towns Fund bid development, to enhance the economic prosperity of the City. Although not directly contributing towards the TFS savings targets in the short term these measures allow future assumptions of growth in the Council's resources to be factored into the revenue forecasts and work towards the Council's objective of being financially sustainable.

Closing a projected budget gap of this size is a challenge for the Council, but this is not unprecedented and the Council has confidence that it has a track record of delivering strong financial discipline and that it can continue to rise to the challenge.

Revenue Forecast

Based on the preceding financial objectives, underlying principles, national and local priorities, savings targets, spending pressures and resources assumptions, Appendix 1 provides a summary five-year General Fund revenue budget for the Council.

Risks to the Revenue Budget

The Council has adopted a corporate approach to risk management, and financial risk management is integrated into the Council's overall management and decision-making processes.

A number of key high-level risks have been identified which could have a positive impact that could yield additional resources, but conversely some risks may have a negative impact and result in a reduction of resources. These key risks are action planned and continually reviewed as the MTFS develops. The main areas they cover are:

- Implementation of revised BRR Scheme including full reset
- Future levels of Central Government funding e.g Fair Funding Review, New Homes Bonus etc.
- Implications of Brexit on national and local economy

- Fluctuations in the Business Rates Taxbase
- Delivery of challenging savings targets
- Impact of economic climate on both demand for services and income streams
- Changes to other key external funding sources, specifically fees and charges
- Changes to other key assumptions within the MTFS
- Financial and budget management issues

Appendix 3 details the risk action plans for the internal and external risks. Officers will continually monitor and appraise these risks as part of the on-going budget monitoring and reporting to Members.

Section 4 – General Investment Programme

The Council's approach to determining and funding its investment programmes is set out in its Capital Strategy, which explains the Council's financial framework for capital investment in support of its strategic priorities. The General Fund Investment Programme (GIP) covers all aspects of capital expenditure within the Council, with the exception of the Council's housing stock, and includes external capital investment that assists in achievement of the Council's Strategic Priorities.

Capital Spending Plans

The capital spending plans for the next five years include the delivery of key legacy from Vision 2020, schemes emerging through the development of Vision 2025 where they are sufficiently progressed and funding is in place , schemes identified as requiring investment in order to deliver revenue savings as part of the Towards Financial Sustainability Programme, schemes resulting from joint working with partners, and ongoing capital schemes, particularly the investment required in the property portfolio.

Total planned expenditure over the 5-year programme is estimated to be £18.531m of which there are two key schemes:

- Western Growth Corridor Phase 1a - £9.543m
- Crematorium Investment - £4.7m

Further schemes in support of the new, emerging Vision 2025 will be included in the GIP at the relevant stage in their development e.g. grant funding secure, design stage completed etc.

The revenue implications of all capital schemes, including the corresponding reduction in investment income as a result of the application of capital resources, additional revenue running costs of any new assets and the cost of any prudential borrowing have been taken account of and included within the MTFS.

Spending Pressures

The Council's corporate property portfolio comprises operational properties and investment properties with a combined asset value of £123 million.

The Council's current Asset Management Plan identifies the need for significant investment to ensure that its assets are properly maintained and safe for use. Additional resources have previously been allocated, including works to income earning assets such as multi story car parks, City Hall and Leisure Centres with further resource allocated for investment in the Crematorium. Although these have tackled the most urgent issues arising in those years there still remains a considerable legacy of outstanding investment required in the council's assets.

Allocation of the annual planned capitalised works budget (£200k p.a.) to maintain specific assets will be determined by the structured approach being undertaken and will also be influenced by the outcomes of the continual review programme of all assets as part of the Towards Financial Sustainability Programme. Outcomes of this being the potential disposal/transfer of specific assets which may in turn relieve the Council on the ongoing repair liability. In addition significant investment in income generating assets, will be considered for investment as part of the prioritisation of available capital resources.

Resources

Although historically the GIP has been reliant on the generation of capital receipts to fund the investment required to deliver the programme in the long term the use of capital receipts is not sustainable. In addition due to revenue pressures the use of direct revenue financing of the capital programme is also not a sustainable, and other sources of funding are regularly sought to fund capital expenditure.

In the absence of capital receipts then prudential borrowing will be considered, particularly where a capital scheme is income generating and the returns are sufficient, although the funding of other key projects will also be considered through borrowing.

External grant funding has in recent years enabled the delivery of a considerable number of capital schemes for the Council e.g. Local Authority Accelerated Construction funding for Western Growth Corridor, Heritage Lottery Fund for Boultham Park, and the single Local Growth Fund for the Transport Hub. The Council continually seeks further external grant funding to support the delivery of it's vision and priorities and is currently developing schemes/bids as part of the Heritage Action Zone, Towns Fund Prospectus and further Heritage Lottery Fund. The Council is mindful though that whilst the additional resources that external funding brings are clearly beneficial to local people, there is the danger that schemes funded may not be the Council's highest priorities and the Council must consider carefully how to allocate it's capacity, within its reduced resources, to support such schemes. Furthermore the Council needs to carefully consider whether it is able to meet the outputs and outcomes required from external grant support.

The MTFS and Capital Strategy must continue to both identify the priorities for external funding sources and actively pursue other funding solutions, such as prudential borrowing, and minimise the need for asset disposal and any revenue contributions.

Capital Receipts

As part of the Towards Financial Sustainability Programme and as sound asset management practice the Council continually reviews its land and property assets in order to:-

- reduce revenue costs,
- increase rental income,
- generate capital receipts,
- reduce repairs liabilities
- use assets to support the Council's growth plans.

The GIP assumes a capital receipt from a current land disposal in 2020/21, although this is not allocated for use in financing the programme, this receipt and any further receipts from asset disposals will be prioritised for allocation to schemes in accordance with the Capital Strategy.

Further capital receipts are forecasted in 2021/22 and 2022/23 from land/property disposals as part of the development of Western Growth Corridor Phase 1a. These receipts will be retained within the scheme to contribute towards the upfront capital costs of further phases of the development.

Prudential Borrowing

The basic principle of the Prudential System is that local authorities are free to invest so long as their capital spending plans are affordable, prudent and sustainable. The Council will need to meet the whole of the capital financing costs associated with any level of extra borrowing through its revenue account. For every £1m of prudential borrowing undertaken by the Council for investment in long life assets, the annual revenue consequence arising is c£55k.

The MTFS includes an unsupported prudential borrowing requirement of £11.25m over the period 2020/21-2024/25. This includes £4.59m temporary borrowing relating to Western Growth Corridor Phase 1a and £4.7m borrowing for the crematorium (although the funding package for this scheme has yet to be finalised, and is still being considered for the use of capital receipts).

The use of prudential borrowing will be as a funding mechanism for some key projects (following a full financial assessment) and may be used as a short-term measure to fund capital expenditure prior to a capital receipt being received. The cost effectiveness of prudential borrowing as an alternative to capital receipts is closely monitored.

Further details about the Council's borrowing requirements and the Prudential Indicators can be found in the Council's Treasury Management Strategy.

Capital Grants

The Council receives a number of external capital grants from a variety of sources which are either secured via a bidding process or are automatically allocated through government departments for specific purposes. Generally those capital schemes that are funded by these sources can only be progressed subject to the funding being secured.

Over the 5 year planning period of the MTFS £4.6m is expected to be received from external capital grants, which is largely for Disabled Facilities Grant £1.5m, Western Growth Corridor Phase 1a £2.423m and for investment in Boultham Park £0.6m.

Projected Capital Resources

Resources to fund the General Investment Programme 2020/21-2024/25 are estimated to be approximately £18.531m, as follows:

	£'000
Capital Grants	4,574
Capital Receipts	2,550
Direct Revenue Financing	153
Prudential borrowing	11,254
TOTAL	**18,531**

General Investment Programme Forecast

Based on the spending requirements and resource assumptions, Appendix 2 provides a summary five-year GIP for the Council.

Risks to the General Investment Programme

The Council has adopted a corporate approach to risk management and financial risk management is integrated into the Council's overall management and decision-making processes.

A number of key high-level risks have been identified which could have a positive impact but conversely some risks may have a negative impact and result in a reduction of resources. These key risks are action planned and continually reviewed as the MTFS develops. The main areas they cover are:

- Achievement of capital receipts targets
- Loss of anticipated external resources
- Increased project costs
- Unplanned emergency maintenance to Council's corporate properties

Appendix 5 of the MTFS details the risk action plans for the internal and external risks. Officers will continually monitor and appraise these risks as part of the on-going budget monitoring and reporting to Members.

Section 5 – Housing Revenue Account (HRA)

The Housing Revenue Account shows all expenditure and income relating to the Council's responsibilities as landlord of dwellings and associated property. It is a 'ring-fenced' account within the Council's General Fund.

Housing Revenue Account Business Planning

The current HRA Self-financing system has been in place since 2012 and incentivises social housing landlords to manage their assets well and yield efficiency savings. As part of the new system it was anticipated that there would be greater certainty about future income as councils were no longer subject to annual funding decisions by Central Government, enabling them to develop long-term plans, and to retain income for reinvestment. Council landlords were to have greater flexibility to manage their stock in the way that best suits local need with more opportunity for tenants to have a real say in setting priorities looking to the longer term.

Self-financing, however, also passed significantly increased risks from Central Government to local authorities, meaning that the Council:

- now bears the responsibility for the long term security and viability of council housing in Lincoln.
- has to fund all activity related to council housing, from the income generated from rents, through to long term business planning.
- is more exposed to changes in interest rates, high inflation and the financial impact of falling stock numbers
- still needs to factor in the impact of changes in government policy e.g. Government Rent Policy and the impacts of the welfare reform on income recovery.

This places a greater emphasis on the need for long-term planning for the management, maintenance and investment in the housing service and housing stock.

Spending Plans

The HRA Business Plan

A key element of the self-financing regime is for the Council to construct a 30 year Business Plan for the HRA. The Council's latest Housing Revenue Account Business Plan 2016-2046, was approved in February 2016 following a fundamental review of resources, investment requirements and priorities. The Business Plan reflects the impact of government policy changes, the results of stock condition surveys and financial assumptions at the time. The Business plan sets out:

- the long term plans for the Council's housing stock
- the finances to deliver plans
- how the Council will manage the income from its stock, demand for housing and stock condition
- identifies resources for it's initial Council House New Build Programme.

The current Business Plan is now scheduled for review during 2020, this will be following completion of refreshed stock condition surveys, agreement of a Lincoln housing specification, refresh of the Lincoln Standard to reflect low carbon/climate change, progression of the Social Housing Green/White paper and to ensure the priority schemes emerging from the new Vision 2025 are all fully reflected.

Spending Pressures

A high level review of the financial pressures facing the Council over the period of the MTFS has been undertaken. This information has been drawn from experience in previous years, the advice of Directors and Assistant Directors, the current economic climate and other local and national issues that are likely to influence the financial outcomes. The HRA faces a number of spending pressures, in line with the General Fund, primarily being additional pension costs and interest rate changes, as well as a number of others specific to its service delivery.

Repairs and Maintenance

Repairs and maintenance is an essential part of the asset management of the Council's housing stock. Historically the repairs account has been under pressure to resource the required level of expenditure which, when benchmarked against other local authorities, has shown the cost of the Council's responsive repairs service to be relatively high.

Significant improvements have been made in the efficiency of the Housing Repairs Services (HRS), costs continue to be driven down through the implementation of improved processes, investment in IT and procurement activity, and there is continued capital investment in existing and new housing stock. The combined impact of these is expected to be a reduction in the costs of repairs over the MTFS period.

Funding the Capital Programme

Under the HRA self-financing system the primary source of funding for capital investment in the Council's housing stock will be from the revenue account through asset depreciation charges and direct revenue financing (DRF), via the Major Repairs Reserve. However this has been lessened to some extent by the removal of the HRA borrowing cap.

There is a reliance on the HRA to support the capital programme to the value of £54.189m over the 5-year MTFS period through depreciation and direct revenue financing.

Resources

Rents

The MTFS 2020/21 - 2024/25 sees the end of the government's requirement for a 1% p.a. rent reduction between 2016/17 and 2019/20 (including the long term impact of the reduction in the base). The MTFS has been prepared on the basis of annual rent increases from 2020/21 of CPI+1%. This is in line with the Government's announcement in October 2017, followed by a consultation paper in September 2018, that from April 2020 social rents will increase by CPI+1% for 5 years. The approach from 2025 remains uncertain but there is an expectation that social rent increase will remain.

Rental income levels within the MTFS 2020-25 assume the delivery of a number of new homes, with 5 properties late in 2020/21 and a further 48, of which 38 are affordable and potentially 15 for shared ownership, from 2022/23. These new properties are included at affordable rent levels. Affordable rents are not subject to Government rent policy and are let at 80% of market rent levels in the local area. The MTFS assumes rental increases in line with social rents for its affordable rents. Rental income from the 70 units at the redeveloped De Wint Court are not yet included in the MTFS, pending details of the final business plan for the scheme.

Additionally the MTFS 2020-25 assumes 60 Buy Back properties over the next two years, again included at affordable rent levels

The Council proposes to set the ret levels for 2020/21 in line with the requirement to increase rents by CPI + 1% for general purpose accommodation and also increase sheltered accommodation and affordable rents by 2.7%. The average 52 week rent will be £69.57 per week for general purpose accommodation, £69.87 per week for sheltered accommodation, and £107.82 for affordable rents.

The table below sets out the impact of rent increases on all tenants, inclusive of all rent types;

	Impact on Tenancies	
	No.	**%**
Rent increase up to £1.59	560	7.25
Rent increase between £1.60 and £1.69	2,031	26.5
Rent increase between £1.70 and £1.79	826	11
Rent increase between £1.80 and £1.89	1,092	14
Rent increase between £1.90 and £1.99	1,108	14
Rent decrease is equal or greater than £2.00	2,103	27.25
TOTAL – as of 09 December 2019	**7,720**	**100%**

Net Interest Receipts

The HRA receives investment interest on the balances it holds (HRA balances are made up of General Balances, earmarked reserves and the Major Repairs Reserve). The MTFS 2020-25 includes interest income into the HRA based on the level of HRA balances assumed in the MTFS 2020-25. The HRA is sensitive to changes in interest rates linked to it's investments, as an indication a change in interest rates of +/- 0.5% would have an estimated combined impact of approximately £18k.

Although the HRA is not sensitive to changes in interest rates linked to it's portfolio of borrowing, as all borrowing is at fixed interest rates, it does face a pressure of increased borrowing costs due to new borrowing being taken in support of investment in it's new build programme. Although new build schemes bring additional income to resource the cost of borrowing there is a timing risk of when the specific borrowing is taken, particularly when internal balances are used in the short term, against the assumptions used for the initial assessment of the scheme.

Releasing Resources

The HRA Business plan 2016-46 identifies revenue resources to be released to support priority capital investment in council house new build and the Lincoln Standard. Although there is no specific savings target in the HRA the Council will continue to pursue the strands of it's Towards Financial Sustainability Programme, where there are financial benefits for the HRA, releasing further resources for re-investment.

Housing Revenue Account Forecast

Appendix 2 provides a summary five-year Housing Revenue Account for the Council.

Risks to the Housing Revenue Account Budget

The Council has adopted a corporate approach to risk management and financial risk management which is integrated into the Council's overall management and decision-making processes.

A number of key high-level risks have been identified which could have a positive impact that could yield additional resources, but conversely some risks may have a negative impact and result in a reduction of resources. These key risks are action planned and continually reviewed as the MTFS develops. The main areas they cover are:

- Risk of further government announcements limiting the flexibilities and freedoms offered by the HRA Self -Financing regime
- Delivery of new build programme and associated rental streams
- Changes to key assumptions within the MTFS e.g. interest rates.
- Efficient delivery of housing repairs
- Impacts of the Welfare Reform Act
- Financial and budget management issues.

Appendix 3 details the risk action plans for the internal and external risks. Officers will continually monitor and appraise these risks as part of the on-going budget monitoring and reporting to Members.

Section 6 – The Housing Investment Programme

The Housing Investment Programme (HIP) covers all aspects of capital expenditure relating to the Council's landlord function. The Capital Strategy for the HIP reflects the 30-year Business Plan and details the 5 year capital programme.

Capital Spending Plans

The 5-year HIP has been drawn up to ensure that the Council meets its legal obligations as a landlord. The Council has already invested significant resources over recent years to achieve the Decent Homes Standard and now seeks to maintain an enhanced Lincoln Standard. The 5-year housing programme amounts to £73.778m and comprises the following main areas of work:

- Maintenance of the Decent Homes and the Lincoln Standard, £40.9m
- New Build Programme including use of retained 1-4-1 right to buy receipts, £11m (this is not yet allocated to specific schemes and will be dependent on approval of individual schemes)
- De Wint Court Sheltered Housing Scheme, £11.4m
- Western Growth Corridor costs in relation to the HRA's landholding, £0.6m

As set out in the Section 5 above the 30-year HRA Business Plan is due to be refreshed during 2020, in light of updated development and investment profiles, Vision 2025 priorities, updated assumptions and relevant Government policy changes.

Resources

The resources necessary to fund the Council's HIP are provided by the following:

Major Repairs Reserve

The Major Repairs Reserve (MRR) is the main source of capital funding and the mechanism by which timing differences between resources becoming available and being applied are managed. The MRR may be used to fund capital expenditure and to repay existing debt. Depreciation is a real charge on the HRA and is paid into the MRR from the Housing Revenue Account to fund capital expenditure. The total charge to the revenue account over the 5-year MTFS period through depreciation is £33.2m.

Revenue Contributions

The 5-year MTFS includes contributions of £19.6m of direct revenue finance over the five year period of which £18.7m is planned to be utilised.

Grants and Contributions

The 5-year MTFS includes grants and contributions of £3m (from Homes England and Lincolnshire County Council) received over the five year period - £3.551m is planned to be utilised as some grant is expected to be received in prior to the MTFS period.

Capital Receipts

Housing capital receipts fall within the Governments pooling regime. Under these arrangements capital receipts from Right-to-Buy (RTB) sales are pooled until a pre-set limit for government share of the income generated has been achieved. Once the target for the government share of the RTB receipts has been reached, the Council may retain 100% of the receipts from any additional Right-to-Buy sales. These are subject to a formal retention agreement between the Council and the MHCLG and must be used for replacement of the council housing sold, within an agreed timeframe.

In August 2018, alongside publication of the Social Housing Green Paper, the Government published a consultation on options for reforming the restrictions on the use of RTB sales to make it easier for councils to replace properties. The outcomes of this consultation are yet to be published.

The proceeds of dwelling sales under the Right-to-Buy scheme provide a regular source of capital receipts with the number of sales increasing in recent years. The MTFS assumes 50 sales per year. However, this is a difficult area to predict accurately as it is affected by external factors, such as interest rates, property prices and Government initiatives aimed at further stimulating Right-to-Buy sales. Receipts of £7.3m are assumed over the MTFS period.

Non-RTB sales primarily are excluded from the pooling arrangement and are now retained in full by the Council for use as the Council sees fit.

Prudential Borrowing

The Prudential Code allows the Council to take borrowing if it can demonstrate that such borrowing is affordable, sustainable and prudent in its Prudential Indicators (detailed in the Treasury Management Strategy). The government has removed the cap imposed on the council in respect of borrowing to fund investment in housing, this opens up significant opportunities for the Council to further invest in new house building programmes and the potential redevelopment of areas of existing housing stock, this increased flexibility will be considered as part of the Business Plan refresh.

The Capital Financing Requirement (CFR) is forecast to rise to £73m by the final year of the MTFS with additional borrowing included in the MTFS and no allowance made for the repayment of existing debt. Actual borrowing utilised will be £10.454m to fund the new build programme alongside 1:4:1 receipts and borrowing taken during the MTFS period will be £7.75m.

Projected Capital Resources

Resources to finance the proposed £73.78m Housing Investment Programme 2020/21 – 2024/25, are currently estimated to be as follows:

	£000
Major Repairs Reserve (depreciation)	35,511
Direct Revenue Financing	18,679
Grants and Contributions	3,551
Capital Receipts (inc RTBs)	5,585
Borrowing	10,454
TOTAL	**73,780**

Housing Investment Programme Forecast

Based on the spending requirements and resource assumptions, Appendix 4 provides a summary five-year HIP for the Council.

Risks to the Housing Investment Programme

The Council has adopted a corporate approach to risk management and financial risk management is integrated into the Council's overall management and decision-making processes.

A number of key high-level risks have been identified which could have a positive impact but conversely some risks may have a negative impact and result in a reduction of resources. These key risks are action planned and continually reviewed as the MTFS develops. The main areas they cover are:

- Generation of sufficient revenue surpluses to resource required investment
- Achievement of capital receipts (including Right to Buy sales) targets, impacted on by the economic climate
- Future building costs
- Condition of existing stock
- Interest rate increases impacting on future borrowing costs
- Further Government announcements in respect of Decent Homes/Standards e.g. Social Housing White Paper.

Appendix 5 of the MTFS details the risk action plans for the internal and external risks. Officers will continually monitor and appraise these risks as part of the on-going budget monitoring and reporting to Members.

Section 7 – Reserves and Balances

Some reserves and balances are essential for the prudent management of the Council's financial affairs. These will provide a working balance to cushion the impact of uneven cash flow, a contingency for the impact of unexpected events or emergencies and allow the creation of earmarked reserves to meet known liabilities. The consequences of not keeping a minimum level of reserves can be serious and is therefore one of the considerations taken into account when setting the MTFS.

The minimum prudent levels of reserves and balances that the Council should maintain are a matter of judgement. It is the Council's safety net for unforeseen circumstances and must last the lifetime of the Council unless contributions are made from future years' revenue budgets. It is currently for local authorities themselves, taking into account all the relevant local circumstances, to make a professional judgement on what the appropriate level of reserves and balances should be.

However, in response to some of the financial management issues that have arisen in local authorities in recent years, CIPFA have developed a Financial Resilience Index. This index is a comparative analytical tool designed to support good financial management and shows the Council's position on a range of measures associated with financial risks, including the Council's reserves position. There are currently three measures specifically related to reserves as follows:

	2015/16	2016/17	2017/18	2018/19
Reserves Sustainability	n/a	n/a	23.47	100
Level of Reserves	83.97%	79.31%	65.28%	73.59%
Change in Reserves	n/a	n/a	-11.33%	-2.48%

Whilst full data is not available through the index it does highlight areas of potential financial risk, this is demonstrated in 2017/18 when there was a 11.33% reduction in the level of reserves, reducing in turn the reserves sustainability factor. However, this use of reserves was planned and provided for in the MTFS as the Council used it's earmarked reserves to cushion the revenue impacts during the building of the transport hub, as well as a planned use of unallocated reserves whilst savings were delivered through the TFS Programme.

The Council has a very proactive approach to managing risk and there are effective arrangements for financial control already in place. However, as a result of the significant changes to local government funding, which saw a shift towards self – sufficiency and dependence on local funding sources, levels of volatility and risk have significantly increased. Given the threat that this poses to the Council's financial position, and has already been experienced, and given the future changes to be introduced from 2020 onwards, the prudent minimum level of general reserves is now held at a level greater than previously.

The financial risks, in Appendix 5, have been identified and an assessment of the estimated exposure, likelihood and possible mitigation has been made in the context of the Council's overall approach to risk management and internal financial controls. This information has been used to determine the optimum level of reserve holdings needed to meet the requirements of a working balance and contingency. The conclusion of this risk assessment is that it is deemed prudent that General Fund reserves are maintained at around £1.5m - £2m, and that Housing Revenue Account reserves are maintained at around £1m - £1.5m, over the period of the MTFS.

The general reserves at the end of each year for 2020/21 to 2024/25 are summarised in the table below.

	2020/21 £000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
General Fund	2,673	1,805	1,589	1,524	1,659
Housing Revenue Account	1,000	1,001	1,000	1,000	1,001

The overall levels of General Fund and Housing Revenue Account balances in 2024/25 are in line with the prudently assessed minimum level of balances.

Earmarked reserves are sums specifically held to enable funds to be built up to meet known or predicted liabilities. A review of reserves and balances has been undertaken as part of the budget process and a schedule presenting the estimated closing balances at the end of each of the next five financial years is contained within Appendix 6.

The levels of reserves and balances recommended within this strategy are believed to be sufficient to meet all of the Council's obligations and have been based on a detailed risk assessment.

GENERAL FUND BUDGET SUMMARY 2020/21 - 2024/25

	2020/21 Estimate £	2021/22 Estimate £	2022/23 Estimate £	2023/24 Estimate £	2024/25 Estimate £
Chief Executive & Town Clerk	3,364,800	3,407,230	3,666,830	3,813,690	3,909,230
Communities & Environmental Services	6,827,200	6,510,760	6,258,560	6,107,140	6,127,540
Major Developments	523,320	530,430	534,580	541,880	548,890
Housing & Regeneration	901,800	637,660	646,830	653,380	659,880
Corporate	1,860,950	1,992,160	2,124,250	2,135,140	2,146,420
	13,478,070	**13,078,240**	**13,231,050**	**13,251,230**	**13,391,960**
Capital Accounting Adjustment	3,897,770	1,018,860	1,172,300	1,138,600	1,126,580
Base Requirement	**17,375,840**	**14,097,100**	**14,403,350**	**14,389,830**	**14,518,540**
Specific Grants	(4,070,260)	(411,190)	(350,250)	(300,000)	(300,000)
Contingencies	97,120	116,650	118,350	160,830	157,800
Savings Targets	(500,000)	(850,000)	(1,250,000)	(1,250,000)	(1,250,000)
Transfers to/(from) earmarked reserves	(320,280)	211,140	(213,450)	292,160	155,650
Transfers to/(from) insurance reserve	45,310	(450,000)	54,190	52,730	52,160
Total Budget	**12,627,730**	**12,713,700**	**12,762,190**	**13,345,550**	**13,334,150**
Use of Balances	267,150	(868,340)	(215,260)	(65,560)	135,710
NET REQUIREMENT	**12,894,880**	**11,845,360**	**12,546,930**	**13,279,990**	**13,469,860**
Business Rates	5,755,110	4,695,940	5,155,690	5,639,280	5,569,510
Business Rates Surplus	144,170	0	0	0	0
Revenue Support Grant	22,760	0	0	0	0
Council Tax Surplus	57,810	0	0	0	0
Council Tax	6,915,030	7,149,420	7,391,240	7,640,710	7,900,350
Total Resources	**12,894,880**	**11,845,360**	**12,546,930**	**13,279,990**	**13,469,860**
Balances b/f @ 1st April	**2,405,778**	**2,672,928**	**1,804,588**	**1,589,328**	**1,523,768**
Increase/(Decrease) in Balances	267,150	(868,340)	(215,260)	(65,560)	135,710
Balances c/f @ 31st March	**2,672,928**	**1,804,588**	**1,589,328**	**1,523,768**	**1,659,478**

HOUSING REVENUE ACCOUNT SUMMARY 2020/21 - 2024/25

	2020/21 Estimate £	2021/22 Estimate £	2022/23 Estimate £	2023/24 Estimate £	2024/25 Estimate £
Income					
Gross Rental Income					
- Dwellings rents	(28,023,010)	(28,871,410)	(29,722,280)	(30,415,640)	(31,123,850)
- Non-Dwelling rents	(643,010)	(655,360)	(667,500)	(680,360)	(693,610)
Charges for Services & Facilities	(305,610)	(313,600)	(324,150)	(333,840)	(343,810)
Contributions towards Expenditure	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Total Income	**(29,021,630)**	**(29,890,370)**	**(30,763,930)**	**(31,479,840)**	**(32,211,270)**
Expenditure					
Repairs Account Expenditure	8,959,370	9,090,660	9,280,730	9,476,850	9,657,860
Supervision & Management:	7,186,830	7,335,160	7,516,800	7,646,150	7,767,010
Contingencies	21,260	21,590	22,110	22,550	23,000
Rents, Rates and Other Premises	94,770	94,980	95,180	95,390	95,590
Insurance Claims Contingency	105,680	108,860	312,120	115,490	118,950
Depreciation of Fixed Assets	6,637,390	6,637,390	6,637,390	6,637,390	6,637,390
Debt Management Expenses	11,920	11,920	11,920	11,920	11,920
Increase in Bad Debt Provisions	297,120	304,880	311,880	318,880	318,880
Total Expenditure	**23,314,340**	**23,604,440**	**24,188,130**	**24,324,620**	**24,630,600**
Net cost of service	**(5,707,290)**	**(6,285,930)**	**(6,575,800)**	**(7,155,220)**	**(7,580,670)**
Loan Charges Interest	2,530,480	2,669,050	2,750,340	2,793,900	2,855,800
- Investment Interest	(42,550)	(39,220)	(43,200)	(54,640)	(65,680)
- Mortgages Interest	0	0	0	0	0
Surplus on HRA for the year	**(3,219,360)**	**(3,656,100)**	**(3,868,660)**	**(4,415,960)**	**(4,790,550)**
DRF used for Financing	3,183,620	3,514,370	3,931,420	4,281,530	4,658,620
Contribs to/(from) Reserves:					
- Insurance Reserve	144,320	141,140	(62,120)	134,510	131,050
- Capital Fees Equalisation	(30,040)	0	0	0	0
- Strategic Priority Reserve	(3,540)	0	0	0	0
(Surplus)/deficit in year	**75,000**	**(590)**	**640**	**80**	**(880)**
Balance b/f at 1 April	(1,075,141)	(1,000,141)	(1,000,731)	(1,000,091)	(1,000,011)
Balance c/f at 31 March	**(1,000,141)**	**(1,000,731)**	**(1,000,091)**	**(1,000,011)**	**(1,000,891)**

GENERAL INVESTMENT PROGRAMME - 2020/21 to 2024/25

	2020/21 Estimate £	2021/22 Estimate £	2022/23 Estimate £	2023/24 Estimate £	2024/25 Estimate £
Expenditure Programme					
Chief Executives	470,365	208,033	208,033	208,033	200,000
Directorate of Communities and Environmental Services	5,888,643	300,000	300,000	300,000	300,000
Directorate of Major Developments	7,009,060	2,339,385	194,625	0	0
Directorate of Housing	370,152	0	0	0	0
Schemes Under Review	234,954	0	0	0	0
Total Programme Expenditure	**13,973,174**	**2,847,418**	**702,658**	**508,033**	**500,000**
Capital Funding					
Contributions from Revenue					
Opening balance	157,373	28,182	20,149	12,116	4,083
Received in year	0	0	0	0	0
Used in financing	(129,191)	(8,033)	(8,033)	(8,033)	0
Closing balance	**28,182**	**20,149**	**12,116**	**4,083**	**4,083**
Capital receipts					
Opening balance	423,837	1,908,052	1,758,052	4,982,031	4,982,031
Received in year	1,650,000	5,560,800	5,560,800	0	0
Used in financing	(15,785)	(2,339,385)	(194,625)	0	0
Used to repay temporary borrowing		(3,221,415)	(2,142,196)		
Used to reduce the CFR	(150,000)	(150,000)	0	0	0
Closing balance	**1,908,052**	**1,758,052**	**4,982,031**	**4,982,031**	**4,982,031**
Grants & contributions					
Opening balance	14,333	14,333	14,333	14,333	14,333
Received in year	3,374,068	300,000	300,000	300,000	300000
Used in financing	(3,374,068)	(300,000)	(300,000)	(300,000)	(300,000)
Closing balance	**14,333**	**14,333**	**14,333**	**14,333**	**14,333**
Unsupported borrowing					
Opening balance	0	0	0	0	0
Received in year	10,454,130	200,000	200,000	200,000	200,000
Used in financing	(10,454,130)	(200,000)	(200,000)	(200,000)	(200,000)
Closing balance	0	0	0	0	0
Total Capital Funding	**(13,973,174)**	**(2,847,418)**	**(702,658)**	**(508,033)**	**(500,000)**
Available Resources c/f	**1,950,567**	**1,792,534**	**1,784,501**	**1,776,468**	**1,776,468**

HOUSING INVESTMENT PROGRAMME - 2020/21 - 2024/25

	2020/21 Estimate £	2021/22 Estimate £	2022/23 Estimate £	2023/24 Estimate £	2024/25 Estimate £
Capital Programme					
Decent Homes	6,963,737	7,444,598	7,633,211	7,986,754	8,352,547
Health & Safety	426,663	402,700	357,910	371,330	388,337
New build programme	13,101,853	6,342,760	3,399,130	46,032	46,953
Lincoln Standard	500,000	500,000	500,000	500,000	522,900
Other schemes	1,975,880	1,695,746	1,645,630	1,318,314	1,355,793
Total Programme Expenditure	**22,968,133**	**16,385,804**	**13,535,881**	**10,222,430**	**10,666,530**
Capital funding					
Major Repairs Reserve					
Opening balance	5,772,078	1,699,073	2,212,817	2,927,204	3,672,054
Depreciation received in year	6,639,718	6,639,718	6,639,718	6,639,718	6,639,718
Depreciation used in financing	(9,379,842)	(6,523,216)	(5,935,146)	(6,000,000)	(7,251,213)
DRF received in year	3,183,620	3,514,370	3,931,420	4,281,530	4,658,620
DRF used in financing	(4,516,501)	(3,117,128)	(3,921,606)	(4,176,398)	(3,368,364)
Closing balance	1,699,073	2,212,817	2,927,203	3,672,054	4,350,815
Capital receipts					
Opening balance	479,614	451,856	42,002	682,902	1,456,900
Received in year	820,030	820,030	820,030	820,030	820,030
Used in financing	(847,788)	(1,229,884)	(179,130)	(46,032)	(46,953)
Closing balance	451,856	42,002	682,902	1,456,900	2,229,977
1-4-1 receipts					
Opening balance	3,234,995	1,754,743	1,000,000	0	0
Used in financing	(1,480,252)	(754,743)	(1,000,000)	0	0
Closing balance	1,754,743	1,000,000	0	0	0
Grants & contributions					
Opening balance	540,750	0	0	0	0
Grants & contributions received in year	0	3,010,000	0	0	0
Used in financing	(540,750)	(3,010,000)	0	0	0
Closing balance	0	0	0	0	0
Borrowing					
Opening balance	2,703,833	833	0	0	0
Borrowing taken in year	3,500,000	1,750,000	2,500,000	0	0
Used in financing	(6,203,000)	(1,750,833)	(2,500,000)	0	0
Closing balance	833	0	0	0	0
Total Capital funding	**(22,968,133)**	**(16,385,804)**	**(13,535,881)**	**(10,222,430)**	**(10,666,530)**
Available Resources c/f	**3,906,505**	**3,254,819**	**3,610,106**	**5,128,954**	**6,580,792**

Appendix 5

BUDGET RISK ASSESSMENT

No.	Budget Item	Risk	2020/21 Risk score	2021/22 - 2024/25 Risk Score	Containment
1	Business Rates Base	Reduction and/or fluctuations in income against budget variation in: – Growth compared to forecasts – Changes in the NNDR base – Changes in rateable values (e.g. appeals, economic downturn, changes in use) – Collection rates Ongoing impact on the NNDR base of successful appeals - Estimates of appeals provision higher/lower than actually required – Changes nationally to the valuation assessments of certain property/infrastructure – Introduction of 75% retained Business Rates from 2021/22 and reform of the system – Reset of the Business Rates Retention system from 2021/22	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 12** Likelihood: 4 Impact: 3	• In year monitoring of the NNDR base, Collection Fund, collection rates, growth assumptions and rateable value appeals. • Produce monthly collection rate statements – monitored via the Revenues and Benefits Operational Board, and Revenues and Benefits Management Team. Also report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee if targets are not being met, increased recovery action or further initiatives to increase collection • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • A Business Rate Volatility Reserve is maintained to provide a degree of protection from fluctuations in Business Rate Income • Quarterly monitoring of the Lincs NNDR Pool by Lincs Finance Officers • Independent specialist assessment made of the required level of NNDR appeals provision • Specialist advice sought to assist in budgeting assumptions and assessment of implications of changes to the funding system • Discussions taking place nationally around a national pool for appeals provisions to remove the volatility experienced by individual councils. The Council will closely watch developments.

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Appendix 5

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
2	Fairer Funding Review	Assessment of relative need and relative resources results in a baseline need below current level. Transitional arrangements are not sufficient to mitigate impacts. Impact of Brexit deal on Spending Review 2020.	**Total Score: 2** Likelihood: 1 Impact: 1	**Total Score: 12** Likelihood: 4 Impact: 3	• Assessment of Government consultations with responses where appropriate • Lobby through national groups, respond to national consultations • Work with Association of Lincolnshire Finance Officers and the Society of District Treasures • Work with external funding specialists to identify and assess the impact of proposed funding changes (e.g. New Homes Bonus)
3	Capital Expenditure	Slippage in the project, Increased project costs including labour and material costs post Brexit. Inflationary impacts. Failure of contractor i.e. contractor goes into liquidation. Demand for improvement grants. Sunk costs of aborted schemes Achieving levels of projected costs in the HRA Business plan	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Regular budget monitoring and reporting to Capital Programme Board and Housing Delivery Group • Ensure correct project management procedures followed (Lincoln Model) • Quarterly budget monitoring and reporting to Performance Scrutiny and the Executive • Financial procedure rules are followed, including financially vetting of all contractors • Use of collaborative contracts/framework agreements where possible e.g. EMPA • Support from Procurement engaged at an early stage • Carry out post implementation reviews • Ensure risk assessments completed for all significant schemes before commencing • Value engineering used to contain project costs • Cost estimates obtained ahead of procurement exercises.

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
4	Income from Fees & Charges/ Rents: • Car Parking • Crematorium / Cemeteries • Development Control • Building Control • Land Charges • Control Centre • Lincoln Properties • Industrial Estates • Xmas Market	Reduction in the usage of the service/activity levels in the current economic climate (e.g. if downturn in development). Over optimistic income targets Increasing reliance on income within the MTFS New competitors entering the market (e.g. Crematorium). Fees and Charges levels reduces demand, Changes in treatment of VAT status of individual fees and charges. Impact of wider policy changes on demand for services e.g. Lincoln Transport Strategy impact on car usage	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 12** Likelihood: 4 Impact: 3	• Car Parking Income Generation Strategy in progress. • Produce regular monitoring statements for major income sources which are reported monthly to Corporate Management Team. • Identify reasons for any income reductions and take corrective action where possible • Application of Corporate Fees and Charges Policy to ensure correct charging policies are applied and the impacts are assessed • Report quarterly to the Executive and Performance Scrutiny Committee on forecast for key income streams • Specific projects/business plans in progress to sustain income streams. • Assess impact of new competitors in the marked (e.g. new crematoria). • Delegated powers to portfolio holder to make responsive changes to fees and charges • Rebase income budgets to reflect current trends • Active void management • Investment criteria for new commercial investments. • Watching brief on CIPFA Committee/HMRC discussions

Appendix 5

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
5	Capital Financing - Long Term Borrowing	Balances unavailable for internal borrowing External borrowing costs above interest rates in MTFS	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Continue to monitor the cost effectiveness of utilising internal balances instead of taking external borrowing • Actively monitor the achievement of the capital receipts target and potential additional borrowing requirement • Actively monitor the cost effectiveness of asset disposals compared to Prudential Borrowing • Ongoing monitoring of cashflows from major sources of income • Regular review of current and future predicted borrowing rates to inform timing of borrowing decisions • Actively monitoring the cash flow on a daily basis.
6	Universal Credit and Welfare Reforms	Impact of Universal Credit and welfare reforms on rent and council tax collection rates	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Fully assess Government policies for financial impacts • An allowance for the impact of welfare reform built into collection rates and bad debt provision in the MTFS • Cross directorate working between Revenues& Benefits and Housing.

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
7	Repairs & Maintenance on Corporate Properties	Unplanned emergency maintenance is required on the Council's Corporate Properties Increase in demands to meet statutory requirements and to minimise risks of adverse claims. Impact of works on income and service delivery.	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Updated stock condition surveys for all corporate properties to undertaken – • Comprehensive asset management planning in place (including identifying assets with large repairs and maintenance liabilities for disposal) • Produce regular budget monitoring reports – report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Properties with large maintenance liabilities are reviewed for potential disposal • New capital schemes allow for whole life costing. • Responsible Officer system in place.
8	Revenue Savings Targets	The required savings targets are not achieved nor required efficiencies delivered	**Total Score: 6** Likelihood: 2 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• The Council's strategy focuses on a four strand approach to realise the required savings in the revenue budgets with the primary focus on 'one council', investment opportunities, commercialisation and service withdrawal. • Report monthly to Programme Team and Programme Board (CMT) and quarterly to Executive and Performance Scrutiny Committee • New programme to be developed to deliver increased targets

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
9	General Budget Assumptions	CPI and RPI inflation exceed rates assumed in the budget Actual establishment exceeds 99% Implications from Brexit deal or no deal on economy and general budget assumptions.	**Total Score: 6** Likelihood: 3 Impact: 2	**Total Score: 6** Likelihood: 3 Impact: 2	• Set prudent but realistic projections based on analysis of economic commentators and Bank of England predictions • Monthly monitoring of RPI and CPI index changes • Make use of expert forecasts of future RPI and CPI trends • Produce regular budget monitoring reports – report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Set a prudent but realistic estimate in line with Government announcements • Monitor significant changes in economic indicators • Monitor the pension fund position through discussions with Lincolnshire County Council and Lincolnshire Finance Officers • Report any changes to Members as soon as officers become aware • Pension Fund Stabilisation Approach adopted

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
10	HRA Repairs and Maintenance Costs	Assumed reductions in repairs and maintenance costs as a result of continued investment in the Council Housing Stock do not materialise The Housing Repairs Service (HRS) does not continue to modernise and achieve efficiencies	**Total Score: 6** Likelihood: 3 Impact: 2	**Total Score: 6** Likelihood: 3 Impact: 2	• Council housing capital investment is carried out • Produce regular budget monitoring reports and HRA revenue and capital budgets reported and monitored together • Report quarterly to Departmental Management Team, Corporate Management Team, Executive and Performance Scrutiny Committee • Results of recent stock condition surveys informing future maintenance requirements
11	Demand for services	Impact of Government policy changes to the tax and welfare systems and the implications of unprecedented reductions in public sector expenditure increases the demand for key Council Services (e.g. benefits, housing, homelessness) The increase in property numbers and development of the City Centre results in additional cost pressures within the Services that have not been built into the budget Increasing demands for housing tenant support as other providers withdraw services	**Total Score: 6** Likelihood: 3 Impact: 2	**Total Score: 9** Likelihood: 3 Impact: 3	• Identification and drawdown of additional funding made available from Government and others to support additional demand • Lean systems approach taken to identify efficiencies in service delivery (e.g. benefits service) • Collaboration and joint working arrangement opportunities identified with local partners to help meet additional service demands • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
12	Housing Rents and Property Voids	More Council House disposals than anticipated and/or slower than anticipated progress on the council house new build programme Void properties exceeding the allowance included in the budget (1% p.a.) CPI inflation less than budgeted rate (from 2020/21)– reducing rental income Impact of welfare reforms on rent collection – covered in risk no. 6.	**Total Score: 6** Likelihood: 2 Impact: 3	**Total Score: 6** Likelihood: 2 Impact: 3	• Produce regular budget monitoring reports • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Directorate ongoing monitoring is a performance indicator • Monthly monitoring of RPI and CPI index changes • Make use of expert forecasts of future RPI and CPI trends and the impact on housing rents • 30 year Business Plan to undergo a refresh. • Monthly Housing Delivery Group meeting of cross directorate officers monitoring progress of New Build programme and capital & revenue funding

Appendix 5

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
13	Capital Funding	Shortfall in the actual amount of Capital Receipts (i.e. Council House Sales, other HRA assets, GF assets) against the targets set within the HIP & GIP Revenue contributions are not sustainable in the revenue accounts of the HRA or General Fund Increase in borrowing costs (covered in separate risk – see no.5 & no. 14) Reductions in grant funding (covered in separate risk – see no. 15)	**Total Score: 6** Likelihood: 2 Impact: 3	**Total Score: 6** Likelihood: 2 Impact: 3	• Undertake regular monitoring of the capital receipts position • Regular reports submitted to the Asset Management Group • Capital Receipts targets incorporated in the Asset Management Plan & Capital Strategy • Property Section fully informed of current targets within the GIP & HIP • Asset Review Group monitoring of capital receipts target and evaluation of potential asset sales • Review of the most cost effective funding options (e.g. capital receipts compared to prudential borrowing) • Monitor and report on the revenue and capital budgets together to ensure both capital and revenue impacts are identified • HRA Business plan includes allowance for full funding of capital requirements over 30 years, including revenue contributions. Full refresh of the plan undertaken at least annually.

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
14	Cashflow Management (Investments and short term borrowing)	Available cash flow surpluses less than anticipated and/or interest rates lower than forecast Reduction in cash flow results in deficits and/or rising interest rates Impact of major sources of income not being received when expected.	**Total Score: 3** **Likelihood: 3** **Impact: 1**	**Total Score: 6** Likelihood: 3 Impact: 2	• Monitor the average interest rate being achieved against the budget target and the level of balances available for investment • Actively monitoring the cash flow on a daily basis • Ongoing monitoring of cashflows from Business rates • Quarterly monitoring of Collection Fund forecast balances • Take account of economic analysts and Bank of England predictions and advice from Treasury Management Consultants • Hold regular Treasury Management meetings • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
15	Government Grants (including RSG and New Homes Bonus)	Cash reductions in Government Grant which are in excess of the levels assumed in the MTFS The Council is unable to sustain sufficient levels of growth and future levels of funding are reduced Amount and timing of receipt of some grants not as assumed in the MTFS	**Total Score: 2** Likelihood: 1 Impact: 1	**Total Score: 3** Likelihood: 3 Impact: 1	• Regular review and reporting of new home figures • The Council will seek to realise the benefits of the financial incentives available • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Regular review of grant figures and distribution mechanisms. • Lobby through national groups, respond to national consultations • Work with Association of Lincolnshire Finance Officers and the Society of District Treasures • Work with external funding specialists to identify and assess the impact of proposed funding changes (e.g. New Homes Bonus) • Budget assumptions assume no further newfunding beyond 2020/21
16	External Funding of Capital Programme	Loss of anticipated external resource to support the capital programme Including ○ Changes to the allocation of grant funding for Disabled Facilities Grants (DFG) from the City Council to County Council, while the City Council retains statutory duty to provide services.	**Total Score: 4** Likelihood: 2 Impact: 2	**Total Score: 4** Likelihood: 2 Impact: 2	• Ensure grant conditions are complied with throughout scheme • Seek alternative funding sources • Produce regular grant monitoring statements • Regular budget monitoring and reporting to Capital Programme Board • Ongoing discussions with the County Council to ensure the provision of DFG's meet the Council's funding requirements. • New schemes not approved until external funding secured.

Appendix 5

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
17	Council Tax Base & Council Tax Support Scheme	In year variations to budget not containable within Collection Fund balances Costs to Council increased due to: – Actual CT base different to estimate – Collection rates/bad debt provisions – Increase in LCTS caseload – Referendum rate of CT increases below budgeted rate	**Total Score: 4** Likelihood: 2 Impact: 2	**Total Score: 4** Likelihood: 2 Impact: 2	• Monthly monitoring of the Collection Fund - collection rates, CT discount caseload, council tax base. • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Produce quarterly collection rate statements – monitored via the Revenues and Benefits Operational Board, and Revenues and Benefits Management Team. Also report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee if targets are not being met, increased recovery action or further initiatives to increase collection • The proposed 2020/21 Council Tax is below revised referendum limit of 3%. Future increases are below 2% in years 2021/22 to 2024/25. • Annual increases in Council Tax considered alongside national expected increases
18	Sundry Debtors and Housing Benefit Overpayments	The Council's existing Bad Debt provision proves insufficient to meet any increase in the value of debts written off Impact of Welfare Reform Act (see risk no. 6)	**Total Score: 4** Likelihood: 2 Impact: 2	**Total Score: 4** Likelihood: 2 Impact: 2	• Follow established debt recovery and write off procedures • Monitor age debt profile of debts against bad debt provision • DWP Consultancy support engaged for Housing Overpayments – positive impacts on reducing outstanding debt and increasing in-period collection

Appendix 5

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
19	Housing Benefits/Subsidy	Increase in payments that do not attract 100% subsidy i.e. overpayments and local authority errors Failure to comply with complex legislative requirements Lack of audit trail to substantiate grant claim Backlog of work Pressures from customer demands and complex enquiries due to welfare changes	**Total Score: 4** Likelihood: 2 Impact: 2	**Total Score: 4** Likelihood: 2 Impact: 2	• Regular monitoring of claims being processed • Undertake staff training and sample accuracy checks • Ensure system back ups are carried out and historic information is recoverable • Implementation of new systems, processes and structures following Lean Systems Intervention
20	Loss of income from partners	Key partners end existing agreements with the Council	**Total Score: 4** Likelihood: 2 Impact: 2	**Total Score: 4** Likelihood: 2 Impact: 2	• Ongoing discussions and negotiations with key partners by senior officers and members

GENERAL FUND EARMARKED RESERVES FORECAST 2018/19 - 2023/24

Description	Balance @ 31.03.20	Balance @ 31.03.21	Balance @ 31.03.22	Balance @ 31.03.23	Balance @ 31.03.24	Balance @ 31.03.25
Carry Forwards	145,027	145,027	145,027	145,027	145,027	145,027
Air Quality Initiatives	15,060	20,570	26,080	31,590	37,100	42,610
Asset Improvement	8,714	8,714	8,714	8,714	8,714	8,714
Backdated Rent Review	169,990	169,990	169,990	169,990	169,990	169,990
Boston Audit Contract	13,800	13,800	13,800	13,800	13,800	13,800
Business Rates Volatility	2,201,069	2,228,409	1,636,449	1,377,139	1,682,959	1,782,959
Christmas Decorations	13,870	13,870	13,870	13,870	13,870	13,870
City Hall Sinking Fund	60,460	60,460	60,460	60,460	60,460	60,460
Commons Parking	24,852	24,852	24,852	24,852	24,852	24,852
Electric Van replacement	14,934	19,364	23,794	28,224	32,654	37,084
Funding for Strategic Priorities V2020	569,670	354,170	344,670	344,670	344,670	344,670
Grants & Contributions	1,150,340	1,052,120	985,990	939,170	891,410	842,930
Invest to Save	333,826	340,806	356,256	356,836	356,836	356,836
IT Reserve	64,780	94,270	122,760	186,350	249,210	311,320
Mayoral car	47,099	47,099	47,099	47,099	47,099	47,099
Mercury Abatement	371,291	317,171	264,891	214,441	165,821	119,031
Private Sector Stock Condition Survey	45,460	57,460	69,460	81,460	33,460	45,460
Property Searches	4,150	4,150	4,150	4,150	4,150	4,150
Section 106 interest	31,795	31,795	31,795	31,795	31,795	31,795
Sinking Fund - MSCP & Bus Station	0	0	44,160	89,210	135,160	182,030
Strategic Growth Reserve (WGC)	14,035	14,035	14,035	14,035	14,035	14,035
Strategic Projects - revenue costs	134,600	14,600	14,600	14,600	14,600	14,600
Tank Memorial	10,000	10,000	10,000	10,000	10,000	10,000
Tree Risk Assessment	127,622	147,622	167,622	187,622	207,622	227,622
Unused DRF	157,376	28,186	20,156	12,126	4,096	4,096
Vision 2025		191,000	1,000,000	1,000,000	1,000,000	1,000,000
Western Growth Corridor Planning	150,000	150,000	150,000	150,000	150,000	150,000
Yarbrough Leisure Centre	1,668	1,668	1,668	1,668	1,668	1,668
TOTAL GENERAL FUND	**5,881,488**	**5,561,208**	**5,772,348**	**5,558,898**	**5,851,058**	**6,006,708**

Appendix 6

HOUSING REVENUE ACCOUNT EARMARKED RESERVES FORECAST 2020/21 to 2024/25

Description	Forecast Balance 31.03.20 £	Forecast Balance 31.03.21 £	Forecast Balance 31.03.22 £	Forecast Balance 31.03.23 £	Forecast Balance 31.03.24 £	Forecast Balance 31.03.25 £
Repairs Account	578,680	500,000	500,000	500,000	500,000	500,000
Capital Fees Equalisation Reserve	140,070	110,030	110,030	110,030	110,030	110,030
Strategic Priority Reserve	175,830	250,970	250,970	250,970	250,970	250,970
Invest to Save (HRA)	125,190	125,190	125,190	125,190	125,190	125,190
De Wint Court Reserve	73,480	73,480	73,480	73,480	73,480	73,480
PI Survey	54,220	0	0	0	0	0
Stock Condition Survey (HRA)	22,340	0	0	0	0	0
Housing Business Plan	0	76,560	76,560	76,560	76,560	76,560
Growth Strategy (WGC)	24,950	24,950	24,950	24,950	24,950	24,950
TOTAL HOUSING REVENUE ACCOUNT	**1,194,760**	**1,161,180**	**1,161,180**	**1,161,180**	**1,161,180**	**1,161,180**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **GUILDHALL (excl LEASE OR TENDER) , CITY HALL & COMMITTEE ADMIN (CX)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
GUILDHALL				
ROOM HIRE:				
Guildhall Room Hire Fee	200.00	200.00	**206.00**	
Private & Specialist Tours (Charge per person)				
- Classification 1 (minimum booking of 10 people) *				
Monday to Saturday 60-90 minutes		5.00	**5.20**	**inc VAT**
Monday to Saturday 120-180 minutes		9.00	**9.30**	**inc VAT**
- Classification 2 (minimum booking for 15 people)**				
Monday to Sunday 60-90 minutes		7.50	**7.70**	**inc VAT**
Monday to Sunday 120-180 minutes		7.80	**8.00**	**inc VAT**
* Where a private tour is booked during the day and interferes with public tours				
** Where a tour is outside of normal working hours - evenings Monday-Friday all day Saturday and Sunday) & Any other Specialist tours, talks & events				
CITY HALL				
ROOM HIRE:				
Charities & organisations with Council representation (per half day)				
- City Hall (Large Committee rooms, 1 and 2)	32.00	33.00	**34.00**	**inc VAT**
- City Hall (Small Committee rooms, 3 and 4)	22.00	23.00	**24.00**	**inc VAT**
Lincs non-profit making organisations (per half day)				
- City Hall (Large Committee rooms, 1 and 2)	54.00	56.00	**58.00**	**inc VAT**
- City Hall (Small Committee rooms, 3 and 4)	32.00	33.00	**34.00**	**inc VAT**
Other users including Government and Court use (per half day)				
- City Hall (Large Committee rooms, 1 and 2)	128.00	132.00	**136.00**	**inc VAT**
- City Hall (Small Committee rooms, 3 and 4)	85.50	89.00	**92.00**	**inc VAT**
Supplement for evening use	20%	20%	**50%**	
Drinks (per delegate per half day)	2.00	2.00	**2.50**	**inc VAT**
Cancellation Fee	10.00	10.00	**10.00**	
COMMITTEE SERVICES				
- Inspecting lists of background papers relating to committee reports	3.20	-	**-**	**inc VAT**
- Supplying a copy of or extract from a document (excluding site plans or planning decision notices) (plus postage)	7.40	7.60	**7.80**	**inc VAT**
- Council Summons (per year) (Incl postage & packing)	185.60	191.20	**196.90**	

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **REPRESENTATION OF PEOPLES ACT (CX)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
ELECTORAL SERVICES				
STATUTORY:				
Public Sales				
- Sale of Electoral Register per 1000 names, or part (plus postage & packing)				
Paper copy				
- initial fee	10.00	10.00	**10.00**	
- per 1000 names, or part	5.00	5.00	**5.00**	
Data				
- initial fee		20.00	**20.00**	
- per 1000 names, or part		1.50	**1.50**	
Disk				
- initial fee	20.00	-		
- per 1000 names, or part	1.50	-		
Labels				
- per 1000 names, or part (plus stationery)	25.00	-		
- Inspection of Parliamentary Election Candidate's Expenses	1.50	-	**-**	
- Copies of Candidate's Expenses (per side)	0.15	0.20	**0.20**	
NON-STATUTORY:				
- Index to Register of Electors	20.20	20.80	**-**	
- Confirmation of name on Register of Electors	28.60	-	**-**	
- Postage & Packing of Register of Electors	21.20	21.80	**22.50**	
- Hire of Ballot Boxes	8.50	8.80	**9.10**	**inc VAT**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **LICENSING (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	

Please Note on All Licensing Fees and Charges for any Cheques that bounce there will be a £10.00 Charge Incurred

HACKNEY CARRIAGES

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
- Vehicle Licence/Renewal (one year)	133.00	133.00	**135.00**	
- Plates Deposit (refundable)	13.00	13.00	**13.00**	
- Replacement Plate(s)	16.00	16.00	**16.50**	
-Test Certificate admin fee	15.00	16.50	**17.00**	
- Change of Vehicle/HV/Reg	60.00	67.00	**68.00**	
-Change of Owner (Previously in above)	43.00	48.00	**48.00**	
- Driver Licence (one year)	130.00	121.00	**128.00**	
- Driver Licence (three year)	208.00	209.00	**224.00**	
- Drivers Knowledge Test	37.00	35.00	**36.00**	
-DBS check (enhanced)	44.00	44.00	**40.00**	
-DBS check (standard)	26.00	26.00	**23.00**	
-DVLA Check	6.00	6.00	**3.00**	**plus VAT**
-DVLA Check - (Non UK driving licences)	6.00	6.00	**15.00**	**plus VAT**
- Badge Deposit (refundable)	6.00	6.00	**6.00**	
- Badge Replacement (previously in above)	8.00	8.00	**8.00**	

PRIVATE HIRE

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
- Vehicle Licence/Renewal (one year)	95.00	105.00	**109.00**	
- Plates Deposit (refundable)	13.00	13.00	**13.00**	
- Replacement Plate(s)	16.00	16.00	**16.00**	
-Test Certificate admin fee	15.00	16.50	**16.50**	
- Change of Vehicle/Operator/HV/Reg	60.00	67.00	**68.00**	
-Change of Owner (Previously in above)	43.00	48.00	**48.00**	
- Driver Licence (one year)	79.00	86.00	**91.00**	
- Driver Licence (three year)	157.00	174.00	**187.00**	
- Drivers Knowledge Test	37.00	35.00	**36.00**	
-DBS check (enhanced)	44.00	44.00	**40.00**	
-DBS check (standard)	26.00	26.00	**23.00**	
-DVLA Check	6.00	6.00	**3.00**	**plus VAT**
-DVLA Check - (Non UK driving licences)	6.00	6.00	**15.00**	**plus VAT**
- Badge Deposit (refundable)	6.00	6.00	**6.00**	
- Badge Replacement (previously in above)	8.00	8.00	**8.00**	
- Operators Licence (five years) 10 Vehicles or More	836.00	922.00	**1,050.00**	
- Operators Licence (five years) less than 10 Vehicles	261.00	294.00	**335.00**	

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
LICENCES AND CERTIFICATES				
Riding Establishment	75.00	-	**-**	
Dangerous Wild Animals	390.00	415.00	**448.00**	
Dangerous Wild Animals Renewal	139.00	157.00	**179.00**	
Animal Boarding Establishment	75.00	-	**-**	
Breeding of Dogs/Renewal	75.00	-	**-**	
Horse Registration Fee	53.00	60.00	**60.00**	
Sex Establishment New Licence Application Fee	422.00	451.00	**489.00**	
Sex Establishment New Licence Issue Fee	160.00	181.00	**206.00**	
Sex Establishment Renewal Application Fee	171.00	193.00	**192.00**	
Sex Establishment Renewal Issue Fee	150.00	181.00	**179.00**	
Sex Establishment Transfer Application Fee	294.00	307.00	**82.00**	
Sex Establishment Transfer Issue Fee	150.00	169.00	**192.00**	
Sex Establishment Variation Application Fee	315.00	331.00	**325.00**	
Sex Establishment Variation Issue Fee			**27.00**	
STREET TRADING				
Street Trading Consent - Initial Applicaction				
- Initial Administration Fee	272.00	283.00	**297.00**	
- Initial Annual Consent Fee	22.00	24.00	**27.50**	
Renewal Consent Fee				
- Renewable Annual Administation Fee	21.00	24.00	**27.50**	
- Renewable Annual Consent Fee	22.00	24.00	**27.50**	
ANIMAL ACTIVITIES LICENCE				
Animal Activities Licence	250.00	**250.00**	**299.00**	plus Vet Fees
Request Re-Inspection for Star Review	105.00	**105.00**	**130.00**	
Requesting Variation of the Licence	95.00	**95.00**	**115.00**	
Performing Animals Licence*		**220.00**	**250.00**	plus Vet Fees

* 10% Discount for Charities

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £
LICENCES AND CERTIFICATES			
Scrap Metal Dealers & Motor Salvage Operators			
New Application	924.00	881.00	**924.00**
Site Renewal	777.00	712.00	**694.00**
Additional Site	-	-	**-**
Collectors Licence	203.00	229.00	**261.00**
Variations			
- Add New Site Manager (Existing within LA area)	10.50	10.50	**10.50**
- Add New Site Manager (Not Existing within LA area	69.00	69.00	**69.00**
- Remove Site Manager (Existing within LA area)	10.50	10.50	**10.50**
- Duplicate Licence	10.50	10.50	**10.50**
- Change of Trading Name	10.50	10.50	**10.50**
Remove a Site			
- Refund In Year 1**	252.00	288.00	**304.00**
- Refund In Year 2**	113.00	131.00	**139.00**
- In Year 3	15.00	15.00	**15.00**
Add a Site			
- In Year 1	417.00	470.00	**508.00**
- In Year 2	278.00	313.00	**344.00**
- In Year 3	140.00	157.00	**179.00**
Collectors Licence to Site Licence			
- In Year 1	702.00	627.00	**567.00**
- In Year 2	606.00	518.00	**457.00**
- In Year 3	509.00	410.00	**347.00**
Site Licence to Collectors Licence			
- Refund In Year 1**	49.00	59.00	**43.00**
- In Year 2**	90.00	98.00	**121.00**
- In Year 3	203.00	229.00	**261.00**
Surrender Collectors Licence			
- Refund In Year 1**	85.00	96.00	**110.00**
- Refund In Year 2**	43.00	48.00	**55.00**
- In Year 3**	-	-	**-**

**** This is a Refund**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £
LICENCES AND CERTIFICATES			
Premises Licence - Grant/Variation (Not change of name/address or premises supervisor)			
- NDRV £0 - £4,300	100.00	100.00	**100.00**
- NDRV £4,301 - £33,000	190.00	190.00	**190.00**
- NDRV £33,001 - £87,000	315.00	315.00	**315.00**
- NDRV £87,001 - £125,000	450.00	450.00	**450.00**
- NDRV £125,001 and over	635.00	635.00	**635.00**
Premises Licence - Annual			
- NDRV £0 - £4,300	70.00	70.00	**70.00**
- NDRV £4,301 - £33,000	180.00	180.00	**180.00**
- NDRV £33,001 - £87,000	295.00	295.00	**295.00**
- NDRV £87,001 - £125,000	320.00	320.00	**320.00**
- NDRV £125,001 and over	350.00	350.00	**350.00**
Premises Licence - Variation Fee in Transition			
- NDRV £0 - £4,300	20.00	20.00	**20.00**
- NDRV £4,301 - £33,000	60.00	60.00	**60.00**
- NDRV £33,001 - £87,000	80.00	80.00	**80.00**
- NDRV £87,001 - £125,000	100.00	100.00	**100.00**
- NDRV £125,001 and over	120.00	120.00	**120.00**
For premises used exclusively or primarily in the business of selling alcohol for consumption on the premises and within bands D & E - the following multiplier applies - Band D x 2, Band E x 3			
Premises Licence - Grant/Variation (Not change of name/address or premises supervisor)			
- NDRV £87,001 - £125,000	900.00	900.00	**900.00**
- NDRV £125,001 and over	1,905.00	1,905.00	**1,905.00**
Premises Licence - Annual			
- NDRV £87,001 - £125,000	640.00	640.00	**640.00**
- NDRV £125,001 and over	1,050.00	1,050.00	**1,050.00**
Club Premises Certificates -Grant/Variation (Not change of name, alteration of club rules or registered address)			
- NDRV £0 - £4,300	100.00	100.00	**100.00**
- NDRV £4,301 - £33,000	190.00	190.00	**190.00**
- NDRV £33,001 - £87,000	315.00	315.00	**315.00**
- NDRV £87,001 - £125,000	450.00	450.00	**450.00**
- NDRV £125,001 and over	635.00	635.00	**635.00**
Club Premises Certificates - Annual			
- NDRV £0 - £4,300	70.00	70.00	**70.00**
- NDRV £4,301 - £33,000	180.00	180.00	**180.00**
- NDRV £33,001 - £87,000	295.00	295.00	**295.00**
- NDRV £87,001 - £125,000	320.00	320.00	**320.00**
- NDRV £125,001 and over	350.00	350.00	**350.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £
LICENCES AND CERTIFICATES			
Copy of Licence/Certificate/Notice or Summary on theft or loss of:			
- Premises Licence or Summary	10.50	10.50	**10.50**
- Club Premises Certificate or Summary	10.50	10.50	**10.50**
- Personal Licence	10.50	10.50	**10.50**
- Temporary Events Notice	10.50	10.50	**10.50**
Change of name or address			
- Holder of Premises Licence	10.50	10.50	**10.50**
- Personal Licence	10.50	10.50	**10.50**
Change of name or alteration to club rules	10.50	10.50	**10.50**
Change of relevant registered address of club	10.50	10.50	**10.50**
Vary specific individual as premises supervisor	23.00	23.00	**23.00**
Transfer Premises Licence	23.00	23.00	**23.00**
Interim Authority Notice	23.00	23.00	**23.00**
Provisional Statement	315.00	315.00	**315.00**
Temporary Events Notice	21.00	21.00	**21.00**
Personal Licences			
- Grant/Renewal	37.00	37.00	**37.00**
Minor Variation of a Premises Licence/Club Premises Certificate	89.00	89.00	**89.00**
Notification of Interest	21.00	21.00	**21.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £
GAMBLING ACT - PERMIT FEES			
FEC Gaming Machine -			
- Application Fee	300.00	300.00	**300.00**
- Renwal Fee	300.00	300.00	**300.00**
Prize Gaming -			
- Application Fee	300.00	300.00	**300.00**
- Renewal Fee	300.00	300.00	**300.00**
Alcohol Licences Premises - Notification of less than 2 Machines			
- Application Fee	50.00	50.00	**50.00**
Alcohol Licences Premises - More than 2 Machines			
- Application Fee	150.00	150.00	**150.00**
- Annual Fee	50.00	50.00	**50.00**
- Transitional Application Fee	100.00	100.00	**100.00**
Club Gaming Permit -			
- Application Fee	200.00	200.00	**200.00**
- Annual Fee	50.00	50.00	**50.00**
- Renewal Fee	200.00	200.00	**200.00**
- Transitional Application Fee	100.00	100.00	**100.00**
Club Gaming Machine Permit -			
- Application Fee	200.00	200.00	**200.00**
- Annual Fee	50.00	50.00	**50.00**
- Renewal Fee	200.00	200.00	**200.00**
- Transitional Application Fee	100.00	100.00	**100.00**
Club Fast-track for Gaming Permit or Gaming Machine Permit -			
- Application Fee	100.00	100.00	**100.00**
- Annual Fee	50.00	50.00	**50.00**
- Renewal Fee	100.00	100.00	**100.00**
- Transitional Application Fee			
Small Society Lottery Registration -			
- Application Fee	40.00	40.00	**40.00**
- Annual Fee	20.00	20.00	**20.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £
GAMBLING ACT - PERMIT FEES cont.			
FEC Permits -			
- Change of Name	25.00	25.00	**25.00**
- Copy of Permit	15.00	15.00	**15.00**
Prize Gaming Permits -			
- Change of Name	25.00	25.00	**25.00**
- Copy of Permit	15.00	15.00	**15.00**
Alcohol Licences Premises - Notification of More than 2 Machines -			
- Change of Name	25.00	25.00	**25.00**
- Copy of permit	15.00	15.00	**15.00**
- Variation	100.00	100.00	**100.00**
- Transfer	25.00	25.00	**25.00**
Club Gaming Permit -			
- Copy of Permit	15.00	15.00	**15.00**
- Variation	100.00	100.00	**100.00**
Club Gaming Machine Permit			
- Copy of Permit	15.00	15.00	**15.00**
- Variation	100.00	100.00	**100.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £
GAMBLING ACT - APPLICATION FEES			
Classes of Premises Licence -			
Regional Casino Premises Licence -			
- Application Fee in respect of Provisional statement premises	8,000.00	8,000.00	**8,000.00**
- Fee in respect of other premises	15,000.00	15,000.00	**15,000.00**
- Annual Fee	15,000.00	15,000.00	**15,000.00**
- Application to vary licence	7,500.00	7,500.00	**7,500.00**
- Application to transfer a licence	6,500.00	6,500.00	**6,500.00**
- Application for reinstatement of a licence	6,500.00	6,500.00	**6,500.00**
- Application for provisional statement	15,000.00	15,000.00	**15,000.00**
Large Casino Premises Licence -			
- Application Fee in respect of Provisional statement premises	5,000.00	5,000.00	**5,000.00**
- Fee in respect of other premises	10,000.00	10,000.00	**10,000.00**
- Annual Fee	10,000.00	10,000.00	**10,000.00**
- Application to vary licence	5,000.00	5,000.00	**5,000.00**
- Application to transfer a licence	2,150.00	2,150.00	**2,150.00**
- Application for reinstatement of a licence	2,150.00	2,150.00	**2,150.00**
- Application for provisional statement	10,000.00	10,000.00	**10,000.00**
Small Casino Premises Licence -			
- Application Fee in respect of Provisional statement premises	3,000.00	3,000.00	**3,000.00**
- Fee in respect of other premises	8,000.00	8,000.00	**8,000.00**
- Annual Fee	5,000.00	5,000.00	**5,000.00**
- Application to vary licence	4,000.00	4,000.00	**4,000.00**
- Application to transfer a licence	1,800.00	1,800.00	**1,800.00**
- Application for reinstatement of a licence	1,800.00	1,800.00	**1,800.00**
- Application for provisional statement	8,000.00	8,000.00	**8,000.00**
Converted Casino premises licence -			
- Annual Fee	3,000.00	3,000.00	**3,000.00**
- Application to vary licence	2,000.00	2,000.00	**2,000.00**
- Application to transfer a licence	1,350.00	1,350.00	**1,350.00**
- Application for reinstatement of a licence	1,350.00	1,350.00	**1,350.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £
GAMBLING ACT - APPLICATION FEES			
Bingo Premises Licence -			
- Application Fee in respect of Provisional statement premises	1,200.00	1,200.00	**1,200.00**
- Fee in respect of other premises	3,500.00	3,500.00	**3,500.00**
- Annual Fee	1,000.00	1,000.00	**1,000.00**
- Application to vary licence	1,750.00	1,750.00	**1,750.00**
- Application to transfer a licence	1,200.00	1,200.00	**1,200.00**
- Application for reinstatement of a licence	1,200.00	1,200.00	**1,200.00**
- Application for provisional statement	3,500.00	3,500.00	**3,500.00**
Adult Gaming centre Premises Licence -			
- Application Fee in respect of Provisional statement premises	1,200.00	1,200.00	**1,200.00**
- Fee in respect of other premises	2,000.00	2,000.00	**2,000.00**
- Annual Fee	1,000.00	1,000.00	**1,000.00**
- Application to vary licence	1,000.00	1,000.00	**1,000.00**
- Application to transfer a licence	1,200.00	1,200.00	**1,200.00**
- Application for reinstatement of a licence	1,200.00	1,200.00	**1,200.00**
- Application for provisional statement	2,000.00	2,000.00	**2,000.00**
Betting premises (track) Licence -			
- Application Fee in respect of Provisional statement premises	950.00	950.00	**950.00**
- Fee in respect of other premises	2,500.00	2,500.00	**2,500.00**
- Annual Fee	1,000.00	1,000.00	**1,000.00**
- Application to vary licence	1,250.00	1,250.00	**1,250.00**
- Application to transfer a licence	950.00	950.00	**950.00**
- Application for reinstatement of a licence	950.00	950.00	**950.00**
- Application for provisional statement	2,500.00	2,500.00	**2,500.00**
Family Entertainment centre premises licence:			
- Application Fee in respect of Provisional statement premises	950.00	950.00	**950.00**
- Fee in respect of other premises	2,000.00	2,000.00	**2,000.00**
- Annual Fee	750.00	750.00	**750.00**
- Application to vary licence	1,000.00	1,000.00	**1,000.00**
- Application to transfer a licence	950.00	950.00	**950.00**
- Application for reinstatement of a licence	950.00	950.00	**950.00**
- Application for provisional statement	2,000.00	2,000.00	**2,000.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £
GAMBLING ACT - APPLICATION FEES			
Betting premises (other) Licence			
- Application Fee in respect of Provisional statement premises	1,200.00	1,200.00	**1,200.00**
- Fee in respect of other premises	3,000.00	3,000.00	**3,000.00**
- Annual Fee	600.00	600.00	**600.00**
- Application to vary licence	1,500.00	1,500.00	**1,500.00**
- Application to transfer a licence	1,200.00	1,200.00	**1,200.00**
- Application for reinstatement of a licence	1,200.00	1,200.00	**1,200.00**
- Application for provisional statement	3,000.00	3,000.00	**3,000.00**
Change of Circumstance fee	50.00	50.00	**50.00**
Copy of Licence Fee	25.00	25.00	**25.00**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **CEMETERIES (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
INTERMENTS				
Child up to sixteen years	No Charge	No Charge	**No Charge**	
Person over sixteen years	1,080.00	1,110.00	**1,140.00**	
Preparation for Exhumation	2,010.00	2,070.00	**2,130.00**	
Grave Purchase (50 Year Lease)**	1,050.00	1,080.00	**1,110.00**	
Grave Purchase (Baby)	270.00	280.00	**290.00**	
Interments of cremated remains:				
- From Lincoln Crematorium*	75.00	80.00	**85.00**	
- From Other Crematorium*	105.00	110.00	**115.00**	
Preparation for Exhumation of Ashes	270.00	280.00	**300.00**	
Cremation Plot Purchase	270.00	280.00	**290.00**	
Body Parts/blocks/slides*	70.00	72.00	**74.00**	
50% Discount for City of Lincoln Residents (Excluding those marked with *)				
**Fee is non-transferable to anyone other than the purchasee/designated person.				
If the intention is to transfer onto a non-city resident then charge will be doubled.				
MONUMENTS, GRAVE STONES, TABLETS & INSCRIPTIONS				
Monumental Mason Headstone	105.00	110.00	**115.00**	**inc VAT**
MISCELLANEOUS				
Levelling and re-turfing of graves	47.00	48.00	**49.00**	**inc VAT**
Burial records search fee where appropriate	6.00	6.00	**6.00**	**inc VAT**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **LONG LEYS ROAD CEMETERY (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £
INTERMENTS			
Child up to sixteen years	No Charge	No Charge	**No Charge**
Person over sixteen years			
- Resident	700.00	720.00	**740.00**
- Non-resident	1,400.00	1,440.00	**1,480.00**
Interments of cremated remains			
- From Lincoln Crematorium *	95.00	98.00	**100.00**
- From Other Crematorium *	115.00	120.00	**125.00**
PURCHASE OF GRAVE PLOT			
Grave Purchase (50 Year Lease) **			
- Resident	600.00	620.00	**640.00**
- Non-resident	1,200.00	1,240.00	**1,280.00**
Grave Purchase (Baby)			
- Resident	145.00	150.00	**155.00**
- Non-resident	290.00	300.00	**310.00**
Cremation Plot Purchase			
- Resident	145.00	150.00	**155.00**
- Non-resident	290.00	300.00	**310.00**

50% Discount for City of Lincoln Residents (Excluding those marked with *)
** Fee is non-transferable to anyone other than the purchasee/designated person.
If the intention is to transfer onto a non-city resident then the 50% discount will not apply.

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **CREMATORIUM (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
CREMATION FEES				
Body Parts/Slides/Blocks	75.00	77.00	**80.00**	
Child up to sixteen years	No Charge	No Charge	**No Charge**	
Person over sixteen years	720.00	750.00	**780.00**	
(Fee inclusive of Urn, Medical Refs Fee & Cremation Certificate)				
Charge for non-city residents :				
Person over sixteen years	720.00	750.00	**780.00**	
(Fee inclusive of Urn, Medical Refs Fee & Cremation Certificate)				
Service Extension (20 min period)	170.00	175.00	**180.00**	
MEMORIALS AND INSCRIPTIONS				
Book of Remembrance				
2 Lines	85.00	90.00	**95.00**	**inc VAT**
5 Lines	115.00	120.00	**125.00**	**inc VAT**
8 Lines	145.00	150.00	**155.00**	**inc VAT**
Miniature Books				
2 Lines	95.00	100.00	**105.00**	**inc VAT**
5 Lines	105.00	110.00	**115.00**	**inc VAT**
8 lines	120.00	125.00	**130.00**	**inc VAT**
Remembrance cards				
2 Lines	60.00	62.00	**65.00**	**inc VAT**
5 Lines	70.00	72.00	**75.00**	**inc VAT**
8 Lines	85.00	88.00	**90.00**	**inc VAT**
Additional lines to existing books and cards per line	17.00	18.00	**18.50**	**inc VAT**
MISCELLANEOUS CHARGES				
- Caskets	50.00	52.00	**55.00**	
- Extract from Register of Cremations	12.00	12.00	**12.00**	
Memorial Service (when space available)	340.00	350.00	**360.00**	
DEPOSIT OF ASHES				
- Temporary deposit of ashes per month after one month	14.00	15.00	**16.00**	
- For burying of ashes in Garden of Remembrance where cremation carried out at other crematorium	90.00	95.00	**98.00**	**inc VAT**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **CREMATORIUM (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	**CURRENT 2019/20 £**	**PROPOSED 2020/21 £**	
MEMORIAL GARDEN				
Wall Tablet (10 year lease)	216.67	225.00	**233.33**	**plus VAT**
Bench Tablet (10 year lease)	308.33	316.66	**325.00**	**plus VAT**
Kerb Tablet (10 year lease)	333.33	341.66	**350.00**	**plus VAT**
Vault Tablet (20 year lease)	750.00	770.83	**791.67**	**plus VAT**
Designer images on plaques - from	104.17	108.33	**116.66**	**plus VAT**
Ceramic Photo Plaques				
4cm x 3cm	100.00	104.16	**108.33**	**plus VAT**
7cm x 5cm	141.67	145.83	**150.00**	**plus VAT**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **BREAVEMENT SERVICES (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
BREAVEMENT SERVICES				
Witnessed burial in the Garden of Remembrance	30.00	30.00	**30.00**	
Direct Cremation Service	565.00	580.00	**595.00**	
Change of fees for a memorial permit to make it a clear price	105.00	110.00	**115.00**	
WESLEY SYSTEM				
Audio recording supplied on CD - 1st Copy	52.00	55.00	**58.00**	**inc VAT**
Audio recording supplied on CD - subsequent copies	26.00	27.00	**28.00**	**inc VAT**
Video recording supplied on DVD - 1st copy	52.00	55.00	**58.00**	**inc VAT**
Video recording supplied on DVD - subsequent copies	26.00	27.00	**28.00**	**inc VAT**
VISUAL TRIBUTES				
Visual tribute - 1 photograph	22.00	23.00	**24.00**	**inc VAT**
Visual tribute - 2-5 photographs	32.00	33.00	**34.00**	**inc VAT**
Visual tribute - 6-10 photographs	42.00	44.00	**45.00**	**inc VAT**
Visual tribute – 10+ photographs subsequent per photograph)	2.50	2.50	**2.50**	**inc VAT**
Video tribute - up to 2 minutes	32.00	33.00	**34.00**	**inc VAT**
Video tribute - over 2 minutes to 5 minutes	42.00	44.00	**45.00**	**inc VAT**
DVD containing the tribute - 1st copy	32.00	33.00	**34.00**	**inc VAT**
DVD containing the tribute - subsequent copies	25.95	27.00	**28.00**	**inc VAT**
Tribute embedded into video of the service	72.00	75.00	**78.00**	**inc VAT**
WEBCASTING				
Webcasting of Service	52.00	55.00	**58.00**	**inc VAT**
MEMORIAL TREE				
Memorial Leaf (Name Only)*	150.00	150.00	**154.16**	**plus VAT**
Memorial Leaf (Name & Inscription)*	175.00	175.00	**179.17**	**plus VAT**

*Subject to a 10 year lease

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **OTHER PUBLIC HEALTH, PUBLIC HEALTH INSPECTION & SALVAGE OPERATORS (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £
LICENCES, CERTIFICATES AND AUTHORISATIONS			
Food Certificates			
- Condemned food	40.27	41.50	**42.80**
(No charge for single items)			
- Consignments for Export	64.68	66.60	**68.60**
Authorisations *- Prescribed Processes (All subject to notification by DEFRA) :			
- Application Fees			
- Standard	1,579.00	1,579.00	**1,579.00**
- Additional Fee for Operating without a Permit	1,137.00	1,137.00	**1,137.00**
- PVRI, SWOB's and Dry Cleaners	148.00	148.00	**148.00**
- PVR Combinded I & II	246.00	246.00	**246.00**
- VR & other Reduced Fee Activities	346.00	346.00	**346.00**
- RFA Additional Fee for no Permit	68.00	68.00	**68.00**
- Mobile Plant **	1,579.00	1,579.00	**1,579.00**
- for 3rd to 7th Applications	943.00	943.00	**943.00**
- for 8th & Subsequent Applications	477.00	477.00	**477.00**
Where an Application for any of the above is for a combined Part B and Waste Application add extra £297 to Amount shown			
- Subsistence charges			
- Standard - Low	739.00	739.00	**739.00**
- Standard - Med	1,111.00	1,111.00	**1,111.00**
- Standard - High	1,672.00	1,672.00	**1,672.00**
- PVRI, SWOB's and Dry Cleaners Low	76.00	76.00	**76.00**
- PVRI, SWOB's and Dry Cleaners Med	151.00	151.00	**151.00**
- PVRI, SWOB's and Dry Cleaners High	227.00	227.00	**227.00**
- PVR I & II Combined Low	108.00	108.00	**108.00**
- PVR I & II Combined Med	216.00	216.00	**216.00**
- PVR I & II Combined High	326.00	326.00	**326.00**
- VRs & other Reduced Fees Low	218.00	218.00	**218.00**
- VRs & other Reduced Fees Med	349.00	349.00	**349.00**
- VRs & other Reduced Fees High	524.00	524.00	**524.00**
- Mobile Plants for 1st & 2nd Permits Low **	618.00	618.00	**618.00**
- Mobile Plants for 1st & 2nd Permits Med **	989.00	989.00	**989.00**
- Mobile Plants for 1st & 2nd Permits High **	1,484.00	1,484.00	**1,484.00**
- For the 3rd to 7th Permits Low	368.00	368.00	**368.00**
- For the 3rd to 7th Permits Med	590.00	590.00	**590.00**
- For the 3rd to 7th Permits High	884.00	884.00	**884.00**
- For the 8th and Subsequent Permits Low	189.00	189.00	**189.00**
- For the 8th and Subsequent Permits Med	302.00	302.00	**302.00**
- For the 8th and Subsequent Permits High	453.00	453.00	**453.00**
- Late Payment Fee	50.00	50.00	**50.00**

** Not using simplified Permits
The Additional amounts in brackets must be charged where permit is for combined Part B and Waste Installation.
Where a Part B Installation is subject to reporting under the E-PRTR Regulation, add £99 extra to the Amounts Shown

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **OTHER PUBLIC HEALTH, PUBLIC HEALTH INSPECTION & SALVAGE OPERATORS (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
LICENCES, CERTIFICATES AND AUTHORISATIONS				
- Transfer & Surrender				
- Standard Process Transfer	162.00	162.00	**162.00**	
- Standard Process Partial Transfer	476.00	476.00	**476.00**	
- New Operator - Low risk Fee	75.00	75.00	**75.00**	
- Reduced Fee Activities Partial Transfer	45.00	45.00	**45.00**	
- Temporary Transfer for Mobiles				
- First Transfer	51.00	51.00	**51.00**	
- Repeat following Enforcement or Warning	51.00	51.00	**51.00**	
- Substantial Change				
- Standard Process	1,005.00	1,005.00	**1,005.00**	
- Standard Process where result in a new PPC Activity	1,579.00	1,579.00	**1,579.00**	
- Reduced Fee Activities	98.00	98.00	**98.00**	
Local Government Misc Provisions- Skin Piercers (including Tattooing & Acupuncture)				
- Premises	155.40	160.10	**164.90**	
- Persons	29.80	30.70	**31.60**	
Re-issue of Skin Piercers Registration Certificate			**15.00**	

* 10% discount for registered charities

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
PUBLIC CONVIENICES				
Castle Hill	0.20	0.20	**0.20**	
Tentercroft Street	0.20	0.20	**0.20**	
Westgate	0.20	0.20	**0.20**	
Bus Station	0.20	0.20	**0.20**	
Lucy Tower	0.20	0.20	**0.20**	
E-Access Card		5.00	**5.00**	**inc VAT**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **PEST CONTROL, DOG WARDEN, PUBLIC HEALTH INSPECTION (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
Dogs :				
- Penalty for Strays *(Set by EPA & charged on 2nd continuing offence.)	25.00	25.00	**25.00**	
- Housing of Strays (Kennel fee per day) (Cost + Handling Charge)	11.60	12.00	**12.40**	**inc VAT**
- Acceptance of, for Destruction	81.00	81.00	**83.40**	
OTHER				
Provision of Information				
- Photograph (Each additional photo £1.30)	13.20	13.60	**14.00**	**inc VAT**
- Documents	11.90	12.30	**12.70**	**inc VAT**
- Factual Statement & Report of Investigations	131.30	135.20	**139.30**	**inc VAT**
- Food Safety Act Register (25 entries or part)	4.60	4.70	**4.80**	**inc VAT**
- Information on Former Use of Land (Charge per hour, or part thereof)	79.90	82.30	**84.80**	
- Provision of Information - Outstanding Notices Administration Charge	40.00	41.20	**42.40**	
- Default Works (incl Intruder Alarm Disconnection)	Cost + 10%	Cost + 10%	**Cost + 10%**	
Safer Food Better Business Management System	6.20	6.40	**6.50**	
Safer Food Better Business Daily Diary	4.10	4.20	**4.50**	
Re-inspection of Food Business	150.00	150.00	**154.50**	**plus VAT**
- Graffiti Busting per hour	41.00	42.20	**43.50**	**plus VAT**

*** Concessions apply to OAP's and persons in receipt of benefit :**
- Retired persons over 65 years of age or,
- individuals over 60, in receipt of state retirement pension or widows pension or,
- persons in receipt of a means tested benefit

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **COMMUNITY SERVICES (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
ENFORCEMENT OFFICER				
Fixed Penalty Notices				
- Littering*	75.00	75.00	**75.00**	
- Dog Fouling	50.00	50.00	**50.00**	
- Breach of Community Protection*	75.00	75.00	**75.00**	
- Breach of a Public Space Protection Order*	75.00	75.00	**75.00**	
- Breach of S46 Notice (Presentation of Waste)*	75.00	75.00	**75.00**	
*** Discount of £25 given if paid within 10 days of receiving the fine**				
GREEN WASTE				
Green Waste Bin Collection				
- Annual Fee	36.00	39.00	**39.00**	
- Additional Bin	15.00	15.00	**15.00**	
- Delivery Fee	15.00	15.00	**15.00**	
DEVELOPER BIN CHARGES				
Charges per bin				
- 140 Litre Bin	22.00	22.70	**22.00**	**plus VAT**
- 240 Litre Bin	26.00	26.80	**26.00**	**plus VAT**
- Communal Bin (Usually 660l or 1100l)	149.00	153.50	**149.00**	**plus VAT**
- Delivery Charge	10.00	10.30	**10.00**	**plus VAT**
Admin Charge		**10% of total charge**	**10% of total charge**	

HOUSING- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **HOUSING ADVANCES (DHR), HIMOs, GARAGES & SUPPORTED HOUSING**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
HOUSING ADVANCES				
- Second mortgage enquiry fee	98.40	101.40	**104.40**	**inc VAT**
- Transfer of mortgage fee	146.40	150.80	**155.30**	
- Business rate enquiry fee	31.80	32.80	**33.80**	
- Council Tax enquiry fee	25.10	25.90	**26.70**	
- Right to Buy leaseholders repair loan	191.00	196.70	**202.60**	
HOUSES IN MULTIPLE OCCUPATION				
Premises Licence Fee*				
- Basic (up to 5 Bedrooms)	850.00	850.00	**875.50**	
- 6 to 10 Bedrooms	Basic + 10%	Basic + 10%	**Basic + 10%**	
- 11 to 15 Bedrooms	Basic + 20%	Basic + 20%	**Basic + 20%**	
- 16 to 20 Bedrooms	Basic + 30%	Basic + 30%	**Basic + 30%**	
- For every 5, or part thereof, over 20	Additional 10%		**Additional 10%**	
Variation to Licence				
Multiple Application Discount on the second and subsequent completed applications (received within 12 months of the date of receipt of a previous successful application, and the fit and proper person check was undertaken for the earlier application)	5% of Basic		**5% of Basic**	
Trusted Landlord Scheme Discount (must be accredited on the date of the completed application)	**35% of Basic**		**35% of Basic**	

* The premises licence fee comprises of two elements. 60% of the total fee due will be payable on application as an application fee, and if the application is successful, the remaining 40% will be payable as a licence fee when the licence is granted.

GARAGES

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
Garage transfer fees	20.70	21.30	**21.90**	**inc VAT**
Garage sites	73.20	75.40	**77.70**	**inc VAT**
Garage access fees	73.20	75.40	**77.70**	**inc VAT**

HOUSING- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **HOUSING REVENUE ACCOUNT & WORKS CMS (DHR)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
SUPPORTED HOUSING				
Community Alarms Service	150.00	150.00	**155.00**	
SHELTERED ACCOMMODATION				
Service charges, per rent week (50 weeks) - residents :				
- 1 person flat				
Derek Miller Ct	8.25	8.50	**8.80**	
St.Botolphs	8.25	8.50	**8.80**	
- 2 person flat				
Derek Miller Ct	11.75	12.10	**12.50**	
St.Botolphs	11.75	12.10	**12.50**	
- Electricity				
Derek Miller Court (only)	4.10	4.20	**4.30**	
Service charges, per rent week (50 weeks) - wardens :				
- 2 bed accommodation	9.40	9.70	**10.00**	
- 3 bed accommodation				
Lenton Green	11.40	11.70	**12.10**	
Others	11.20	11.50	**11.90**	
Concessionery TV Licences	7.90	7.50	**7.50**	
MISCELLANEOUS				
Additional keys for door entry	13.20	13.60	**14.00**	**inc VAT**
Building Society enquiry fees	78.50	80.90	**83.30**	**inc VAT**

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **ALLOTMENTS (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
ALLOTMENTS			**FOR LEASES STARTING IN 2019/20**	
Standard rent for allotment				
51 to 100 sq yards	30.00	30.90	31.80	
101 to 150 sq yards	31.60	32.60	33.60	
151 to 200 sq yards	33.50	34.50	35.50	
201 to 250 sq yards	35.20	36.30	37.40	
251 to 300 sq yards	36.90	38.00	39.10	
301 to 350 sq tards	38.60	39.80	41.00	
351 to 400 sq yards	40.60	41.80	43.10	
401 to 450 sq yards	42.20	43.50	44.80	
451 to 500 sq yards	43.90	45.20	46.60	
501 to 550 sq yards	45.70	47.10	48.50	
551 to 600 sq yards	47.40	48.80	50.30	
601 to 650 sq yards	49.20	50.70	52.20	
651 to 700 sq yards	51.20	52.70	54.30	
701 to 750 sq yards	52.80	54.40	56.00	
751 to 800 sq yards	54.40	56.00	57.70	
801 to 850 sq yards	56.30	58.00	59.70	
851 to 900 sq yards	58.10	59.80	61.60	
901to 950 sq yards	59.80	61.60	63.50	
951 to 1000 sq yards	61.50	63.40	65.30	
Water supply to allotment				
- minimum charge	19.10	19.70	20.30	
Garage site				
- Rents and access charge	40.60	41.80	43.10	**inc. VAT**
Discounts				
6 - 10 allotments	10%	10%	**10%**	
11+ allotments	20%	20%	**20%**	
Unemployed	50%	50%	**50%**	
Pensioners	50%	50%	**50%**	

CONDITIONS

***Concessions apply to OAP's and persons on Benefit**
- Retired persons over 65 years of age or,
- individuals over 60, in receipt of state retirement pension or widows pension or,
- persons in receipt of a means tested benefit

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **COMMUNITY CENTRES (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
BUD ROBINSON C.C.	Please refer to community centre fees and charges below			
Room Hire (per hour)				
- Main Hall				
Commercial	21.90	22.60	-	
Standard	17.60	18.10	-	
Supported	8.90	9.20	-	
- Large Meeting Room				
Commercial	19.30	19.90	-	
Standard	14.70	15.10	-	
Supported	8.65	8.90	-	
- Small Meeting Room				
Commercial	9.80	10.10	-	
Standard	6.20	6.40	-	
Supported	3.70	3.80	-	
Surcharge after 11pm	100%	100%	-	
Projector/Screen Hire				
- Per Hour	**5.00**	**5.00**	-	
- Per day	**25.00**	**25.00**	-	
Service Charge (Caretaker fee)	Cost	Cost	-	**plus VAT**
Surcharge after 11pm (Caretaker	Cost	Cost	-	**plus VAT**
Call out recharges	Cost	Cost	-	**plus VAT**
Additional Cleaning	Cost	Cost	-	**plus VAT**
Other Charges				
Activities (per hour)				
- Table Tennis, per table	3.70	3.80	-	**inc VAT**
- Carpet Bowls, per carpet	5.20	5.40	-	**inc VAT**
Hire of Equipment				
- Table Tennis Bat (£2 dep)	-	-	-	
- Carpet Bowls (per hour) £2 deposit	-	-	-	
- Booking Fee**	5.20	5.40	-	
- Amendment Fee	3.10	3.20	-	
- PRS	Cost + 50%	Cost + 50%	-	
Sale of Equipment	-	-	-	

*Service charge will be levied for all bookings who opt not to key hold
** Not applicable to sports bookings which includes table tennis and bowls

WEF from 01/04/19 charges for all Community Centres are set at the same fee

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **COMMUNITY CENTRES (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
ALL OTHER CENTRES				
Room Hire (per hour)				
- Main Hall/Weighing Room				
Commercial	18.70	19.30	**19.90**	
Standard	14.90	15.40	**15.90**	
Supported	7.45	7.70	**7.90**	
- Small Meeting Rooms				
Commercial	9.80	10.10	**10.40**	
Standard	6.20	6.40	**6.60**	
Supported	3.70	3.80	**3.90**	
- Large Meeting Rooms				
Commercial	18.30	18.90	**16.40**	
Standard	12.30	12.70	**13.10**	
Supported	7.30	7.50	**7.70**	
Surcharge after 11pm	100%	100%	**100%**	
Projector/Screen Hire				
- Per Hour	**5.00**	**5.00**	**5.00**	
- Per day	**25.00**	**25.00**	**25.00**	
Service Charge (Caretaker fee)	Cost	Cost	**Cost**	**plus VAT**
Surcharge after 11pm (Caretaker	Cost	Cost	**Cost**	**plus VAT**
Call out recharges	Cost	Cost	**Cost**	**plus VAT**
Additional Cleaning	Cost	Cost	**Cost**	**plus VAT**
Other Charges				
Activities (per hour)				
- Badminton per court	8.50	8.80	**9.10**	**inc VAT**
- Table Tennis per table	3.70	3.80	**3.90**	**inc VAT**
- Carpet Bowls per carpet	5.20	5.40	**5.60**	**inc VAT**
Hire of Equipment				
- Racquet (£2 dep)	-	-	**-**	
- Table Tennis Bat (£2 dep)	-	-	**-**	
- Booking Fee**	5.20	5.40	**5.60**	
- Amendment Fee	3.10	3.20	**3.30**	
- PRS	Cost + 50%	Cost + 50%	**Cost + 50%**	
Sale of Equipment	-	-	**-**	

*Service charge will be levied for all bookings who opt not to key hold
** Not applicable to sports bookings which includes table tennis and bowls

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **COMMONS & RECREATION GROUNDS**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
COMMONS				
- Impounding of Horses on City Commons	Contract Price + 15%		**Contract Price + 15%**	**plus VAT**
RECREATION GROUNDS				
- Cricket, pitch and accommodation				
Weekend match				
Adult teams	33.30	34.30	**35.30**	**inc VAT**
Youth teams	19.10	19.70	**20.30**	**inc VAT**
Weekday match (evening)				
Adult teams	22.50	23.20	**23.90**	**inc VAT**
Youth teams	16.10	16.60	**17.10**	**inc VAT**
- Rounders (Per pitch Per match)	Cost	Cost	**Cost**	**plus VAT**

*** Tennis Courts at West Common are free**

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **RECREATION GROUNDS (DCE) cont.**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
RECREATION GROUNDS				
- Football (per pitch)				
Per game with attended changing facilities without showers				
Adult teams	52.50	54.10	**60.00**	**inc VAT**
Youth teams	26.30	27.10	**30.00**	**inc VAT**
Junior Pitches (10-14 Years)	21.60	22.30	**25.00**	**inc VAT**
Mini Pitches (up to 10yr olds)	13.30	13.70	**15.00**	**inc VAT**
Per game for keyholders or limited changing facilities without showers (Skellingthorpe Rd and King George's Field)				
Adult teams	40.30	41.50	**50.00**	**inc VAT**
Youth teams	20.30	20.90	**25.00**	**inc VAT**
Junior Pitches (10-14 Years)	16.70	17.20	**20.00**	**inc VAT**
Per season (16 Bookings**) with attended changing facilities with showers				
Adult teams	378.10	389.40	**450.00**	
Youth teams	180.25	185.70	**220.00**	
Junior Pitches (10-14 Years)	135.00	139.10	**165.00**	
Mini Pitches (up to 10yr olds)	95.60	98.50	**120.00**	
Per season (16 Bookings*) with attended changing facilities with showers (Skellingthorpe Rd and King George's Field)				
Adult teams	290.90	299.60	**350.00**	
Youth teams	138.70	142.90	**175.00**	
Junior Pitches (10-14 Years)	104.20	107.30	**125.00**	
Mini Pitches (up to 10yr olds)	61.30	63.10	**75.00**	
Additional Cleaning	Cost	Cost	**Cost**	**plus VAT**
- Grass training fees with no attendant or changing facilities (per group, per hour)				
Adult teams	11.50	11.90	**0.00**	**inc VAT**
Youth teams	7.00	7.20	**0.00**	**inc VAT**

***Assuming Block booking applies (If block booking does not apply VAT will be added)**

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **CREATIVE INDUSTRIES MANAGED WORKSPACE (THE TERRACE)**

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
Conference / Meeting Room				
Tenants (Inc Post Box Holders) - **SEE FOOTNOTE BELOW**				
Per Hour	15.00	15.00	**15.00**	**excl VAT**
Per ½ Day	45.00	45.00	**45.00**	**excl VAT**
Per Day	80.00	80.00	**80.00**	**excl VAT**
Non Tenants				
Per Hour	30.00	30.00	**30.00**	**excl VAT**
Per ½ Day	90.00	90.00	**90.00**	**excl VAT**
Per Day	160.00	160.00	**160.00**	**excl VAT**
Projector/Lap Top available at additional cost of £5 per hour or £25 per day				
Faxing (Per Page)				
Inward / Outward	0.45	0.45	**0.50**	**excl VAT**
Overseas	0.90	0.90	**1.00**	**excl VAT**
- Laminating				
A4 (Per Sheet)	1.30	1.30	**1.30**	**excl VAT**
A3 (Per Sheet)	2.15	2.15	**2.15**	**excl VAT**
Photocopying (Per Sheet)				
A4 Paper	0.08	0.08	**0.10**	**excl VAT**
A3 Paper	0.13	0.13	**0.15**	**excl VAT**
A4 Paper - Coloured	0.42	0.42	**0.50**	**excl VAT**
A3 Paper - Coloured	0.83	0.83	**1.00**	**excl VAT**
Bulk Copying (50+)				
Own Paper	0.04	0.04	**0.05**	**excl VAT**
Telephone Answering Service				
Monthly Rate	20.00	20.00	**14.50**	**excl VAT**
Price is based on a calendar month and is exclusive to VAT.				
- Virtual Mailbox				
Annual	295.00	295.00	**295.00**	**excl VAT**
Replacement keys				
Unit Key				
Security Access Key	11.50	11.50	**11.50**	**excl VAT**

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **HARTSHOLME COUNTRY PARK (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	PROPOSED 2021/22 £	
HARTSHOLME COUNTRY PARK					
- Overnight stay, incl use of showers (per night)					
Standard non-electric price for a pitch in the tent only area (apart from backpack tent).					
- High Season *	17.00	17.50	**18.00**	**18.50**	**inc VAT**
- Low Season	15.00	15.50	**16.00**	**16.50**	**inc VAT**
Electric included in pitch price for all other pitches					
Four berth caravan, motorhome or tent and car					
- High Season *	19.50	20.00	**20.50**	**21.00**	**inc VAT**
- Low Season	17.50	18.00	**18.50**	**19.00**	**inc VAT**
Dogs (each per stay)			**1.00**	**1.00**	**inc VAT**
Backpack Tent	11.00	11.50	**12.00**	**12.50**	**inc VAT**
Overflow Pitch	10.00	10.00	**10.00**	**10.50**	**inc VAT**
Camping Pod Single Night	40.00	40.00	**40.00**	**40.00**	**inc VAT**
Camping Pod 2 nights or more	35.00	35.00	**35.00**	**35.00**	**inc VAT**
Camping Pod Christmas Market	50.00	50.00	**50.00**	**50.00**	**inc VAT**
Non-refundable deposit - (included within price)					
Bank Holiday Weekends only					
Single night	10.00	10.00	**10.00**	**10.00**	**inc VAT**
Two or more nights	25.00	25.00	**20.00**	**25.00**	**inc VAT**
Full Awning	3.00	3.00	**3.00**	**3.00**	**inc VAT**
Additional Adult	3.00	3.00	**3.00**	**3.00**	**inc VAT**
Additional Car parking	3.00	3.00	**3.00**	**3.00**	**inc VAT**
- Christmas Market period, per pitch *					
Non-refundable deposit - (included within price)					
Two - four nights	30.00	25.00	**25.00**	**25.00**	**inc VAT**
Five nights	67.50	-	**-**	**-**	**inc VAT**
With electric hook-up					
Single night Thur/Fri/Sat	30.00	30.00	**31.00**	**31.00**	**inc VAT**
Five nights	135.00	135.00	**135.00**	**135.00**	**inc VAT**
Single night Wed/Sun	25.50	25.50	**26.00**	**26.00**	**inc VAT**

*** High Season Period:**
Includes all Weekends, Bank Holidays, and LCC School Holidays.
Deposits required.

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	PROPOSED 2021/22 £	
- Activity/Visit (tier 1)					
Per Person	2.50	3.50	**3.50**	**3.50**	**inc VAT**
Group of 30 (can be broken down into £40 per hour)	80.00	80.00	**82.00**	**84.00**	**inc VAT**
- Activity/Visit (tier 2) (Rangers Club per activity)	3.50	5.00	**5.00**	**5.00**	**inc VAT**
- Hire of activity boxes (tier 3)		25.00	**-**	-	
- Wreath Making	15.00	25.00	**25.00**	**25.00**	**inc VAT**
- Willow Weaving	20.00	25.00	**25.00**	**25.00**	**inc VAT**
- Meeting Room	10.00	10.00	**10.00**	**10.00**	**inc VAT**

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PARKING SERVICES - FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **CAR PARKS (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
- Lucy Tower Street				
1 hour	1.60	1.60	**1.60**	**inc VAT**
2 hours	3.20	3.20	**3.20**	**inc VAT**
3 hours	4.50	4.50	**4.80**	**inc VAT**
4 hours	6.00	6.00	**6.20**	**inc VAT**
Over 4 hours and up to 8am next day	8.00	8.50	**8.50**	**inc VAT**
Evening Charge	3.50	3.50	**3.80**	**inc VAT**
- City Hall (Season Tickets Prohibited)				
1 hour	1.60	1.60	**1.60**	**inc VAT**
2 hours	3.20	3.20	**3.20**	**inc VAT**
3 hours	4.50	4.50	**4.80**	**inc VAT**
4 hours	6.00	6.00	**6.20**	**inc VAT**
Over 4 hours and up to 8am next day	8.00	8.50	**8.50**	**inc VAT**
Evening Charge	3.00	3.50	**3.80**	**inc VAT**
- Motherby Lane (Season Tickets Prohibited)				
1 hour	1.60	1.60	**1.60**	**inc VAT**
2 hours	3.20	3.20	**3.20**	**inc VAT**
3 hours	4.50	4.50	**4.80**	**inc VAT**
4 hours	6.00	6.00	**6.20**	**inc VAT**
Over 4 hours and up to 8am next day	8.00	8.50	**8.50**	**inc VAT**
Evening Charge	3.00	3.50	**3.80**	**inc VAT**
- Flaxengate				
1 hour	1.60	1.60	**1.60**	**inc VAT**
2 hours	3.20	3.20	**3.20**	**inc VAT**
3 hours	4.50	4.50	**4.80**	**inc VAT**
4 hours	6.00	6.00	**6.20**	**inc VAT**
Over 4 hours and up to 8am next day	8.00	8.50	**8.50**	**inc VAT**
Evening Charge	3.00	3.50	**3.80**	**inc VAT**
- Tentercroft Street				
1 hour	1.60	1.60	**1.60**	**inc VAT**
2 hours	3.20	3.20	**3.20**	**inc VAT**
3 hours	4.50	4.50	**4.80**	**inc VAT**
4 hours	6.00	6.00	**6.20**	**inc VAT**
Over 4 hours and up to 8am next day	8.00	8.50	**8.50**	**inc VAT**
Evening Charge	3.00	3.50	**3.80**	**inc VAT**
- Lincoln Central Car Park				
1 hour	1.60	1.60	**1.60**	**inc VAT**
2 hours	3.20	3.20	**3.20**	**inc VAT**
3 hours	4.50	4.50	**4.80**	**inc VAT**
4 hours	6.00	6.00	**6.20**	**inc VAT**
Over 4 hours and up to 8am next day	8.00	8.50	**8.50**	**inc VAT**
Evening Charge	3.50	3.50	**3.80**	**inc VAT**
- Castle (Season Tickets Prohibited)				
1 hour	1.60	1.80	**1.80**	**inc VAT**
2 hours	2.80	3.00	**3.00**	**inc VAT**
3 hours	4.50	4.80	**5.00**	**inc VAT**
4 hours	5.80	5.80	**6.00**	**inc VAT**
Over 4 hours and up to 8am next day	8.50	8.50	**8.50**	**inc VAT**
Evening Charge	2.80	3.00	**3.50**	**inc VAT**

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **CAR PARKS (DCE) cont.**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
- Westgate (Season Tickets Prohibited)				
1 hour	1.60	1.80	**1.80**	**inc VAT**
2 hours	2.80	3.00	**3.00**	**inc VAT**
3 hours	4.50	4.80	**5.00**	**inc VAT**
4 hours	5.80	5.80	**6.00**	**inc VAT**
Over 4 hours and up to 8am next day	8.50	8.50	**8.50**	**inc VAT**
Evening Charge	2.80	3.00	**3.50**	**inc VAT**
- The Lawn Complex				
1 hour	1.60	1.80	**1.80**	**inc VAT**
2 hours	2.80	3.00	**3.00**	**inc VAT**
3 hours	4.50	4.80	**5.00**	**inc VAT**
4 hours	5.80	5.80	**6.00**	**inc VAT**
Over 4 hours and up to 8am next day	8.50	8.50	**8.50**	**inc VAT**
Evening Charge	2.80	3.00	**3.50**	**inc VAT**
- Langworthgate				
1 hour	1.60	1.80	**1.80**	**inc VAT**
2 hours	2.80	3.00	**3.00**	**inc VAT**
3 hours	4.50	4.80	**5.00**	**inc VAT**
4 hours	5.80	5.80	**6.00**	**inc VAT**
Over 4 hours and up to 8am next day	8.50	8.50	**8.50**	**inc VAT**
Evening Charge	2.80	3.00	**3.50**	**inc VAT**
- St Pauls (Season Tickets Prohibited)				
1 hour	1.60	1.80	**1.80**	**inc VAT**
2 hours	2.80	3.00	**3.00**	**inc VAT**
3 hours	4.50	4.80	**5.00**	**inc VAT**
Evening Charge	2.80	3.00	**3.50**	**inc VAT**
- Broadgate				
1 hour	1.30	1.30	**1.50**	**inc VAT**
2 hours	2.40	2.50	**2.80**	**inc VAT**
3 hours	3.60	4.00	**4.20**	**inc VAT**
Over 4 hours and up to 8am next day	5.00	5.50	**5.50**	**inc VAT**
Evening Charge	2.50	2.50	**2.80**	**inc VAT**
- Chaplin Street				
1 hour	1.30	1.30	**1.50**	**inc VAT**
2 hours	2.40	2.50	**2.80**	**inc VAT**
3 hours	3.60	4.00	**4.20**	**inc VAT**
Over 4 hours and up to 8am next day	5.00	5.50	**6.00**	**inc VAT**
Evening Charge	2.50	2.50	**2.80**	**inc VAT**
- Rosemary Lane (Season Tickets Prohibited)				
1 hour	1.30	1.30	**1.50**	**inc VAT**
2 hours	2.40	2.50	**2.80**	**inc VAT**
3 hours	3.60	4.00	**4.20**	**inc VAT**
Over 4 hours and up to 8am next day	5.00	5.50	**6.00**	**inc VAT**
Evening Charge	2.50	2.50	**2.80**	**inc VAT**
- Weekend/Bank Holiday				
(new rates for Saturday / Sunday and Bank Holidays at Broadgate, Rosemary Lane, County Offices, Lincoln College & Waterside North Car Parks)				
Up to 2 Hours	2.40	2.50	**2.50**	**inc VAT**
24 hours	3.30	3.50	**4.00**	**inc VAT**
Evening Charge	2.50	2.50	**2.80**	**inc VAT**

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **CAR PARKS (DCE) cont.**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
OTHER				
- Car Park Evening Permit	90.00	95.00	**97.50**	**inc VAT**
- 7 Day Scratch Cards	41.50	42.75	**44.00**	**inc VAT**
- Evening Scratch Card (All sites)	20.00	20.00	**25.00**	**inc VAT**
- Hampton/Hermit Street Compound	135.00	139.00	**139.00**	**inc VAT**
- Motorcycle parking where available	2.20	2.50	**2.50**	**inc VAT**

Additional Information:

Display of eligible Blue Badges will allow the following extra time:

1 hour paid	**1 extra hour**	**(2 hours parking)**
2 hours paid	**2 extra hours**	**(4 hours parking)**
3 hours paid	**3 extra hours**	**(6 hours parking)**
4 hours paid	**All Day**	
24 hours paid	**To end of day on wl**	

Special Offer Tariffs

SAVVY SHOPPER
(Applicable to Tentercroft Street Car Park) £3.30 after 3pm for 3 hours parking, plus free evenings to 8am

SCHOOL'S OUT
(Rosemary Lane Only) £3.30 all day during the months of July and August

CHRISTMAS SHOPPING
(Applicable to Lincoln Central Car Park on selected Thurs/Fri/Sat/Sun from Christmas Lights ceremony to Christmas Eve) Free parking between 16:00 hrs to 21.30 hrs
Applicable to Pay by Phone on seclected Thurs/Fri/Sat/Sun from Christmas Lights ceremony to Christmas Eve) Free parking between 16:00 hrs to 08:00 hrs

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **CAR PARKS (DCE) cont.**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
OTHER				
- Season Tickets and Excess Charge Notices				
Annual (Valid for Broadgate, Lawn, King/Chaplin St/Langworthgate)				
Monday to Sunday	928.90	956.80	**985.50**	**inc VAT**
Monthly (Valid for Broadgate, Lawn, King/Chaplin St, Langworthgate)				
Monday to Sunday	78.50	80.90	**83.30**	**inc VAT**
Annual Premium Rate (Tentercroft St/Lucy Tower/Lincoln Central - max of 60 Annual/Monthly issued)				
Monday to Sunday	1,179.80	1,215.20	**1,251.70**	**inc VAT**
Monthly Premium Rate (Tentercroft St/Lucy Tower/Lincoln Central - max of 60 Annual/Monthly issued)				
Monday to Sunday	101.90	105.00	**108.20**	**inc VAT**
Lucy Tower St Long Stay Corporate User				
City Council staff (60 max)	855.10	880.80	**907.20**	**inc VAT**
County Council staff (40 max)	855.10	880.80	**907.20**	**inc VAT**
Corporate User, 100+ tickets (Monday to Sunday)				
Broadgate, King St/Chaplin St, Langworthgate and City Council staff	700.20	721.20	**742.80**	**inc VAT**
Admin Charge on Refunds	15.00	15.00	**15.00**	**inc VAT**
Replacement of Lost/Stolen Tkts	10.00	10.00	**10.00**	**inc VAT**
- Higher rate PCN contravention	70.00	70.00	**70.00**	**inc VAT**
- Higher rate PCN contravention - Discount	35.00	35.00	**35.00**	**inc VAT**
- Lower rate PCN contravention	50.00	50.00	**50.00**	**inc VAT**
- Lower rate PCN contravention - Discount	25.00	25.00	**25.00**	**inc VAT**

Discount only applies if PCN is paid within 14 days

SPECIAL OFFER
Part time staff, special offer via Lincoln BIG/Lincoln College - Bulk Scratch cards at pro rata season ticket rate

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **BUS STATION, RESIDENTS PARKING (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
CITY BUS STATION				
- Departure Fees :				
Notified timetable departures				
Departures over 100,000	0.74	0.76	**0.79**	**inc VAT**
Departures under 100,000	0.74	0.76	**0.79**	**inc VAT**
- Layover Bay Per Bay Per Quarter :	981.30	1,010.70	**1,041.00**	**inc VAT**
RESIDENTS PARKING SCHEMES				
- Private Residents				
1st permit	26.00	26.00	**26.00**	*
2nd permits	52.00	52.00	**52.00**	*
3rd permits	60.00	60.00		
- Houses in Multiple Occupation (HIMO)				
max. of 3 per dwelling (each)	52.00	52.00	**52.00**	*
- Residents Parking Concessions #				
permit (each)	No Charge	No Charge	No Charge	
- Business Permits				
max. of 2 per business (only issued to businesses in the residents parking zones with no off-street parking)	52.00	52.00	**52.00**	*
- Business Permits (Support Agencies)			**70.00**	*
- Daily Visitor Permits				
per 10	17.00	17.00	**17.00**	*
- Replacement Permits				
Change of vehicle registration	5.00	5.00	**5.00**	*
Damaged or lost	5.00	5.00	**5.00**	*
- Emissions Permit				
Low Emissions 1st Permit	13.00	13.00	**13.00**	
Low Emissions Subsequent Permit	26.00	26.00	**26.00**	
- Administration Charge on Refunds	5.00	5.00	**5.00**	

*** There is a £5.00 Admin Charge on Permits that are Issued in Reception and not by Post**

Concessions apply to :
- **persons in receipt of income support / pension credit, JSA & ESA**
- **blue badge holders**

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PLANNING SERVICES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **TOWN PLANNING & CONSERVATION (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
Research and Supply of Information/Questions and Answers (per item)	42.00	43.30	**44.60**	**inc VAT**
Copies of Approvals, Permissions and associated documents (per item and electronic)				
Microfiche	12.50	30.00	**30.00**	**inc VAT**
Standard Copy	4.50	4.50	**4.60**	**plus VAT**
Visit to site to check buildings erected in accordance with Permission				
- minimum charge	90.00	92.70	**95.50**	**inc VAT**
- or per property	25.00	25.80	**26.60**	**inc VAT**
Checking compliance with planning permission and/or legal agreement				
- minimum charge	68.50	68.50	**68.50**	**inc VAT**
- or per property	17.50	17.50	**17.50**	**inc VAT**
Advertisements erected in accordance with Advertisement Consent	46.00	47.40	**48.80**	**inc VAT**
Supply of Technical Information/Site visit reports	Cost+25%	Cost+25%	**Cost+25%**	**inc VAT**
Photocopies (per A4 sheet)	1.90	2.00	**2.10**	
Copies of Plans				
A4	1.90	2.00	**2.10**	
A3	3.70	3.80	**3.90**	
A2	9.60	9.90	**10.20**	
A1	9.60	9.90	**10.20**	
A0	9.60	9.90	**10.20**	
Document & Advice notes	Cost+25%	Cost+25%	**Cost+25%**	

Planning App fees are incorporated within a schedule provided by Central Government in accordance with the Town & Country Planning (Fees for Applications & Deemed Applications) (Amendment) Regulations 1993

PLANNING SERVICES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **PRE-APPLICATION PLANNING ADVICE (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
Development -				
Householder development including alterations, extensions and outbuildings	80.00	82.40	-	**inc VAT**
Non residential changes of use including siting of caravans for sites under 1ha or buildings of 1,000 sq M or above (gross)	165.00	170.00	-	**inc VAT**
Non residential changes of use including siting of caravans for sites of 1ha or above or buildings of 1,000 sq M or above (gross)	329.00	338.90	-	**inc VAT**
Development of 1-9 Dwellings including changes of use to residential				
- First Dwelling	196.00	201.90	-	**inc VAT**
- Additional Dwelling	133.00	137.00	-	**inc VAT**
Development of 10-49 Dwellings including changes of use to residential				
- Tenth Dwelling	1,310.00	1,349.30	-	**inc VAT**
- Additional Dwelling	66.00	68.00	-	**inc VAT**
Development of 50 or more dwellings *	3,936.00	4,054.10	-	* **inc VAT**
Non-residential development where no floor space is created	80.00	82.40	-	**inc VAT**
Non-residential development up to 499sq. M floor area, or 0.5 ha site area	165.00	170.00	-	**inc VAT**
Non-residential development between 500sq. M and 999sq. M floor area, or between 0.51 ha and 1.0 ha				
- 500 Sq. M or 0.51 ha	196.00	201.90	-	**inc VAT**
- Additional 100 Sq. M or 0.1 ha	133.00	137.00	-	**inc VAT**
Non-residential development between 1000sq. M and 4,999sq. M floor area, or between 1.1 ha and 2.0 ha				
- 1000 Sq. M or 1.11 ha	854.00	879.60	-	**inc VAT**
- Additional 100 Sq. M or 0.1 ha	66.00	68.00	-	**inc VAT**
Non-residential development of 5,000sq. M or more, or 2.1 ha or more **	3,475.00	3,579.30	-	** **inc VAT**

PLANNING SERVICES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **PRE-APPLICATION PLANNING ADVICE CONT. (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
Development (cont) -				
- Variation or removal of condition	80.00	82.40	**-**	**inc VAT**
- Advertisments	80.00	82.40	**-**	**inc VAT**
- Conservation Area Consent	80.00	82.40	**-**	**inc VAT**
- Non-householder listed building consent	165.00	169.95	**-**	**inc VAT**
- Hazardous Substances	165.00	169.95	**-**	**inc VAT**
- Demolition of buildings	127.20	132.00	**-**	**inc VAT**
- Search and Copies of Documer	63.60	66.00	**-**	**inc VAT**

*** Minimum Fee of £3600 (inc VAT) with additional fee subject to negotiation dependant on complexity of proposal**
**** Minimum Fee of £1650 with additional fee subject to negotiation dependant on complexity of proposal**

PLANNING SERVICES- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **LAND CHARGES , STREET NAMING AND NUMBERING (DCE)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
Local Authority Land Charges				
- Standard Search Fees				
LLC1 only	16.00	19.00	**19.60**	
Con.29R	105.00	110.40	**113.70**	**inc VAT**
- Con. 29R individual questions				
Administraion Fee			**10.00**	**inc VAT**
Question 3.5	2.70	2.80	**2.90**	**inc VAT**
Question 3.7 a	4.50	4.70	**4.80**	**inc VAT**
Question 3.7 b, c, f	4.50	4.70	**4.80**	**inc VAT**
Question 3.7 d	4.50	4.70	**4.80**	**inc VAT**
Question 3.8	3.30	3.40	**3.50**	**inc VAT**
Question 3.12	2.70	2.80	**2.90**	**inc VAT**
Question 3.13	2.70	2.80	**2.90**	**inc VAT**
- Part II enquiries	20.30	21.00	**21.60**	**inc VAT**
- Solicitors own enquiries	20.30	21.00	**21.60**	**inc VAT**
- Extra parcel of land	20.30	21.00	**21.60**	**inc VAT**
- Personal Search (Statutory)				
Street Naming and Numbering				
Issue/Change of House Name	12.00	15.00	**15.50**	
- New Build 1-10 Plots/Flats	-	-	**-**	
- New Build 11-50 Plots/Flats	-	-	**-**	
- New Build 51-100 Plots/Flats	-	-	**-**	
- New Build over100 Plots/Flats	-	-	**-**	
- Application Fee	40.00	50.00	**51.50**	
- Per Plot	10.00	12.50	**12.90**	

REGENERATION & TOURISM- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **CENTRAL MARKET , CORNHILL AND CITY SQUARE**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2019/20 £
CENTRAL MARKET			
Daily Lettings	23.40	24.00	**24.70**
TEMPORARY MARKETS :			
- Charitable organisations	No Charge	No Charge	**No Charge**
- Professional traders (per stall)	10.30	10.30	**10.00**
PROMOTIONS :			
- Advertising on Council Assets		Price on Application	**Price on Application**
MARKET LICENSE CHARGES			
Commercial Food			
-Per Stall	15.50	15.50	**16.00**
- Per Table / Car Boot	7.70	7.70	**7.90**
Commercial Retail Goods			
-Per Stall	10.30	10.50	**10.80**
- Per Table / Car Boot	5.20	5.30	**5.50**
Craft items/home made goods			
-Per Stall	5.20	5.30	**5.50**
- Per Table / Car Boot	2.60	2.60	**2.70**
Second Hand Goods			
-Per Stall	5.20	5.30	**5.50**
- Per Table / Car Boot	2.60	2.60	**2.70**
Charitable/fundraising Markets			
-Per Stall	0.50	0.50	**0.50**
- Per Table / Car Boot	0.30	0.30	**0.30**
Car Boot			
- Per Table / Car Boot	2.10	2.10	**2.20**

Per Stall (up to 8 m^2)
Per Table/Car boot (up to 2 m^2)

Chaitable /Fundraising Market is a non commerical market operated by a defined organisation, i.e one that organises the market type event for chartiable, sporting, political or social fund raising purposes as opposed to personal financial gain.

All fees are for applications more than 28 days in advance of the market activity.
Applications within 28 days will be subject to a 20% additional premium.

REGENERATION & TOURISM- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN
SERVICE : **CHRISTMAS MARKET**

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2019/20 £	
COACH FEES				
Up to 15 Seats				
All Day		Use Park & Ride	**Use Park & Ride**	
Departure during 16:00 - 18:00				
16-30 Seats - Early Bird Advanc	64.00	64.00	**65.90**	**inc VAT**
16-30 Seats - Advanced	66.00	66.00	**68.00**	**inc VAT**
16-30 Seats - On the day	132.00	132.00	**136.00**	**inc VAT**
31-45 Seats - Early Bird Advanc	85.00	85.00	**87.60**	**inc VAT**
31-45 Seats - Advanced	87.00	87.00	**89.60**	**inc VAT**
31-45 Seats - On the day	175.00	175.00	**180.30**	**inc VAT**
45+ Seats - Early Bird Advance	106.00	106.00	**109.20**	**inc VAT**
45+ Seats - Advanced	109.00	109.00	**112.30**	**inc VAT**
45+ Seats - On the day	218.00	218.00	**224.50**	**inc VAT**
Departure outside of 16:00 - 18:00				
16-30 Seats - Early Bird Advanc	48.00	48.00	**49.40**	**inc VAT**
16-30 Seats - Advanced	50.00	50.00	**51.50**	**inc VAT**
16-30 Seats - On the day	132.00	132.00	**136.00**	**inc VAT**
31-45 Seats - Early Bird Advanc	69.00	69.00	**71.10**	**inc VAT**
31-45 Seats - Advanced	71.00	71.00	**73.10**	**inc VAT**
31-45 Seats - On the day	175.00	175.00	**180.30**	**inc VAT**
45+ Seats - Early Bird Advance	91.00	91.00	**93.70**	**inc VAT**
45+ Seats - Advanced	94.00	94.00	**96.80**	**inc VAT**
45+ Seats - On the day	218.00	218.00	**224.50**	**inc VAT**

Early Bird Advanced Booking Discount
This is only available if booked before **30th September** 2020.

Advance Booking
Advance bookings would continue to be accepted up until midnight on the 30th November.

Coaches that make a booking from the **30th November** will be charged at the full rate - the same as on the day coaches.

Christmas Market Dates: Thursday 3rd - Sunday 6th December 2020

All dates shown in green are provisional

REGENERATION & TOURISM- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **CHRISTMAS MARKET**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS * 2018/19 £	CURRENT 2019/20 £	PROPOSED 2019/20 £	
STALL HOLDER FEES				
Stall Fees				
Castle Square	1,664.00	1,747.00	**1,799.40**	**inc VAT**
Castle Grounds	1,814.00	1,905.00	**1,962.20**	**inc VAT**
The Lawn (Outdoor)	1,360.00	1,428.00	**1,470.80**	**inc VAT**
Christmas Bazaar	1,434.00	1,506.00	**1,551.20**	**inc VAT**
Christmas Pantry	1,434.00	1,506.00	**1,551.20**	**inc VAT**
Westgate (Outdoor)	1,360.00	1,428.00	**1,470.80**	**inc VAT**
Westgate Marquees	1,434.00	1,506.00	**1,551.20**	**inc VAT**
Perfect Presents	1,664.00	1,747.00	**1,799.40**	**inc VAT**
Additional Sq Metre	207.00	217.00	**223.50**	**inc VAT**
Corner Plot Premium	Plus 25% of Stall Rent		**Plus 25% of Stall Rent**	**inc VAT**
Backup Storage Spaces				
Per Sq Metre	86.00	90.00	**92.70**	**inc VAT**
Additional Socket Outlets				
13 AMP Socket	86.00	90.00	**92.70**	**inc VAT**
16 AMP Socket	86.00	90.00	**92.70**	**inc VAT**
32 AMP Socket	129.00	135.00	**139.10**	**inc VAT**
Surcharge on Food Traders				
Catering 1	Plus 50% of Stall Fee		**Plus 50%**	**inc VAT**
Catering 2	Plus 100% of Stall Fee		**Plus 100%**	**inc VAT**
Alcohol Levy Band 1				
(Baileys in Hot Chocolate/Charit	330.00	347.00	**357.40**	**inc VAT**
Alcohol Levy Band 2				
(Hard Alcohol)	661.00	694.00	**714.80**	**inc VAT**
Discounts (Only taken off basic stall fee)				
Charity Discount (%)	50%	50%	**50%**	**inc VAT**
Non UK Stallholders	200.00	200.00	**206.00**	**inc VAT**
Craft/Fairtrade Discount	100.00	100.00	**103.00**	**inc VAT**
Local Traders - Within Lincoln E	200.00	200.00	**206.00**	**inc VAT**
Local Traders - Within Lincolnsh	150.00	150.00	**154.50**	**inc VAT**
Stall Holder Vehicle Parking at Designated Areas				
Per Vehicle	140.00	147.00	**151.40**	**inc VAT**

REGENERATION & TOURISM- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **CHRISTMAS MARKET**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2019/20 £	
PARK AND RIDE				
Pre Booking Online	12.00	12.00	**12.00**	**inc VAT**
None Pre Booked				
Thursday	13.00	13.00	**13.00**	**inc VAT**
Friday	14.00	14.00	**14.00**	**inc VAT**
Saturday	15.00	15.00	**15.00**	**inc VAT**
Sunday	14.00	14.00	**14.00**	**inc VAT**
Mini Bus	25.00	25.00	**25.00**	**inc VAT**
MARKET RIGHTS				
Market Rights - Per Stall* *During market period	25.00	2.5 x Normal License Fee	**2.5 x Normal License Fee**	

SOCIAL INCLUSION- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **HOUSING BENEFIT (CX)**
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £
OTHER			
- Housing Benefit Landlord Enquiry per year	153.50	158.50	**163.00**

Capital Strategy

2020/21 to 2024/25

Contents

Section 1 - Introduction

This Capital Strategy details how the Council deploys and will subsequently manage its capital resources thereby explaining the Council's financial framework for capital investment in support of its strategic priorities.

This strategy covers all aspects of the Council's capital expenditure, resourced both directly by the Council and where resources have been attracted through external funding opportunities.

The strategy demonstrates that the Council takes capital expenditure and investment decisions in line with corporate and service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability. The strategy sets out the medium term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes.

The strategy reflects the aspirations and priorities identified in our Vision 2020 strategy and new, emerging, Vision 2025. The Strategy considers external influences such as government policy changes and as well as internal influences.

The Council's capital programme consists of two elements:

- The General Investment Programme (GIP) with a budget for 2020-25 of £18.531m

- The Housing Investment Programme (HIP) with a budget for 2020-25 of £73.778m

Both are accounted for separately, but the schemes making up the two programmes are subject to the same scrutiny and monitoring arrangements to ensure their effective delivery. All new capital schemes, with the exception of the ongoing capital maintenance programmes, are delivered through the Lincoln Project Management Model which evaluates the financial and service implications and potential risks that may arise from each scheme.

The Council has at 1 April 2019 a diverse asset portfolio including, 7,777 council dwellings, 3,622 car parking spaces, 2 sports and leisure centres, 1,131 acres of parks and recreation grounds, and 5 community centres. There is also a sizable commercial property portfolio including industrial units and shops.

The total value of assets held in the Council's Balance Sheet is shown below:

31/3/2018 £000		31/3/2019 £000
332,979	Property, Plant & Equipment	361,380

6,091	Heritage Assets	6,092
16,224	Investment Property	30,478
568	Intangible Assets	361
4,575	Assets held for sale	1,500
360,437	**Total assets**	**399,811**

Section 2 - Purpose and Objectives

The overall purpose of the Capital Strategy is to give a high level overview of how capital expenditure capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.

This Capital Strategy seeks to achieve a number of specific objectives:

- Ensure that the Capital Programme is realistic, affordable and well managed to avoid project over-runs and expensive claims beyond the budgeted scheme value

- Ensure that capital expenditure supports a defined priority of the council

- Ensure that any on-going revenue cost implications including Minimum Revenue Provisions (MRP) and debt costs are understood and accounted for without impacting on the existing financial savings target of the Council

- Wherever possible ensure capital investment activity is focussed on areas that yield on-going revenue savings for the Council or produce a contribution to revenue income.

- Use strategic procurement and new ways of procuring to drive up “value for money” and ‘get more for the same money’.

Section 3 - Policy and Financial Planning Framework

The capital programme for the council is a long term ambition with the obligation for maintaining and improving council and operational buildings stretching far into the future, and as such should be considered accordingly in financial and asset management planning.

The Council’s capital programme and its subsequent revenue implications form part of the Medium Term Financial Strategy (MTFS) 2020-25 and as such is one of a suite of plans and strategies that sit within the Council’s Policy and Financial Planning Framework.

Longer term forecasts are not easily predicted and accuracy within them deteriorates the longer the period over which a plan is developed. Within longer term plans uncertainty and complexity in terms of for example economic, social and technological factors mean that long term planning becomes an iterative process which is adjusted for these changes in these and other factors. For major projects and investment, Western Growth Corridor for example, the funding and financial implications will need to be planned well in advance.

There is clearly a link between long term capital planning and treasury management with the council's debt portfolio containing loans which mature up to 2075/76. The profile of debt repayment needs to be managed alongside other long term capital expenditure and funding forecasts.

Linkages with other key strategies and plans are identified below:

Vision 2020 / 2025

Our current Vision 2025 was launched in 2017 and sets out what the city council wants to achieve for Lincoln and how we are going to achieve it. The vision itself is supported by four current strategic priorities:

- Let's drive economic growth
- Let's reduce inequality
- Let's deliver quality housing
- Let's enhance our remarkable place
-

These are underpinned by a commitment to professional, high performing service delivery.

The Vision 2020 and the 3-year programme of activity supporting it was the first phase in the Council's journey towards achieving it's long term aspirations for the City by 2030. The Council is now in the process of reviewing the key aspects of it's vision and is currently consulting with stakeholders on a new Vison 2025. This will be the second leg of this journey and will provide a programme of activity over the next five years. Whilst the existing four strategic priorities remain views are being sought on expanding these to cover new emerging local and national issues. The new Vision 2025 is expected to be launched in March 2020.

Local Plan

The Central Lincolnshire Local Plan has been developed in collaboration with West Lindsey District Council, North Kesteven District Council and Lincolnshire County Council – for Lincoln it is a new city-wide planning and regeneration strategy running up to 2036.

The Local Plan:

- is underpinned by an aspiration for sustainable growth in homes, jobs, services and facilities;
- is aiming to deliver many new homes between now and 2036;
- is seeking to attract new businesses and jobs;
- sets out policies to ensure development is of high quality, sustainable and meets the needs of everyone;
- sets out policies to ensure all the infrastructure, such as play areas, roads, new schools and upgraded sewage disposal, are provided at the same time as the new homes;
- is complemented by a separate Policies Map, which sets out where development should take place.

The current Local Plan was adopted in April 2017 and continues to perform well in making decisions on development, however, in response to significant changes to national policy, a review is now being undertaken to ensure it remains up to date. A revised plan is expected to be published for public consultation in early 2020

Asset Management Plan

The Capital Strategy and the Asset Management Plan run alongside each other and have a number of key linkages. These include capital receipts and asset disposal programmes, maintaining, improving and deploying the Council's buildings to support delivery of services and potential loss of income from asset sales.

The MTFS includes capital receipts targets (capital monies received from the sale of council land and property) for both the General Investment Programme and the Housing Investment Programme. Currently the level of capital resources required to fund the capital programme is reliant upon the sale of one asset that is surplus to requirements alongwith land and property disposals from Phase 1a of the Western Growth Corridor development. Any further asset disposals would be treated as surplus capital receipts in the programme.

The Property Services Team keeps under review the need for asset disposal and acquisition, which meet strategic priorities. Risks associated with investing in property are considered on an individual basis and in line the Council's Investment Property Strategy, reports relating to the impact on the MTFS, sustainability of the council and affordability of individual schemes, including funding MRP and borrowing costs are subject to approval by the Council's Executive prior to proceeding. However, recognising that some investment opportunities that present themselves may not always fit into committee reporting timetables, delegations do exist to ensure that the Council is able to respond to such opportunities as they arise.

Although there is no associated loss of any rental income from the current asset sales built into the General Fund budget a general budget provision for loss of rental income associated with any future disposals is included in the General Fund budget.

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
Loss of Revenue Rental Income	39	40	41	42	43

There is no budget provision set aside for the loss of revenue rental income in the Housing Revenue Account, however the rental income budget has been set allowing for an average level of right to buy sales spread throughout the financial year.

HRA Business Plan

The HRA Business Plan sets out how the Council will deliver its vision for the HRA including, investment in the housing stock, maintaining all homes to the Lincoln Homes Standard and the process of tenant consultation to agree priorities for investment in existing stock over and above the Decent Homes Standard. It also demonstrates that the proposed investment programme is financially viable by indicating that the underlying HRA debt is repayable within the 30 year period of the Business Plan, should the Council chose to do so. There is however, no obligation to repay debt and the MTFS does not assume this is the case. Further borrowing to fund HRA investment is now limited by prudence rather than the old system of an imposed borrowing cap. Currently HRA borrowing stands at £58.3m and is expected to increase to £65.3m by the end of 19/20 and £73m by the end of the MTFS period. This additional borrowing is being used to fund new build expenditure.

The capital schemes contained within the Housing Investment Programme and the capital financing that underpins them feed from the HRA Business Plan and any updates to the plan. The key areas of capital spend identified within the HRA Business Plan and the Housing Investment Programme are based on the results of stock condition surveys of existing housing stock plus any proposed new build schemes. The main areas of expenditure cover:

- Decent Homes and Lincoln Standards Programme
- De Wint Court Redevelopment
- Council House New Build Programme
- Western Growth Corridor

The current Business Plan is due to be refreshed during 2020, in light of updated development and investment profiles, Vision 2025 priorities, updated assumptions and relevant Government policy changes.

Treasury Management Strategy

The Treasury Management Strategy is reviewed annually and forms part of the suite of documents which make up the Medium Term Financial Strategy approved by Council each year. The Treasury Management Strategy deals with the borrowing and investments arising from all financial transactions of the council and is not limited to those arising from capital spending.

Section 4 - Financing the Capital Programmes

The resources necessary to fund the Council's Investment Programmes come from a variety of sources:

- Capital Receipts – from the sale of Council assets
- Use of Council's own resources – through depreciation charges, other contributions from revenue and use of reserves
- Capital Grants and Contributions – including contributions from developers and grants towards specific schemes
- Prudential Borrowing – the Prudential Code allows borrowing if the Council can demonstrate it is affordable, sustainable and prudent in its Prudential Indicators (detailed in the Treasury Management Strategy)

Although historically the GIP has been reliant on the generation of capital receipts to fund the investment required to deliver the programme in the long term the use of capital receipts is not sustainable. In addition due to revenue pressures the use of direct revenue financing of the capital programme is also not a sustainable, and other sources of funding are regularly sought to fund capital expenditure.

However, many of the external grants and contributions, which are available, are designated for specific schemes, and whilst additional resources are clearly beneficial to local people, there is the danger that schemes funded may not be the Council's highest priorities.

The Capital Strategy must continue to identify both the priorities for these external funding regimes and pursue other innovative funding sources to improve its ability to deliver capital investment and deliver the priorities as set out in it's vision. Each project appraisal will consider all the internal and external resources available such as Government grants, Section 106 contributions, partner contributions and prudential borrowing.

The Council will also actively pursue invest to save opportunities financed through prudential borrowing, where the revenue costs of borrowing are financed through additional income/reductions in expenditure as a direct result of the invest to save scheme. The cost effectiveness of borrowing as opposed to selling capital assets is reviewed regularly together with the affordability tests and impact on prudential indicators to check whether borrowing would provide more cost effective funding. It has been concluded that the use of prudential borrowing will now be a useful funding mechanism for some key projects.

Under the self-financing regime, the government retained the current arrangement for pooling of HRA capital receipts. All HRA capital receipts are pooled if they are not offset by the capital allowance (a capital allowance is permitted where the receipt is used to fund affordable housing, decent homes or regeneration schemes). It is the Council's strategy that 100% of non-Right to Buy (RTB) receipts will be offset by the capital allowance. However, 75% of all RTB capital receipts have to be pooled.

The Council's capital programme (expenditure and resources) is projected for a five-year period and is approved by full Council as part of the MTFS each year. It is monitored throughout the year by the Capital Programme Group and the Executive. Capital Programme Group and the Executive have varying levels of authority to approve changes to the programme during the year. A distinction is made between the General Fund schemes (GIP) and Housing Revenue Account schemes (HIP). It is Council policy that capital receipts from the sale of Council Houses and other Housing Revenue Account assets are used to fund the HIP, with capital receipts from the sale of General Fund assets used to fund the GIP.

The City Council's General Investment Programme and Housing Investment Programme for the period 2020/21 – 2024/25, are set out in the MTFS 2020-25.

Section 5 - Capital Prioritisation

In an environment of financial constraints and competing pressures on the Council it is important that the Council adheres to its methodology for prioritising potential projects and schemes. The methodology is based on both corporate and service based priorities. As well as considering capital costs and funding, attention is also focussed on the revenue implications of any capital expenditure to ensure the Council will not inherit a legacy of increased revenue costs. Therefore, only whole life costs are considered when evaluating potential capital projects.

Inclusion of new capital schemes within the strategic plan (currently Vision 2020) and capital programme is dependent on a prioritisation process. Project Managers will be required to prepare bids for approval and will be required to effectively demonstrate how these will support the achievement of both their service area aims and the Council's strategic priorities.

The preparation of these project briefs must go through the five essential steps to initiate the project as defined in the Lincoln Model:

1. The project mandate – where the ideas for the project is first discussed between the project sponsor and the project manager. It provides an

initial assessment of the project and provides a clear description of why the project is required and what it is intended to achieve in terms of benefits to the Council's corporate objectives.

2. Establishing Reporting Criteria – formal approval and subsequent monitoring will take place. Approval for all new project budgets and budget changes will follow Financial Procedure Rules.

3. Appraise Options for Delivery - in order to demonstrate that the project delivery selected is the most appropriate and the most cost-effective.

4. Develop the Project Brief, Financial Assessment and Impact Assessment - these three documents clearly document the scope of the project, its objectives, the potential resources required (including a full financial breakdown) to deliver it and its impact.

5. Obtain approval to submit the project - Formal approval to submit the project is agreed and signed-off between the Project Manager and the Project Sponsor.

Once prepared, the project brief is submitted to the Vision Theme Groups for approval ahead of consideration by the Corporate Management Team and Portfolio Holders to evaluate, including how well the proposal meets strategic priorities, including cross cutting strategies and budget priorities, and how it utilises partnership working and externally generated resources as well as its operational feasibility. They will also consider the robustness of each project brief against the corporate standards in relation to clarity of definition, establishment of measurable outcomes and overall deliverability and the robustness of each Financial Assessment and Impact Assessment, including cost data in relation to project costs (including any costs associated with borrowing), post implementation ongoing revenue costs and any consequential or related income.

Once a final project is developed it is submitted to the Executive for approval and inclusion in the capital programmes. Any public consultation undertaken on the project through either the community, business and voluntary groups will be reported to the Executive as part of this approval process.

The entire process conforms to both the Council's project management methodology (The Lincoln Project Management Model) and also the Performance Management Framework adopted by the Council, which ensures schemes are not progressed for Member deliberation and support unless they are deliverable within the context of other competing pressures.

Section 6 - Capital and Project Monitoring

The delivery of schemes supporting the delivery of the vision is monitored by the individual vision theme groups who report progress on an exceptions basis to the Executive and Performance Scrutiny on a quarterly basis. In addition the overall capital programmes are monitored by the Capital Programme Group, with financial performance reporting to the Executive and Performance Scrutiny on a quarterly basis.

The Capital Strategy and the capital programme are updated on a rolling basis and are reported annually to Executive and Council for approval alongside the MTFS. In addition, the Council's Executive is required to approve variations to the capital programme beyond the limit delegated to the Chief Finance Officer.

When a project is completed a Post Implementation Review (PIR) is carried out. However, some projects are recurring in nature such as the capital maintenance programme or the Decent Homes programme and do not require a PIR. A PIR is a formal review of the project which aims to answer the question: "Did we achieve what we set out to do … and if not, what should be done?"

A PIR can provide valuable lessons and experience that can be used to improve and shape service delivery in the future. The Lincoln Project Management Model includes a robust post project review system, overseen and reviewed, to ensure relevant information is collected and communicated to all relevant parties to enable improvement in both procurement and service provision and will consider if the project:

- Met its stated aims and objectives
- Was delivered on time and within budget
- Was acceptable to the client/stakeholder and met all their specific requirements

Section 7 – Commercial Activity and Investment Property

The Chartered Institute of Public Finance and Accountancy (CIPFA) defines investment property as property held solely to earn rentals or for capital appreciation or both. Returns from property ownership can be both income driven (through the receipt of rent) and by way of appreciation of the underlying asset value (capital growth). The combination of these is a consideration in assessing the attractiveness of a property for acquisition.

The Council's commercial property investment strategy was approved in March 2019 and sets out the criteria against which decisions are taken. The council invests in property to secure the economic wellbeing of the City by generating additional income for the provision of services, for the purpose of economic development or regeneration, or a combination of both. The council may fund the purchase of property through borrowing (through the PWLB or as part of cash flow borrowing). Under new guidance issued by CIPFA, borrowing solely to invest in revenue generating investments is considered to be borrowing in advance of need – whilst this is not prohibited councils are required to make disclosures to the effect that this borrowing is taking place, their dependence on commercial income to deliver statutory services and the amount of borrowing committed to generate that income.

Historically the council's property investments have provided strong returns in terms of capital growth and generation of stable income. Property investments are not without risk as property values are subject to many national and other external factors which are outside the control of the council. Where possible investments of this type will also have a 'fall back' position in addition to their expected commercial arrangement e.g. the council has purchased the freehold of a car park which it leases to a large, national company however should the company surrender the lease or not meet the lease payments the council could operate the car park themselves or seek an alternative tenant. The strategy continues to be that the council will invest prudently on a commercial basis and take advantage of opportunities as they may arise which meet our strategic objectives and secure the economic wellbeing of the City, supported by our robust governance arrangements.

At 1/4/2019 the council has £31.138m of investment properties on the balance sheet with further investment of £6.9m undertaken in the current General Investment Programme for 2019/20. The income from investment properties is predominantly derived from ground rent and land leases. Further details relating to investment properties are given below:

Total value of investment properties	£31,137,750
Value of properties held for rental income	£30,952,750
Value of properties earning rental income	£29,598,500
Potential income from all investment properties held for rental income	£1,612,209
Potential yield from all properties held for rental income	5.21%
Income from properties earning rental income	£1,597,309
Yield from properties earning rental income	5.16%
Value of properties held for capital appreciation or where the freehold has a market value*	£194,500

*The council has arrangements where the freehold on land is retained, generally subject to a long lease but which produces no rental income, however the freehold land does have a market value.

For the year 2019/20 the anticipated income from investment properties represents less than 2% of the council's gross expenditure.

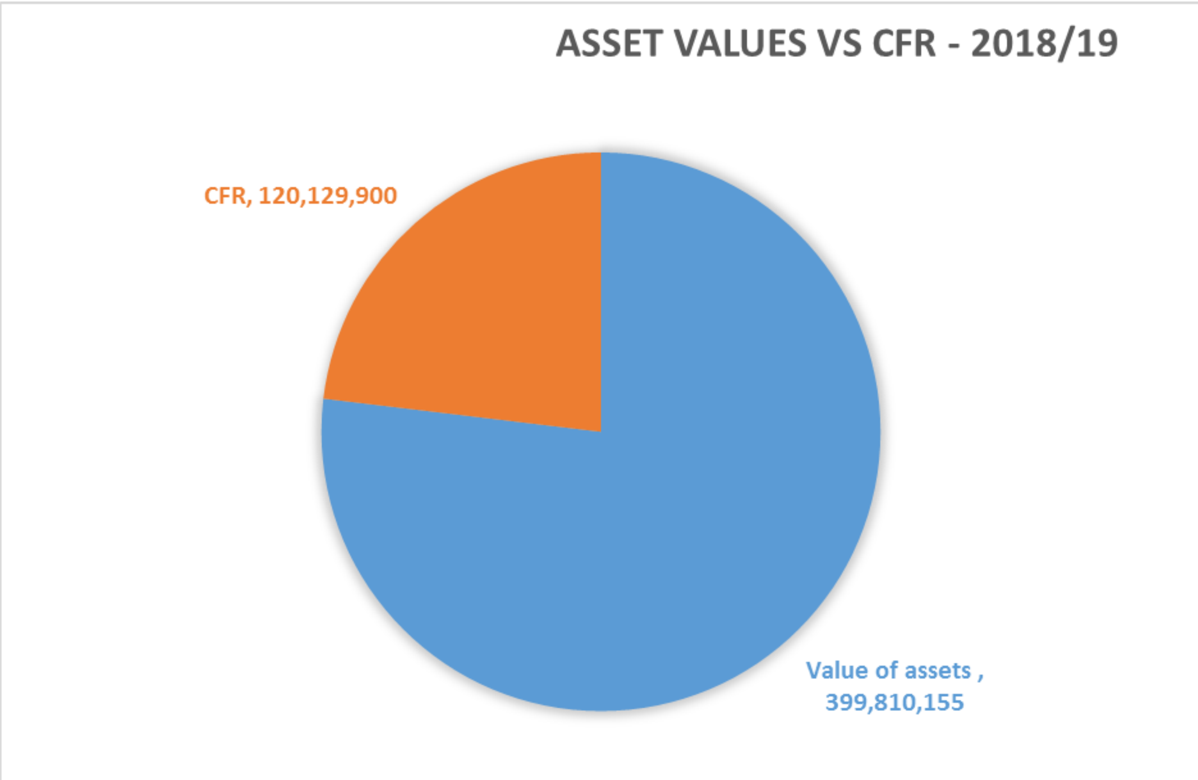
Many of the council's investment properties have been council assets for a number of years. More recently the council has borrowed to fund the purchase of assets. The financial impact of this is shown in the table below:

Asset type	Value	Annual income	Yield on value of assets	Borrowing costs	Annual surplus
Car Parks	£6,580,000	£316,161	4.81%	£192,180*	£123,981
Freehold property	£13,450,000	£739,820	5.50%	£497,327	£242,493

*assumed in business case

Within the General Fund Investment Programme a further £6.9m purchase of investment property has taken place during 2019/20, funded by borrowing. Net income expected from this purchase is budgeted to be £0.111m per annum – a further update will be provided once the property has been valued at 31 March 2020.

A graph illustrating the value of the council's assets compared to the capital financing requirement (the underlying need to borrow to fund capital investment) at 31 March 2019 is given below:



The table below indicates the interest cost of borrowing within the general fund and the housing revenue accounts compared to overall gross expenditure. The limits indicated are set locally and are not imposed by central government or advisory levels provided by CIPFA.

Current budgeted cost of borrowing					
	19/20	20/21	21/22	22/23	23/24
GENF borrowing cost as a % of gross revenue expenditure	12.77%	13.72%	13.48%	13.05%	12.79%
Limit of GENF borrowing cost as a % of gross revenue expenditure	15%	15%	15%	15%	15%
HRA borrowing cost as a % of gross revenue expenditure	11.69%	11.94%	12.02%	12.16%	11.99%
Limit of HRA borrowing cost as a % of gross revenue expenditure	14%	14%	14%	14%	14%

Section 8 – Loans and investments in local businesses and organisations

The council has the discretion to make loans and investments in local organisations for a number of reasons, primarily for economic growth; these loans are treated as capital expenditure.

In making these arrangements the council exposes itself to the risk that the borrower defaults on repayments. The council must therefore ensure that it has fully considered the risk implications with regard to both the individual loan and that the value of them individually and collectively is proportionate and prudent within the overall exposure to the council to risk of default.

To ensure that the risk is managed a full due diligence exercise is undertaken, with a business case that identifies the benefits and risks and considers whether adequate security is in place. Loans and investments will be agreed by Executive and will be subject to close regular monitoring.

Section 9 – Knowledge and Skills

The Council's Capital Strategy is reviewed annually and compiled by the Chief Finance Officer, an experienced and qualified accountant. External advice is available from the Council's Treasury Management advisors (Link Asset Services) who offer a range of services in relation to borrowing advice, leasing and capital investment options. The council is also a subscriber to the CIPFA Finance Advisory Network which provides advice on technical accounting matters. Additional specialist tax advice in respect of tax implications for property transactions is available from an external supplier of this service (PS Tax). The council has an in-house legal team and additional legal specialist support is available from external sources. The council has an in-house property services section headed by a RICS qualified surveyor and additional specialist support in respect of property matters is available through the district valuer and other external sources.

Section 10 - Conclusion

The Council's Capital Strategy is a 'live' document, which provides a framework for the deployment and management of capital resources across the organisation in accordance with corporate priorities. It is therefore the framework for capital investment across the Council. The Strategy will be reviewed annually, to ensure it is kept up to date and is relevant and effective and reflects best practice.

Item No. 6

EXECUTIVE **20 JANUARY 2020**

SUBJECT:	**COLLECTION FUND SURPLUS OR DEFICIT – BUSINESS RATES**
DIRECTORATE:	**CHIEF EXECUTIVE AND TOWN CLERK**
REPORT AUTHOR:	**JACLYN GIBSON, CHIEF FINANCE OFFICER**

1. Purpose of Report

1.1 To inform Members of the estimated balance for the Business Rates element of the Collection Fund and the surplus or deficit to be declared for 2019/20.

2. Executive Summary

2.1 Prior to setting the Council Tax for 2020/21 the City Council is required to estimate whether there is to be a surplus or deficit on both the Council Tax and Business Rates elements of the Collection Fund for the current financial year (2019/20).

2.2 At the Executive meeting on 6th January 2020 the Council declared a surplus on Council Tax of £382,814 for the financial year 2019/20, of which its share was £57,809. The Council will declare a surplus on the Business Rates Collection Fund of £802,023 for 2019/20 subject to the confirmation of the Business Rates base by 31st January 2020, of which its share is £144,168.

3. Background

3.1 As a Business Rates Billing Authority the Council is required by legislation to estimate the surplus or deficit for each financial year on the Collection Fund. Prior to 2013/14 this estimate was only required for Council Tax. However, as part of the Local Government Finance Act 2012 the Government implemented a Business Rates Retention (BRR) Scheme from April 2013, whereby the collection and distribution of business rates is done via the Collection Fund (distribution of business rates had previously been managed nationally). Local Authorities as a result took on an additional level of risk and uncertainty of business rates funding. In a similar way to Council Tax precepts from the Collection Fund business rate precepts are now fixed prior to the start of a financial year and any variations from this realised through the Collection Fund in year are distributed in the following financial years (based on estimated in the following year and actuals in the subsequent year).

3.2 The calculation of business rates is based on an estimate of rates collected in year compared to the estimate made the previous year, taking into account any previously declared surplus or deficit, and a forecast for the remainder of the current year.

3.3 A surplus or deficit may occur in the Collection Fund if actual performance during the year is higher or lower than originally estimated when Council was set. Areas of variance include:

- Business rates base is larger or smaller than originally anticipated (reasons include properties coming off and off the valuation list (e.g. as a result of redevelopments), appeals by businesses to rating valuations.
- In year collection rates are higher or lower than expected,
- Arrears collection rates are higher or lower than expected

3.4 The Council is required to declare any surplus or deficit during January of each financial year and once approved has an obligation to notify its major precepting authorities (for business rates these are Lincolnshire County Council and the Government) of their share of the estimated surplus or deficit.

4. Estimated Surplus/Deficit for 2019/20 – Business Rates

4.1 As at 31st March 2020 the Collection Fund is estimated to have a surplus of £1,685,227 for business rates relating to the Financial Year 2019/20, the City Council's share of this being £674,091. This surplus has arisen due to changes in the level of appeals provisions required as well as a lower than estimated take up of the Retail Discount Relief.

4.2 In addition to declaring the estimated deficit position on the Collection Fund for the current financial year the Council is also required to declare any surplus or deficit relating to the difference between previously declared surplus/deficit positions and the actual outturn position as reported in the Council's Statement of Accounts. In 2019/20 there is a deficit balance of £883,204 in the Collection Fund relating to previous years, the City Council's share of this being £529,924.

4.3 Based on the forecast position of the in-year Collection Fund as at 31st March 2020 and taking into account an adjustment for the difference between prior year estimates compared to the actual outturn it is estimated that there will be a surplus of £802,023 on the business rates element of the Collection Fund in 2019/20. This will be distributed in full to preceptors in 2020/21.

5. Strategic Priorities

5.1 There are no direct implications for the Council's Strategic Priorities arising as a result of this report.

6. Organisational Impacts

6.1 <u>Finance</u>
For City of Lincoln the financial implications of the report are summarised below:

Distribution of surplus/(deficit)	CoLC share £
NNDR – prior year deficit	(529,924)
NNDR – 2019/20 estimated surplus	674,091
Total surplus	**144,168**

The Council's share of the estimated surplus will be distributed in 2020/21 and will form part of the Medium Term Financial Strategy 2020-25.

At the commencement of the BRR scheme in 2013 the Council established a volatility reserve to manage the potential fluctuations in business rate income in order to smooth the impact on the MTFS and to cushion the blow of any significant reductions or deficits. The current balance on this reserve stands at £1.456m, with budgeted movements of £0.183m forecasted over the period of the MTFS. The surplus to be distributed in 2020/21 will be contributed to this reserve.

6.2 Legal Implications incl Procurement Rules - There are no legal implications arising as a direct result of this report.

7. Risk Implications

7.1 Business rate income and appeals assessments are monitored on a monthly basis and form part of the overall budget monitoring and reporting to Members. However, the volatility in the level of business rate income presents a significant financial risk to the Council, particularly in relation to the level of appeals within the system. This risk along with other key financial risks forms part of the overall risk assessment of the MTFS and in part determines the Council's approach to the level of reserves and balances that it deems prudent to hold.

8. Recommendations

8.1 The Executive are recommended to confirm the action of the Chief Finance Officer in declaring a business rates surplus of £802,023 for 2019/20 subject to the confirmation of the business rates base by 31st January 2020. Any amendments to the declared deficit will be notified to the relevant preceptors and be included in the Final MTFS 2020-25 to be presented to the Executive 24th February 2020.

Is this a key decision?	Yes
Do the exempt information categories apply?	No
Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?	No
How many appendices does the report contain?	None
List of Background Papers:	None
Lead Officer:	Jaclyn Gibson, Chief Finance Officer Telephone (01522) 873258

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Item No. 7

EXECUTIVE **20 JANUARY 2020**

SUBJECT:	**ICT STRATEGY 2019-25**
DIRECTORATE:	**HOUSING AND INVESTMENT**
REPORT AUTHOR:	**MATT SMITH, BUSINESS DEVELOPMENT AND IT MANAGER**

1. Purpose of Report

1.1. To seek approval from Executive for the proposed ICT Strategy for 2019-25.

2. Background

2.1. The ICT Team have been working with Foresight Consultants on a proposed ICT Strategy for the period of 2019-25.

2.2. This ICT strategy, is based on:

- Council priorities and the likely challenges facing the service over the next three years.
- Supporting Vision 2025 and One Council agenda
- Interviews with key stakeholders
- Reviews of current infrastructure
- Potential future requirements
- Meetings with stakeholders
- Industry developments

3. Objectives of the Strategy

3.1. The proposed strategy, building on the previous document, combines essential and aspirational elements, acknowledging the reliance of the Council, as a modern business, on ICT; and also the requirement to develop further and seek to optimise the use of technology to enable new methods of service delivery, and customer expectations in the way they wish to access Council services.

3.2. Four key themes have been identified:

- Channel Shift – Customer Services
- New ways of working
- Value for money
- High availability and High Performance

3.3. The Strategy is also designed to support the Vision 2025 and One Council Agenda, through new technologies and service support including:

- New and upgraded systems
- Mobile working equipment and processes
- Enhanced web and self-service provision
- Cloud provision of services

3.4. The Strategy considers a number of technical solutions which support the overall themes and corporate agenda and looks at the resources available for delivery.

3.5. It also acknowledges that the prevailing climate over a number of years has meant that it has been difficult to provide high levels of investment into ICT Services, and that in order to achieve a sustainable service more investment will be required. Furthermore, in order to meet some of the more aspirational aspects of the strategy, it will be necessary to reconsider the deployment of resources in some cases, and to invest on a Business Case based approach to enable New Ways of Working and to modernise ICT to support Service delivery.

4. Essential elements of the ICT Strategy

4.1. There are some key elements without which the ICT function could not operate. Aside from the people and skills which are critical for operating the service, some elements of the ICT Infrastructure are required to form a platform for services. These include the data storage, servers, network, telephony and DR capability. These are covered in Section 6 of the strategy. Whilst some investment resources have been committed, these will be reviewed as part of the ongoing budget process, as per the ICT strategy.

4.2. In addition, desktop equipment has been provided on a cost-effective basis for many years. In order to modernise services this will mean that more investment will be required in order to optimise the way staff resources are deployed.

5. Aspirational/Line of Business Services

5.1. Section 4 of the strategy sets out the strategy for Applications. Some key highlights here are:

- The applications that the Council is utilising
- The way they are consumed
- The mix and spread of applications and how they may be rationalised
- Underlying platforms
- Staff skills and training to effectively utilise software
- Customer requirements for self-service

5.2. Many of these elements will require investment and will be considered in more detail over the period of the strategy on a business case based approach.

6. Costs

6.1. Whilst is it not possible at present to identify costs that are associated with the strategy, some elements will undoubtedly require a shift in resource deployment and/or a level of investment in order to modernise services; this will need to be weighed against the benefits via ROI modelling or similar decision making matrix.

As the delivery of the strategy develops the skill sets and resources required will be become more understood and be reported back at a later date.

7. Strategic Priorities

7.1. High performing services – The ICT Strategy is a key element of delivering services across the Authority. Investment in ICT will reap dividends across services and enable enhanced working practices.

8. Organisational Impacts

8.1. Finance

The Council currently has an ICT Reserve along with a revenue budget for project based work. Service areas are currently responsible for the ICT investment required in the service specific ICT applications and the funding of the ICT equipment needs of the service teams (although this is set for review). In addition, the Council has an Invest To Save Reserve which is used to pump prime initiatives, such as the M365 pilot project, that will ultimately deliver service efficiencies. In addition to the general ICT reserve, where any significant investment is made in the infrastructure, the Housing Revenue Account will pay a proportionate contribution towards the costs, c30%, increasing the availability of funds.

8.2. The investment plan in support of this ICT strategy identifies a need for an significant investment over the next 3 years in order to design, build and run the corporate ICT architecture and to deploy solutions into departments that take advantage of it. In addition, investment will be required in the service specific ICT applications and for the provision of equipment to officers.

8.3. At this point it is not possible to identify whether the costs associated with replacing or updating core infrastructure and operating systems can be fully met from the ICT reserve however, the level of the reserve will need to be kept under continual review to ensure adequate funds are available to support the ICT Strategy. Should the Council require new or upgraded systems or IT services to support projects, the associated costs will need to be included in the business case for the project.

8.4. As individual projects and initiatives are developed the source of funding and appropriate approvals will be sought.

8.5. Legal Implications including Procurement Rules

There are no legal implications at this time.

8.6. Equality, Diversity and Human Rights

There are no E&D implications at this time. Indeed, ICT can be used as an enabler to make services more accessible to customers and staff. They will be considered further as part of an projects arising as part of the strategy.

9. Risk Implications

9.1. Key risks associated with the strategy are related to resources, both in terms of appropriate skilled staffing and the amount of finance available for delivery.

10. Recommendation

10.1. That Executive adopt the proposed policy.

Is this a key decision?	No
Do the exempt information categories apply?	No
Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?	No
How many appendices does the report contain?	One
List of Background Papers:	None
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ICT Strategy

2019 to 2025

Table of Contents

1. Introduction

This ICT strategy, covering the period 2019 to 2025, provides the Council with an ICT Strategy, based on the current thinking of the Council's priorities and the likely challenges facing the service over the next three years.
Section 2 addresses the external drivers that affect the Council's approach to and use of ICT.

Section 3 lays out the four key themes that have been identified.

- Channel Shift – Customer Services
- New ways of working
- Value for money
- High availability and High Performance

The purpose of this strategy is to provide direction and guidance for the delivery of ICT for the period stated whilst accepting it is a living document that will need to be managed and changed over its life. It supports the Council's Vision 2025 and One Council agenda.

Section 4 – Discusses the Council's line of business applications and how collectively these need to be managed going forward.

Section 5 – the Business Change Strategy outlines to processes for supporting good governance if this strategy

Section 6 – Sets out the Technical Strategy with a number of technological development initiatives, which are required to ensure the integrity, resilience and reliability of the Council's ICT infrastructure.

Section 7 – Describes the ICT Service budgets and management arrangements, and how the ICT service will be resourced to deliver this strategy over the coming period.

Section 8 – describes the process that will be undertaken to ensure the ICT Service has appropriate staffing resources.

2. Drivers

2.1 UK Government

ICT has a major role to play, in public and private sectors alike, in driving down costs, increasing productivity and improving customer service. Many councils have already invested in digital transformation as one way to enable councils to meet the Government's stringent spending targets. It is vital that the Council sees ICT as an enabler to improve customer service and deliver greater efficiencies.

Central Government is looking to achieve its target of 90% of people being online by 2020. The voluntary sector, businesses and statutory organisations are working hard to meet or exceed this target.

Source:

www.gov.uk/government/publications/government-digital-inclusion-strategy/government-digital-inclusion-strategy

2.2 Digital Culture

Digital Culture will determine the organisation's ability to change to meet emerging requirements. Capgemini has developed a model '7 Dimensions of Digital Culture' for transforming to meet the requirements of a modern business. These are:

1) Customer Centricity – aligning to customer need
2) Innovation – the exploration of new ideas
3) Data-driven Decision Making – making evidence-based decisions
4) Collaboration – cross-team working between staff
5) Open Culture – working with external partners and networks
6) Digital First Mindset – 'Digital by default'
7) Agility and Flexibility – speed of decision making to meet changing demands

The culture of the organisation will need to adapt to these new models and they are reflected in pragmatic ways throughout this strategy.

2.3 Customers' Demands

Looking forward, there is little doubt that the pace of change is increasing, with more of our customers using smart phones and tablets, and expecting to interact with us online and digitally, much like they do with their bank, supermarket and other suppliers. Our staff already have some of the tools to work flexibly, from home, from different offices and some whilst on-the-road, but more needs to be done.

Whilst this clearly creates challenges, some technological, others cultural, the rewards can be very significant. No longer will staff need to first visit the office to collect a file before meeting with a customer out in the field. Information can also be captured at source, either by a member of the public entering their request on-line, or a member of staff entering this for them, via a mobile device.

Similarly, we need to recognise and respond to the needs of specific services on the use of mobile devices. ICT will need to be responsive to local demands, whist providing the underpinning connectivity and security to ensure that officers can do their job and customer data is not compromised.

2.4 Channel Shift

Channel shift is a key way of both reducing costs and improving the service to our customers, whilst not forcing away those customers who still need to use traditional channels such as telephone or in person visits. CoLC has a Customer Experience Strategy that clearly recognises the need to 'shift' but also accepts this will need to be achieved through 'nudge' methods for it to gain wider acceptance as a strategic approach. It must be recognised that the greatest level of channel shift will be through offering better, simplified and more integrated digital solutions, including 'tell us once' services, rather than just targeting cost reductions.

In order to gain the benefits of customer self-service, strong leadership will be required and culture development within the organisation will mean that services need to be fully-engaged in transferring customer interactions to more cost-effective channels. This will require educating staff (internal customers) on the benefits of online services and promotion of online services to customers.

More channels and services will be added over the lifetime of this strategy, and we will work together with partner authorities to join up service delivery to enhance the customer experience.

As CoLC has already started to see, offering online services can produce considerable benefits for both the Council and for customers. Customers are able to receive a service 24 hours a day, 7 days a week, all-year round in a way that suits their requirements.

2.5 Scalability and Resilience

Clearly, however, this increased demand and reliance on ICT requires our systems to be highly-available. Similarly, and as mentioned, there is a need for our systems to handle much greater peaks and troughs. Whilst a Council Tax billing run may create a significant demand on the phone system over a week or more, the availability of online services often creates larger peaks with customers 'doing things' right away. These peaks of demand, may, if they impact on the customer's experience, deter take up of online services, or even create periods of time when customers are unable to use the online systems. Such outages are often known to then trigger an unmanageable in-flux of calls, enquiring, or worse complaining, about the issues the customer faces. As councils increasingly adjust their resources downwards, and as customers increasing transact online, such outages could overwhelm the resources remaining to handle calls and visitors. ICT therefore needs to provide a highly performant and reliable operation with excellent resilience and disaster recovery capabilities.

In summary, ICT increasingly underpins the entire process of delivering all of the Council's services, and fully supports the objectives contained within the other strategies and plans produced by the Councils.

3. Corporate ICT Key Themes

Vision 2020 sets out what the City Council wants to achieve for Lincoln and how we are going to achieve it.

The strategic priorities that support this vision are:

- Let's drive economic growth
- Let's reduce inequality
- Let's deliver quality housing
- Let's enhance our remarkable place

These are underpinned by a commitment to professional, high performing service delivery and supported by three core values:

- Let's be approachable
- Let's be innovative
- Let's be trusted to deliver

The emerging Vision 2025 and One Council agenda will increase demands on ICT Service provision particularly through the 'Technology' and 'Creating Value Processes' workstreams. In addition the ICT Strategy seeks to complement and support other council strategies e.g. Medium Team Financial Strategy, Asset/Accommodation Strategy, Customer Experience Strategy.

For ICT, there are a number of important areas where ICT can contribute to the achievement of the vision. For example, as we have seen over the last 10 to 20 years, both in our professional and private lives, ICT can transform both the way that we do things and the services that we receive and can deliver. There is little doubt that new advances will bring about further change which the Council can leverage.

For example, ICT can enable us to:

- Seek to shift customer interactions to electronic non-assisted; embracing new technology.
- Review the way we work; making efficiency savings where possible.
- Deliver an excellent and consistent customer service through multiple channels.
- Provide greater access and seek higher levels of customer satisfaction through channel shift: it not only provides good VFM, it meets the need of our residents.
- Redesign and modernise our services, providing an opportunity to not only improve customers experiences but also to maximise efficiencies and continue to make the Council fit for purpose well into the future.
- Create a workforce that is flexible and adaptable; able to work as equally well as they do in the office out in the field, at home etc.
- Drive down operating costs.
- Progress channel shift to change the way people interact with our services.
- Improve customer experiences – redesigning and modernising services.
- Generating new income streams by up-selling and cross-selling

- Continue working towards a fit for purpose organisation with lean working practices embracing new ways of working (agile) to release space and reduce costs and new ways of delivering services.
- Enhance employee experience, helping to recruit and retain staff

Taking this mandate, in the remainder of this section, four key themes of the new ICT Strategy are set out - both their importance and what this means to the Council and the ICT Service. Many of these themes are interdependent, with advances in one theme benefiting other themes.

3.1 Channel Shift – Customer Services

Our residents, businesses and visitors are increasingly dealing with other organisations, e.g. banks, supermarkets, clothing stores, that not so long ago saw town centre shops or more recently the call centre as the optimal way of dealing with customers.

Looking forward, beyond simply providing the mundane - a basic, secure and credible online service, the lack of a single view of our customer (and their lack of a single view of the council) limits our ability to exploit commercial opportunities, e.g. up-selling or cross-selling them services which they might welcome – extra garden waste bins etc. A self-service portal, which allows customers to engage with us quickly and easily, but then builds over time, as we present them with pertinent opportunities and they increasingly tell us more about their needs, is a win-win for the Council and its customers – business, residential and visitors to the City.

The business case for channel shift, in itself, is very compelling. As the table below shows, the cost of servicing a customer electronically, via the web-site, is a small fraction of that of seeing them face to face, or cost of them calling in. Up-selling and cross-selling will further bolster this business case, allowing the Council to generate more income (and profit – surplus) from the opportunities taken up by our customers.

Channel	**Cost per 'visit' (average of Deloitte & Socitm research)**
Face to face	£11.44
Telephone	£2.30
Website	32p

3.2 New ways of working

The vision of New Ways of Working (NWoW) is about the use of mobility in its wider sense. Staff beening freed up from working at a single fixed workstation and phone (fixed handset), and able to:

- Work away from their desk, within or away from the office, including the use of Wi-Fi or 4G and 5G, as coverage increases, to use the same systems and services that they enjoy at their desk.

- Work at home, on a corporate laptop, and access all the same systems and services in an efficient and effective way.

Clearly, there are a number of things that need to be improved before this vision becomes a total reality for all staff. These include:

- Technology improvements, e.g. honing of the Remote Access service.
- Information to become electronic where it is not currently (paper-based documents being held in an electronic form).
- Improved Wi-Fi and 4G/5G coverage throughout the district coupled to mobile modules and devices being deployed for line of business applications.
- Wider deployment of line of business application's mobile modules, e.g. Housing and Building Control, potentially supporting on/off line working and the introduction of specific devices for these.

3.3 Budgets and Investment

Looked at in isolation ICT can often be seen as 'a money pit', which sometimes does not deliver the benefits which it sets out to achieve; this perception needs to change, with targeted investments only being made where a good return on investment can be demonstrated.

Improved cost control and the right-placing of budgets, e.g. taking away the ability of services to demand new desktop equipment will be introduced during 2019; this coupled to improvements in the project management overall will ensure that only projects demonstrating a good return on investment will be taken to CMT. Also, the review of corporate (non-Core ICT) services, both within the current ICT structure and out in the business, will be undertaken. This will result in CoLC being able to gauge the true cost of ICT and ensure that the capital budget is being used to maximum benefit for the Council.

3.4 High availability and High Performance

As mentioned, with the need for around the clock (24 x 365) access comes the need for high availability. Gone are the days where backups and batch processing, making system unavailable for long periods of time, can be undertaken during the evening or weekends, customers are now demanding access to information and services at the times convenient to them. Given, as we have stated, that this may be out of hours when the Council is not normally contactable, then evenings and weekends become critical times.

High availability also means that that during challenging times, e.g. power cuts, local weather situations, etc., self-service capabilities can be maintained; proper Disaster Recovery (DR) facilities are also in place.

4. Applications Strategy

4.1 Overall Context

With the increasing pressures on local government – both financial and customers' demands for self-service - it is important that CoLC adopts flexible, innovative and cost-effective methods for delivering application services, which can adapt to the shape of the new organisation demanded by Vision 2020 and the emerging channel shift programme. This is likely to mean a greater emphasis on buying Software, e.g. Software as a Service (SaaS) solutions where the total cost of ownership makes sense, rather than deploying applications in-house and/or spending time customising systems. ICT will therefore need to work with service managers, exploring and explaining these options and their respective merits, as well as highlighting opportunities for new ways of working and enabling the general public to access more services online and through mobile devices.

The key objectives for the application strategy are:

- Having the ability to deliver applications in a cost-effective manner, that are relevant to the business requirements of the Council and that are fit for purpose. Sometimes, it will be ICT's role to challenge requests for functionality, which does not make good business sense.
- There will always be a compromise between minimising the number of different software suppliers and purchasing best in breed when required e.g. where licensing arrangements are beneficial or where there is a reduction in the need for interfaces and double-keying by services.
- Ensuring through future procurements that agreements are made which support joint working, where this makes sense for CoLC, with other Lincolnshire authorities (and beyond). Also, which enable CoLC to provide services to any commercial off-shoots.
- Highlighting and exploiting opportunities which would enable greater mobility and flexible working for staff; something that can still sometimes present challenges for staff. Also, which enhance Internet and mobile self-service applications to allow ease of use and flexibility to all CoLC customers.

To achieve these objectives will involve:

- Undertaking a full review of the application software estate over the life of this document
- Exploring the potential for enterprise applications, where this makes sense, to reduce the number of software suppliers. It should be noted enterprise applications are not always best of breed.
- Training and developing ICT staff so they have the correct skills and competencies to support and utilise the technologies deployed by the Council, e.g. Cloud.
- Commence a planned and regular exercise (twice yearly) of consulting with both Service leads (e.g. account management meetings) and end users (e.g. surveys).
- Using appropriate industry standard methodologies (such as ITIL, PRINCE 2 and RAD) to deliver services and manage projects. Publishing timescales, tying down scope and delivering on-time and within budget.
- Promote and market the skills of the ICT team; ensuring that the value of the project work is reflected in services' business cases.

- Continue to work closely with the Customer Services team to enable the delivery of channel shift, through the developing Customer Experience programme of work.

4.2 Cloud Computing / Hosted Services

Cloud and hosted services come in a number of shapes and sizes. From a CoLC perspective, the main option is Software as a Service (SaaS), where the licencing and delivery of application software can be provided as a rented service by a third party over the Internet. Examples of this type of service are iTrent and Modern.Gov, both current CoLC applications, where there is the option from the supplier for a SaaS version; little or no CoLC applications resource are then required to update, maintain or host these products.

CoLC should also remain aware that suppliers are motivated to switch customers to on-going revenue payments versus one-off capital purchase (and smaller revenue support costs), which over a three to five-year period tend to be more expensive. The Microsoft Cloud being an example of this where Azure hosted services and the rental of Microsoft software licencing has seen significant increases. The key to a good Cloud strategy is to consider the overall picture as moving services individually and expecting a cost reduction is not viable. Cloud has to be part of a long-term strategy that sees a reduction in staff costs and core infrastructure requirements.

This strategy recognises the need to adopt a hybrid approach in the medium-term as some services have already migrated to SaaS. It also recognises the need, as part of the application review, to provide a long-term strategy and consider the viability of a significant Cloud transition.

4.3 Review of the Application Software Estate (see para 4.1)

As mentioned earlier, in order to achieve the key objectives for the application strategy, there is a need to complete the review of the application software estate. This is also good practise, as working practices and the working environment changes, application suitability will become an issue to the efficient delivery of any service. As such a constant and planned review of applications needs to take place to keep pace with these changes.

The changing environment can include:

- Changes in legislation.
- Changes to the priorities of the Council.
- The requirement to make efficiency savings (shared / joint working between CoLC and other councils etc.).
- A change in the customer-facing delivery of the service (more self-service options and access to services, new technology).
- Additional partners, e.g. commercial off-shoots using ICT services.
- New options in the delivery of applications (hosting, cloud services).
- Support of mobile working.

The review cycle needs to encompass the business requirements, identify gaps or deficiencies in the current software, joint working potential, customer access and self-service requirements. At the same time, it can be used to promote standardisation within ICT, such as a common database type (MS SQL Server) and standard server software (Windows) to optimise support and licencing.

4.4 Review the Delivery of Applications

This section sets out, under each of the sub-headings the detail of the review.

4.4.1 Procurement of any related ICT items

The ICT lead must be informed and approval given before any Service within the authority embarks upon procurement for any ICT items – hardware, software or service. The ICT lead will also, assuming approval is given, state what involvement ICT will need to have. Major changes e.g. Line of Business applications, will need to be agreed by the ICT Steering Group. The centralisation of IT budgets will impact on this. Corporate Leadership Team is the recognised "gateway" for IT procurement.

4.4.2 Single Instances of Corporate Applications

As part of the commitment to improving the cost effectiveness of ICT services, opportunities for common applications (e.g. a share website platform with LCC) between CoLC and across councils in Lincolnshire should be reviewed, looking at the best delivery model. There are potentially corporate applications which are the same across councils in Lincolnshire which currently use separate infrastructure. The advantages of using single instances of an application are:

- Cost savings on software licences.
- Reduction in hardware (servers etc.).
- Simplified upgrade process.

However, from the business prospective, there may be a need to:

- Align business processes between councils (standard workflow within the application).
- Allow for less flexibility (upgrading and maintenance are done at the same time).
- Consider the potential for a more problematic separation if there is a change in business requirements.

The overall total cost of ownership and return on investment will need to be considered against these points.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2022 and beyond)
Applications Review	• Review each application, and establish a roadmap for consolidation, retirement / replacement. • Produce definitive list of interfaces and integrations	• Implement roadmap for application consolidation. • Review market offerings for applications, dependent on outcome of review	• Continue consolidation work of LOB applications • Extend roadmap for additional applications • Review applications that have previously been consolidated

4.4.3 Cloud Computing / Hosted Services

It is inevitable that CoLC will continue to adopt a hybrid Cloud strategy as individual business cases may lead to SaaS / Cloud as the favoured option; some suppliers are increasingly keen to move customers away from on-premise solutions, which are less profitable and more costly for them to support.

It also seems inevitable that, with pressures from all sides, Cloud computing in its various forms is likely to play an increasing role in application delivery and that CoLC needs to be fully aware and able to adapt to such pressures.

Element	**Short-term (2019/20)**	**Medium-term (2020/21)**	**Long-term (2022 and beyond)**
Cloud Computing / Hosted Services	• Fully cost a SaaS roadmap and agree if it is viable. • Assess the suitability of SaaS delivery on an application by application basis.	• Ensure that the application roadmap includes a 5-year plan that considers the Cloud option.	• Cloud based strategy based on business case and deliverability

4.5 Using Enterprise Applications

With the aim of reducing the number of software suppliers, there will be a need to look at enterprise solutions rather than using 'best of breed' applications. The benefits can include potentially lower licencing costs, simplified and efficient integration between applications and lower maintenance and training costs. For the services, staff training is also simplified as you generally have one user interface or presentation layer for the entire enterprise solution. This will also help support the key theme of service integration. However, again this will be looked at on a case-by-case basis as the balancing factor will be the services' requirements.

Element	**Short-term (2019/20)**	**Medium-term (2020/21)**	**Long-term (2022 and beyond)**
Using Enterprise Applications	• Review each application, and establish a roadmap for consolidation, retirement / replacement. • Produce definitive list of interfaces and integrations.	• Move to Strategic Platforms where this makes good commercial sense.	• Implement roadmap and reduce dependency upon standalone platforms / point solutions.

4.6 Databases

At present the Council mainly has MS SQL Server databases, with some Oracle databases:

- Servitor (Stock control for HRS)
- IDOX Uniform (Planning)

Also APP (previously called Flare), a vendor driven data application, uses Sculptor.

Going forward, wherever possible, and due to cost in licensing and support, the Council will seek to migrate to a purely Microsoft SQL Server environment. The exception being where current applications or suppliers dictate otherwise. In future, where possible, CoLC application procurements should stipulate Microsoft SQL as the preferred database.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2022 and beyond)
Databases	• Standardise on MS SQL Server for any new applications • MS SQL Server 2008 end of life July 2019	• Identify opportunities for migration to MS SQL Server • A move to more cloud-based solutions may negate the need for database hosting	• Move away from non-MS SQL Server applications (where possible). • MS SQL Server 2012 end of life July 2022

4.7 EDRMS

The approach taken going forward will be to continue to utilise DMS solutions within the main line of business applications, rather than pushing Information@Work (I@W) – the ageing Corporate EDRMS. Similarly, with new procurements there needs to be a requirement to include such functionally. The key reason being that close integration delivers significant productivity gains, e.g. the current move of Creditors documents from I@W to Agresso. Whilst 10 years ago there was a big drive towards having a corporate EDRMS, the synergistic benefits are generally low, and often offset by the lack of such close integration with line of business applications.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2021 and beyond)
EDRMS	• Continue to develop and improve the quality of digital data within existing LoB applications • Ensure that duplication is kept to a minimum	• Minimise the costs associated with scanning paper items as very few will exist in the future	• Investigate “single pane of glass” for EDRMS applications

4.8 ICT Staff Training

With the changes in technology and delivery of services, e.g. away from build in-house to buying off-the-shelf packages and Cloud solutions, training and development of staff (e.g. project management, procurement approaches) with the correct skills and competencies is vital. The ICT team will be developed to provide an improved application support service that will inevitably result in the need for greater investment in the skills of the application specialists. To meet these changes, and the changing support needs of the services, application specialists will need to take control of product roadmaps, supplier management and gain an understanding of contractual arrangements.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2021 and beyond)
ICT Staff Training	• Identify and undertake training to support new roles and structure • Implement performance agreement and personal development plan • Develop the support matrix	• On-going training appropriate with new demands of service, e.g. customer service, Cyber security, commercialisation	• Consider succession planning

4.9 Provide further Self-Service applications for the Customer

The proportion of customers that are comfortable and knowledgeable in using the Internet, on-line services and mobile devices continues to rapidly grow. As such, the opportunity for CoLC to use these channels to provide services on a self-service basis will increase. This will allow staff to focus on the delivery of the Council's services and reduces overheads, compared with telephone or face-to-face services. A knock-on benefit of self-service is also the ability it affords to the Council to gather information about its customers. This intelligence will better inform service delivery and targeted promotion of new services and information to our customers. ICT will continue work with both Customer Services and the departments to enhance their online services.

The Council already provides a range of self-service options for a wide variety of services. However, there are still some gaps in this provision and some services can be further enhanced and promoted to gain maximum benefit for both customers and the Authority.

An important project for ICT over the next year, will be deploying a new website CMS and establishing the need for delivering online services in different ways, for example:

- Customer Portal – allowing customers to sign-on and access information and services (including cross and up-selling) pertinent to their needs.
- Single customer database – to allow us to service our customers better, e.g. by mining the data to identify new needs and commercial opportunities.
- Support for social media – to make the Council more accessible; acknowledging that different people have different channel preferences; some may prefer Facebook, others Twitter or Instagram.
- 'End user' configurable forms and process generation to speed up the time to market for new online services.

Other options could include:

- Buying off-the-shelf pre-defined but customisable district/borough processes could accelerate significantly the whole process of making online service available to customer.
- Support for social media, e.g. Twitter, Facebook, and enabling services for mobile devices – smartphones and tablets.

Element	**Short-term (2019/20)**	**Medium-term (2020/21)**	**Long-term (2021 and beyond)**
Take forward the Customer Experience strategy	• Set channel shift targets • Define and execute programme of work • Define needs and as appropriate	• Implement new functionality, for example, single account etc.	

5. Business Change Strategy

Projects will be authorised by appropriate leads. Larger projects and the programme plan will be approved by CLT/CMT working with ICT. It will be necessary to manage the overall demand and match it to available resources, budget and the ICT team's capability.

5.1 Governance

ICT Projects will be required to adhere to new processes and procedures. The council has adopted a robust project management model (LPMM) all projects no matter their size should be managed using this process. These include:

- The inclusion of projects on high level workplans providing an indication of the 3-year plan for each department. See Appendix A
- The completion of appropriate standard LPMM project documentation and governance for each project.
- The appropriate approval to commence each project on the workplan.

Once in progress the monthly ICT Programme Board (likely to be CLT) will have oversight of projects on a quarterly basis (or as required). The overall workload across the whole CoLC ICT programme needs sense checking at a high level for at least the first six months.

5.2 Composition of the programme

The programme will be developed further in consultation with CLT from four main sources:

1. Support to Vision 2025/One Council objectives
2. Consultation with the Service Managers.
3. Infrastructure plans that are known to the ICT team.
4. Business Process projects identified by the BD team

5.3 Procurement & Contracts

Further governance arrangements will inevitably be required to comply with Procurement, legal and Financial standards. ICT needs to be fully aware of standing orders and challenge the procurement strategy of business-led projects as required.

5.4 Risk Management

CLT as the ICT Governance Board will also oversee management of ICT and Cyber Risks through regular reporting which will be developed as part of the implementation of this strategy.

5.5 Compliance

ICT Services will seek to comply with Government and other guidance on best practice surrounding ICT Security and joining to other public sector networks and services.

6. Technical Strategy

The technology headlines for the next 3 years will be:

- The refresh of the core infrastructure including the building blocks upon which new ways of working and improved performance/resilience can be delivered.
- A new direction for the desktop including the method of desktop delivery and device type to enable a more mobile workforce.
- The integration of telephony with the desktop, probably through the deployment of a new type of telephony solution with desktop integration.
- Managing the move to cloud hosting and working to a long-term plan with goals and objectives.

The infrastructure work plan provided in Appendix A outlines the key projects to be undertaken over the period covered by this strategy document. The delivery of this plan will require significant investment from the ICT Capital Reserve and a review of how CoLC spends both capital and revenue funds on ICT projects.

6.1 Core Infrastructure

As part of the standard hardware refresh cycle, it is necessary to invest in core infrastructure (storage, servers and network) towards the beginning of the period covered by this strategy. The current platform has not aged well; and it reaches its scheduled end of life from a third party maintenance perspective in October 2019. The ambitions of the council will only start to be fulfilled through the deployment of a new set of building blocks upon which new ways of working can be successfully deployed.

6.1.1 Data Centres (Server Rooms)

The Infrastructure Refresh project will see a minor development of the server rooms both at City Hall and Hamilton House with the introduction of new racking, the rearrangement of space within racks and the decommissioning of the current storage/server platform.

During the period of this strategy ICT will aim to develop the server rooms to provide hosting facilities of a higher standard, improving resilience and reducing exposed cabling and work areas within the rooms.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2022 and beyond)
Data Centres (Server Rooms)	• Minor layout adjustments driven by the Infrastructure Refresh project	• Improve facilities, increase resilience and reduce exposed cabling / work areas	• Review space requirements, layout, UPS design and produce a long-term plan

6.1.2 Storage

The current NetApp hardware cannot support the 2019 demand for CoLC application hosting This lack of performance is severely compromising the ability to deliver new services and providing less than optimal performance to ICT customers on existing services.

The refresh project scheduled to deliver a new storage solution in October 2019 will provide sufficient performance to host all services, offer a platform to deploy required services in-line with demand from the business and provide rapid DR facilities in-line with business expectations.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2022 and beyond)
Storage	• Produce a specification for 5 years plus for data storage and performance • Accepting that a Cloud strategy is needed, 2019/20 is not the time to provide an either/or decision – the need to refresh is now • Deliver a new SAN and migrate existing servers	• Decommission NetApp following completion of migration	• Consider the effects of cloud on future storage requirements; what does the 2022-25 demand on local storage look like

6.1.3 Servers & Virtualisation

New compute nodes (servers) with increased memory and processing power will be delivered as part of the Infrastructure Refresh project. This will allow all applications to be hosted on the Storage infrastructure along with satisfying demand for further business requirements. Decommissioning of standalone servers, except where this has been done for licencing purposes (Oracle servers for instance) will simplify support and management.

Server operating systems will continue to need refreshing as Microsoft end of support dates drive this requirement. The next priority is Server 2008 which goes end of life in January 2020. All new servers and upgrade will deployed at version 2019 where possible with 2016 or 2012 used where applications dictate. It should be made clear though as part of the decision making process that no new system deployment will be accepted at any version less than 2016.

VMware vSphere will remain the strategic server hypervisor for the foreseeable future. A version upgrade to 6.7 will be achievable and is desirable as part of the Infrastructure Refresh. This will leave CoLC well positioned for the duration of this strategy.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2022 and beyond)
Servers & Virtualisation	• Deploy new server hardware through the Infrastructure Refresh project • Remove all Server 2008 before January 2020 • VMware remains strategic for the period of this strategy • VMware version upgrade to 6.7 • Adopt Server 2019 as the strategy server platform	• Compute nodes strategic for 5 years	• Compute nodes strategic for 5 years • Plan the removal of Server 2012 which goes end of life in October 2023

6.1.4 Authentication & Directory Services

The Microsoft Active directory remains the primary means of desktop authentication. This is unlikely to change unless a major move towards Cloud services provides an opportunity to look at Authentication as a Service.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2022 and beyond)
Active Directory Authentication	• AD remains strategic choice	• AD remains strategic choice	• Review the long-term requirements for authentication

6.1.5 Disaster Recovery

Over the next 3 years and through the investment in new core infrastructure, DR will be enhanced. The new infrastructure will provide a suitable environment at the secondary site, Hamilton House. This will allow the recovery of SAN hosted applications with minimum data loss, the exact details will need to be agreed with the business and BCP owner. Further work will be required to enable the satisfactory recovery of the telephony system.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2022 and beyond)
Disaster Recovery	• Understand the business requirement and BCP interface • Include the optimal level of DR in the Infrastructure Refresh project specification • Ensure DR facilities are included in any ongoing procurement plans	• Publish RPO/RTO SLAs to ICT customers • Test a recovery to the DR site • Write and publish a new ICT technical recovery plan • Following the delivery of the SIP project (see telephony) agree requirements, secure funds and deliver DR for telephony	• Tactical DR testing and continued reviews of the BCP requirements

6.1.6 Connectivity

A tactical upgrade to the core switch will provide the connectivity required for the Infrastructure Refresh project. The redesign of switching to separate the SAN core fabric from the LAN core switching will resolve this known design issue.

The core switch hardware becomes end of life during 2020 and will need to be replaced, however this project should be delayed until after the migration onto the new storage infrastructure is complete. This will limit the amount of change being attempted at any one time.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2022 and beyond)
Connectivity	• The core & edge switching becomes end of life in 2020 • There is a need to upgrade the core to cater for the new SAN – this is low level tactical spend only • The KCOM MPLS remains strategy for the duration of this strategy • KCOM inter-site bandwidth needs	• Produce a specification and run a procurement process to refresh the core & edge switching • Future proof bandwidth with a view to maximising the core throughput and allowing for gigabit connection to the desktop (currently restricted by	• Internet bandwidth and resilience becomes critical as more services are moved to external (cloud) providers

	consideration, particularly at Hamilton House	telephone handsets) Identify if there is a need for a dedicated connection for agile / SaaS applications	

6.1.7 Telephony

The current Atos Unify Openscape telephony solution is in year two of a five year commitment . Although the current solution has proved problematic in delivery and fallen short of expected outcomes it would be a major decision to start the procurement of a replacement now. CoLC are at a crossroads with telephony as further investment would be needed to provide DR for the current solution through the purchase of additional hardware and SIP DDI facilities.

Towards the expiry of the current arrangement alternative hosted solutions will be consider to support mobile working and and reducing overall TCO. Due to resource issues and the number of short to medium term projects on the ICT infrastructure work plan, it is safer to put this project on-hold until closer to the scheduled end of life date for the Openscape services in 2023. As such, short-term investment for improved DR and the delivery of the SIP project, that has a good ROI, should be scheduled for after the Infrastructure Refresh is complete.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2022 and beyond)
Telephony	• Continue to resolve issues with the Openscape service • Look at alternative telephony solutions to support new ways of working	• Linked to the above, migrate from ISDN to SIP for DDI traffic • Identify suitability of existing phone system to support smart working. • Upon successful completion of phases 1 / 2, Upgrade Openscape to provide DR	• Plan for the procurement of a replacement telephony solution – specification, RFQ and programme office requirements

6.2 Distributed Infrastructure

For a number of years the strategic desktop has been a RDSH ‘thin’ delivery with a Citrix layer for an improved experience. This has been offered both on thin client hardware and PCs. Recently there has been a shift towards mobile devices, in particular laptops and tablets resulting in difference solutions being required. There is now a demand for mobile devices which have been traditionally funded by the business units who have requested a range of devices

This now presents CoLC with decision about the future of the desktop that will define the possibilities and user experience for the next 5 years.

6.2.1 Desktop Devices

Driven by a business requirement for mobile working and hot-desking, the desktop needs to evolve over the course of this strategy. Laptops with docking stations will be provided in addition to harnessing the benefits of the thin client solution where appropriate for business needs.

A desktop refresh programme will address 25% of the estate on an annual basis. ICT will target devices based on age, specification and customer needs to ensure new equipment goes to those who most need it.

ICT Customers will be addressed by agreed criteria and receive the device appropriate to their usage and where they operate from.

The strategy to increase mobility and agile working will also require changes to the office. This will be outside of ICT control and although a standard device and docking station will be agreed, only investment in more open plan office space will maximise the advantages of this new way of working.

ICT will create a new ways of working (NWoW) demonstration area to present the options to ICT customers and gain feedback. This will consist of:

- A standard laptop device set-up
- Soft phone, headset and unified comms
- Docking station including keyboard, monitor and mouse
- A remote access connection over Wi-Fi (Internet) with as much automation of the connection process as possible
- Access to data stores and email via the Cloud

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2022 and beyond)
Desktop Devices	• Agree the refresh programme • Set-up NWoW office • Resolve slow logon issues • Select standard device • Test build • Select deployment and update tool	• Refresh 25% of desktop devices (this may be dependant of n the success of the M365 project – see later notes) • Assess the on-going need for Citrix	• Refresh 25% of desktop devices (this may be dependant of n the success of the M365 project – see later notes)

6.2.2 Remote, Flexible and Agile Working

The remote access solution provided as part of the new ways of working build will be key to how the device operates on the move.

Coupled to the standard remote access, sub-laptop devices such as tablets and smartphones, will be able to access data on the move via the Microsoft cloud.

Element	**Short-term (2019/20)**	**Medium-term (2020/21)**	**Long-term (2022 and beyond)**
Remote Working	• Testing of remote connection methods to determine roll out strategy • Rollout VPN on laptop devices • Provide Citrix based solutions integrated into Mobile working where practical	• Commence the roll-out of the new build including strategic remote access	• Continue to develop device flexibility and evolve the NWoW build

6.2.3 Printing Services

The Konica MFD contract has recently been renegotiated for the next 4 years including the supply of new MFD hardware. The MFDs have secure print release features through the use of proximity cards.

Over the period of this strategy, ICT will continue to encourage those customers who still have standalone printers to discontinue the use of these in favour of MFD use. Colc still retains a higher than average level of printers with around 30 still in use but without high level backing this is difficult to reduce.

Element	**Short-term (2019/20)**	**Medium-term (2020/21)**	**Long-term (2022 and beyond)**
Printing services	• New Konica MFDs to be installed • New 4 year contract in-place	• Monitor contract performance	• Monitor contract performance

6.2.4 Mobile Telephony

The corporate mobile phone contract has reached its scheduled end date leaving CoLC currently in a rolling contract situation. Work needs to be undertaken during 2019/20 to establish the suitability of the current provider, KCOM / EE, and a decision taken on entering a new contract.

The current contract offers the best coverage for the Lincoln area whilst providing the features required such as pooled data, handset choice and unlimited calls/texts.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2022 and beyond)
Mobile	• Put in-place a new contract for 3-5 years	• Monitor contract performance	• Monitor contract performance

6.3 Data Security

The PSN Code of Compliance (CoCo), although less stringent than it once was, still acts as a good discipline to keep Council data security at a satisfactory level. The annual Health Check (ITHC) performed by a suitably qualified third-party will continue to provide the information needed to ensure that recommended levels of security are in place, patching is being undertaken, vulnerabilities are plugged and that software remains at supportable levels. The ITHC also provides the basis for the annual return to the Cabinet Office and enables connection to the PSN to be maintained.

ICT will continue to develop security policy in partnership with other councils and external partners. New policies will be provided to ICT customers during 2019/20 to improve awareness and encourage responsibility. With the ever present risk of cyber-attacks, ICT will work closely with the DPO to ensure that risks are minimised and awareness is maintained.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2022 and beyond)
ICT Security	• Develop and Implement new ICT Security Policies	• Develop Cyber/ICT Risk Register • Regular reporting to ICT Governance board (CLT) • Provide ICT Security Training for staff and Members	• Regular reporting/monitoring to ICT Governance board (CLT) •

6.4 Software Licencing

Microsoft software remains a major part of both Server and Desktop solutions. This wide adoption will continue throughout the period of this strategy with version updates required to remain compliant. The main features of the current Enterprise Agreement (EA) are:

- Rental – 3-year agreement, licences are never owned, impacts revenue budget.
- No entitlement at the end of the agreement – options include renewing the agreement for a new period, buying licences outright or moving to a different agreement or software provider.
- Ability to upgrade to the latest versions of Microsoft software covered by the agreement at any time.
- Desk top OS licensing model will be tied to our Office M365 agreement
- Ability to true-up or true-down by +/- 20% at each anniversary.
- Ability to over deploy and true-up at the end of each year.

- No Cloud entitlement (Office 365).

CoLC currently pay around £90k per annum with the current EA ending in March 2020. At that point, decisions regarding the type of agreement will need to be taken if O365 features are to be delivered. These features have been discussed with CMT and the business and include:

- Cloud Exchange services, offering large mailbox sizes and built in DR.
- OneDrive for Business and Teams, offering unstructured data to be stored in the Cloud for easy access.

The negative is likely to be the increase in EA pricing as a perfect storm is likely to include:
- Additional cost of O365 (Cloud Services).
- The increase in SQL licences due to more processing power.
- The need for a new EA agreement and Microsoft's recent price increases.

Enterprise agreements can be affective where there is wide adoption of Microsoft products (if Microsoft provide the functionality then it should be deployed) and where the organisation has a strategy to deploy the latest versions of products shortly after their launch. These concepts should be adopted as part of this strategy to ensure that the investment in the EA is maximised.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2022 and beyond)
Microsoft Software Licencing	• Minimise the SQL licence increase • Prepare for a new EA by producing a requirements specification • Pilot M365	• Procure new EA • Decide if M365 is to be undertaken in 2020	• True-up/True-down review

6.5 Infrastructure / Technical work plan

A programme of work (infrastructure / technical work plan – see appendix A), aligned to this strategy will be agreed by CMT. The work plan will be adjusted during the period of this strategy.

6.6 Website & Online Services

The Councils current website is now an aging resource that does not meet the current needs of either the Council or its customers as well as not meeting WCAG 2.1. The Council is already undertaking a Website replacement project in partnership with Lincolnshire County Council and the solution provider Spacecraft. This new solution will be built upon the JADU continuum CMS platform.

This new platform will provide a platform to enable us to deliver a new customer focused resource for accessing all online services.

Web provision will become more embedded as ‘Business as Usual’ with the Authority and services will be encouraged to deliver services as ‘Digital by Default’.

Future phases of the project will look at the optimum delivery mechanism and applications for web service provision, rationalising services where appropriate.

Element	**Short-term (2019/20)**	**Medium-term (2020/21)**	**Long-term (2022 and beyond)**
Website	• Complete Website migration to new platform	• Skill services to maintain and enhance web content • Review web services provision including e-forms, customer accounts etc.	• Consider rationalisation and enhancement of web services in conjunction with Customer Experience programme

7. The ICT Service

7.1 Forward budgeting

7.1.1 ICT Reserve

The ICT capital reserve accrues at a rate of £100k per annum with the fund intended to be used on major capital items, such as the Infrastructure Refresh project. The current situation is:

- The opening balance carried forward to 2019/20 is £266k.
- From the £100k allocated each year there are already some annual and project commitments, after allowing for these the estimated unallocated balance on the reserve at the end of 5-year MTFS period in 2024/15 is £382k.
- In addition to the general ICT reserve, where any significant investment is made in the infrastructure, the Housing Revenue Account will pay a proportionate contribution towards the costs, c30%, increasing the availability of funds.

In order to meet the objectives laid out in this strategy, it is clear that there will be required to be new and sustained investment in ICT Services. Whilst some elements are essential for ongoing provision (although there may be alternatives, other are aspirational, and will need to be considered as business cases throughout the life of the strategy.

Essential items include the provision of core infrastructure, such as servers, storage, network and licences. In addition, desktop equipment has been under invested and in order to provide a good quality user experience will need to enhanced.

7.1.2 Revenue budget

The revenue budget has been adjusted to include a best estimate for Line of Business applications funded from departmental budgets. Further work needs to be done in this area and a decision taken on the most appropriate way to budget for applications – centralised in the ICT budget or decentralised in departmental budgets. There are good reasons to decentralise all but corporate software as business cases and ROI is scrutinised in far more depth if a service manager is funding an application upgrade or replacement.

Funding for some desktop devices comes from departmental budgets in the form of new desktop hardware requests. This figure totalled £57k for 2018/19 and will be considered for centralisation to allow ICT to determine the desktop refresh rate on a merit rather than a funding basis.

Further work in conjunction with Finance will be necessary to review existing revenue and capital ICT budgets from across the Council and options for consolidation and reinvestment will be considered.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2022 and beyond)
ICT Budgets	• Seek funding for core infrastructure projects	• Business case-based approach to funding of new projects	• Secure financial stability of ICT Services for future Strategies

8. Structure of Team

In the short-term, due to project delivery pressures, the ICT structure will remain as-is. It is however recognised that the current structure is less than optimal for the following reasons:

- There are roles managed by the ICT & Business Development Manager that are not considered to be core ICT roles.
- There could be more integration between the Business Development and Technical Teams.
- The Service Desk (currently a technical Help Desk) does not manage calls proactively as possible.
- The Service Desk system could be extended where beneficial to other linked services.

During 2020/21, once the major infrastructure projects have been delivered, service management will focus on improving the way the team works. This will involve minor changes to the structure and a clearer definition of staff roles.

Element	Short-term (2019/20)	Medium-term (2020/21)	Long-term (2022 and beyond)
Team structure	• Develop team structure for delivering strategy	• Review further opportunities for ICT team as strategy progresses	• Monitor service provision to meet Council Business requirements

Appendix A – Work Plans

This section is intended to contain the work plans compiled through meetings with each of the service managers, consulting with them on what application, technology or business projects they require to support the Council's 2020 Vision, the developing needs of their service or to ensure that current systems are kept up-to-date.

These plans will be flexed and adjusted as new requirements become known though the One Council programme and as reprioritisation becomes necessary.

Projects will be approved and managed in line with the Lincoln Project Management Model (LPMM).

The Infrastructure Work Plan (which covers cover infrastructure improvements and maintenance) reflects the urgent need to address the ageing and non-resilient infrastructure that currently exists and providing some of the known service improvements through new initiatives. The BDIT Service plan (for delivery of projects requested by service areas), will be flexed as priorities change and become apparent through Corporate and Service requires being defined.
A draft separate workplan for Business Development which will be further developed in line with emerging requirements from the One Council four pillars programme.

Infrastructure Work Plan

Project	Year 1 - 2019/2020												Year 2 - 2020/2021												Year 3 - 2021/2022
	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	
Channel Shift Projects																									
Customer Self-service device replacement 3.1																									
Service Desk enhancements to improve customer experience																									
New Ways of Working Projects																									
Mobile working solution 3.2																									
Telephony enhancements - 3.2																									
Mobile phone contract procurement 3.2																									
WiFi at remote sites 3.2																									
Office 365 3.2/3/4																									
Citrix update																									
Mobile Security																									
Value for Money Projects																									
Implement SIP 3.2/3/4																									
SQL Server rationalisation																									
High Availability and High Performance Projects																									
Windows Server upgrades																									
Infrastructure Refresh Project (SAN) 3.4																									
Security Policy update and rollout																									
Network Switch Replacement 3.4																									
Telephony Disaster Recovery 3.4																									
Backup Redesign																									
DR Enhancement																									

IT Service Plan

Project	Year 1 - 2019/2020												Year 2 - 2020/2021												Year 3 - 2021/2022
	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	
New Ways of Working Projects																									
Servitor upgrade																									
Develop and implement desktop device strategy																									
Value for Money Projects																									
Create and implement Application Roadmap																									
Design + implement client device lifecycle management																									
High Availability and High Performance Projects																									
Members IT Refresh																									
Review Cloud SaaS Migration for LOB applications																									

Appendix B - Glossary

Acronym	Definition
BCP	Business Continuity Plan
CLT	Corporate Leadership Team
CMS	Content Management System - a software application that can be used to manage the creation and modification of digital content.
CMT	Corporate Management Team
CRM:	Customer Relationship Management system – a system to manage customer data and interactions
DDI	Direct Dial In – specific calling to individual numbers through the telephony system
DMS	Document Management System - a system used to track, manage and store documents and reduce paper
DR	Disaster Recovery – processes to recover ICT services after a major event
EDRMS	Electronic document and records management system is a type of content management system and refers to the combined technologies of document management and records management systems as an integrated system
EA	Enterprise Agreement – a software licensing model for volume licensing through Microsoft
HRS	Housing Repairs Service
ITIL	A set of detailed practices for IT service management (ITSM) that focuses on aligning IT services with the needs of business
LAN	Local Area Network – network within Council Premises
LOB	Line of Business – related to service area
LPMM	Lincoln Project Management Model
MFD	Multi-function devices – copier/printer/scanner
MPLS	Multiprotocol Label Switching – a technology for routing network traffic
MS SQL Server	A Relational Database Management Systems
Oracle	A Relational Database Management Systems
OS	Operating System – software that manages computers
Prince 2	A structured project management method
PSN	Public Services Network – a shared secure network between public sector bodies in the UK
RAD	Rapid-application development (RAD) - used to refer to adaptive software development
RDSH	Remote Desktop Session Host – allows remote users to connect to computers
ROI	Return on Investment
RPO	Recovery Point Objective - The maximum targeted period in which data (transactions) might be lost from an IT service due to a major incident
RTO	Recovery Time Objective is the targeted duration of time and a service level within which a business process must be restored
SaaS	Software licensing and delivery model in which software is licensed on a subscription basis and is centrally hosted
SAN	Storage area network is a computer network which provides access to consolidated data storage.

SIP	Session Initiation Protocol is a technology used to manage phone calls over internet technology.
TCO	Total Cost of Ownership – financial estimating model
UPS	Uninterruptible Power Supply – provides power in the event of main power outage
VPN	Virtual Private Network – extends a private network over a public network
WCAG	Internationally recognised guidelines for website accessibility

Item No. 8

EXECUTIVE **20 JANUARY 2020**

SUBJECT:	**COUNCIL HOUSE AND GARAGE RENTS 2020/21**
DIRECTORATE:	**HOUSING AND INVESTMENT**
REPORT AUTHOR:	**FRANCES JELLY**
	HOUSING BUSINESS SUPPORT MANAGER

1. Purpose of Report

1.1 To propose an increase in council house rents in line with the Government's Rent Policy for social housing from 1 April 2020 onwards and to seek approval for the introduction of revised rents from Monday 6th April 2020.

1.2 To seek members approval for an increase of 3% on Council garage rents for 2020/21 in line with other fees and charges revisions by the Council.

2. Executive Summary

2.1 The Welfare Reform and Work Act 2016, determined that all social (inclusive of supported housing) and affordable rents were reduced by 1% year on year between 2016/17 to 2019/20. For the City of Lincoln Council it is estimated that the four year rent reduction process will have removed £10.5m funding from the City's current Housing Revenue Account Business plan.

In October 2017, the government announced its intention to set a long term rent deal. This would permit annual rent increases on both social and affordable rent properties of up to Consumer Price Index (CPI) plus 1% from 1 April 2020 for a period of at least five years.

2.2 In keeping with the Housing Business Plan approved by Council and the Governments Rent Guidelines, the formula rent rise for 2020/21 is based on CPI in the previous September (September 2019 = 1.7) plus 1.0%.
In Lincoln's case this will mean an average rent increase of 2.7% from Monday 6 April 2020; although this is an average rent increase across the stock.

As a result of the continued erosion of stock numbers as a result of the Right To Buy regime, despite increasing rents at CPI plus 1% from the 6th April 2020, budgeted rental income will drop by £296k from £28.319m to £28.023m in 2020/21.

2.3 Despite actively buying back properties, stock numbers continue to reduce due to Right to Buy. To date we have completed 18 purchases. These are:

- 2 - one bed
- 8 - two bed
- 8 - three bed

Between April and December 2019 42 properties have been sold under RTB (30 in the same period April to December 2018). These are:

- 3 - one bed
- 23 - two beds
- 13 - three beds
- 4 - four beds

2.4 Therefore there has been a net reduction in stock of 24 properties to date which directly impacts on rental income.

The average weekly increase for the City of Lincoln Council based on data at 12 December 2019 for net social housing rent (calculated over 52 weeks) from £67.74 in 2019/20 to £69.57 per week for 2020/21, to an average equivalent increase of income per property of £1.83 per week over 52 weeks.
The 50 week average rent would be charged at £72.35

There are currently 208 properties charged at an Affordable Rent which is higher than social housing rent. Based on data as of 12 December 2019 the increase, on the average weekly net rent (calculated over 52 weeks) will result in an increase from £105.52 in 2019/20 to £107.87 per week for 2020/21, to an average equivalent increase of income per property of £2.35 per week over 52 weeks.
The 50 week average rent would be charged at £112.18

3. Background

3.1 The national Rent Convergence Policy and Social Rent Guidance was introduced in April 2002, the aim of which was that rents in the social housing sector (local authority rents and those charged by housing associations) should be brought onto a common system based on a formula set by Government. The formula creates a "formula rent" for each individual property which is calculated based on:

- The relative value of the property
- Relative local income levels; and
- The size of the property.

The formula rent is often also referred to as the "target rent". The City Council and other social landlords are expected to move the actual rent of a property (which may be lower or higher than the formula rent) to the formula rent over time

3.2 Members will be aware that the financing for council housing was changed in April 2012 – the 'Self-financing Regime' was introduced under which local authorities were required to buy themselves out of the national housing subsidy regime in return for the keeping of future rental income at local level. The valuation of the housing stock and the Council's Housing Revenue Account (HRA) Business Plan was based on rental income rising in line with the Government's rent convergence policy and rent guidelines in place at that time

3.3 There are currently 7,720 housing rent properties, of those that have a current active tenancy :-

- 38% are in receipt of full housing benefit payment
- 15% are in receipt of partial housing benefit payment
- 16% are in receipt of Universal Credit
- 31% do not receive any of the above

3.4 Councils continue to increase rents on those housing properties that are currently below the ‘formula rent’ (or convergence amount) on re-letting to new tenants before applying the 2.7% increase. For the City of Lincoln Council at the date of this report, 803 properties (that are 10 pence or more below target rent) were not at formula rent and thus when these properties become available for re-letting the rent can be increased to the formula amount plus 2.7% for 2020/21.

3.5 Considering the importance of rent collection and the Council’s ambitious plans, it is intended to review the Tenancy Strategy and to bring a further report to members during the next financial year to include the review of the tenancy agreement and as part of this review, to remove the ‘two-free weeks’ rent payments. This will bring our rent collection in to line with UC payments, increase direct debit payment date options and consider stopping the use of AllPay cards; which have a high cost per transaction to the Council.

3.6 The Lincoln Tenants’ Panel is due to consider this report at its meeting on 15 January 2020. Their comments and observations will be reported verbally during the Executive meeting.

4. Strategic Priorities

4.1 Let’s reduce inequality

The Government policy is primarily about reducing the welfare benefits bill but it does help those just above benefit thresholds. Council house rents remain significantly lower than the rent levels in the private rented sector in the City.

4.2 Let’s deliver quality housing

The new rent policy recognises the need for a stable financial environment to support the delivery of new homes and to increase resources available to maintain current homes.

5. Organisational Impacts

5.1 Finance (including whole life costs where applicable)

Council Housing Rents 2020/21

The impact of this change will be an increase to the current average calculated 52 week net social housing rent from £67.74 per week to £69.57 per week – an average increase of £1.83 per week, and an increase on affordable rent from £105.52 to £107.82 an average increase of £2.35 per week.

Changes in individual rents will vary according to the level of actual current rent as illustrated in Appendix 1.

Council Garage Rents 2020-21

An increase in garage rents of 3% is proposed in line with the Authority’s Fees and Charges increase. This would bring the charge to £8.08 for 2020/21 (based on a calculated 52 week charge period), an increase of £0.23 per week. Research has shown that the garage rents in Lincoln are mid-range when compared to similar locations in the East Midlands.

5.2 Equality, Diversity and Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities

These aspects have been considered in the writing of this report.

6. Risk Implications

6.1 (i) Key risks associated with the preferred approach

The main risks are that the Government make further changes to the Rent Guidelines which will undermine the Business Plan and also that future CPI levels are lower than those assumed in the MTFS and Business Plan i.e we assumed CPI at 2% per annum and September 2019 this dropped to 1.7.

7. Recommendation

7.1 Agree the basis of rent calculation for changes to individual Council house rents as set out in paragraph 5 of this report, which represents an increase in the average calculated 52 week council house net rent in 2020/21 of 2.7% for social housing rents (£1.83 p/w) and affordable rents (£2.85 p/w) increase per property. This is in accordance with Government policy.

7.2 Increase Council garage rents for 2020/21 in accordance with the proposal in paragraph 6.1 above by 3%.

7.3 Refer this report and recommendations to Full Council on 21 January 2020 for approval to ensure that rent notices can be sent to tenants prior to the start of the new financial year and providing them with the requisite 28 day notice period required by law.

Is this a key decision?	No
Do the exempt information categories apply?	No
Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?	No

How many appendices does the report contain?	1
List of Background Papers:	Welfare Reform and Work Act 2016 Policy statement on rents for social housing – February 2019
Lead Officer:	Frances Jelly – Housing Business Support Manager Telephone (01522) 873229

APPENDIX 1

IMPACT OF INCREASES ON ALL TENANTS – APRIL 2020
(Based on a 52 week rent year inclusive of all rent types)

Average rent increase per property by number of bedrooms per week as 12 /12/2019	
No. of beds	Increase per week
1 & bedsits	£0.94
2	£2.04
3	£2.05
4	£2.19
5	£2.26
6+	£2.51

Item No. 9

EXECUTIVE **20 JANUARY 2020**

SUBJECT:	**WOODLAND TRUST- TREE CHARTER**
DIRECTORATE:	**COMMUNITIES AND ENVIRONMENT**
REPORT AUTHOR:	**STEVE BIRD, ASSISTANT DIRECTOR, COMMUNITIES AND STREET SCENE**

1. Purpose of Report

1.1 To seek agreement to the Council adopting the Woodland Trust's Tree Charter in principle, so as to ensure its overriding principles are used in the development of other relevant council policies.

2. Executive Summary

2.1 The Woodland Trust is a charity established to protect ancient trees and woodland, and to promote trees and the benefits of trees.

2.2 To assist with their mission they have produced a Tree Charter that sets out ten key high level strategic considerations that it wishes individuals and organisations to embrace in their thinking about trees.

2.3 The Woodland Trust are seeking as many signatories to the Tree Charter as possible as tangible evidence of the nation's support for its ideals.

3. Background

3.1 The Woodland Trust is a charitable body, established in 1972 intended to protect woodland habitat, and inform about the value of trees in our society.

3.2 Today they maintain over 1000 sites, some 26,000 ha of woodland, but more critically perhaps, focus on engagement in the widest possible sense so as to spread the understanding of trees as an asset and resource in our communities. They have over 500,000 members and active supporters throughout the UK.

3.3 To assist with this they have worked with partners to develop a Tree Charter (The Charter for Trees, Woods and People), which sets out some key principles they believe are key considerations for organisations, especially those with responsibility for trees and development. This was launched at Lincoln Castle in November 2017, on the 800th anniversary of the signing of the Charter of the Forests by King Henry III in 1217.

3.4 Officers met with representatives of the Woodland Trust on 30th October, and explained that the Council is keen to do even more than it has in the past to protect and enhance the environment in the city, but that it also has the difficult task of balancing other potentially conflicting needs around development and economic growth.

3.5 The Woodland Trust were keen to make clear that it was not their role to be a lobby organisation to defend trees in all situations and at all cost, or to foster groups that might do similarly. Whilst they would certainly seek to defend irreplaceable ancient trees and woodlands, they also realised that Councils have other responsibilities which could, at times, cause a subjective conflict in priorities.

3.6 Instead they suggested that their role is to enlighten all on tree related issues, so that the impact of tree related decisions was transparent to all, and to assist in the development of policies that would assist at times when such conflicts of priorities might arise. Woodland Trust urges every council to have a tree strategy which sets a clear policy framework for tree management and for expansion of the tree canopy cover in the area over time.

3.7 They suggested that the Council might like to consider adoption of the Tree Charter ‘in principle’ as a first step, and that this could be a stepping stone to the development of other suitable policies across the council, over time.

4. The Tree Charter

4.1 The Tree Charter is provided in full as appendix to this report. This includes the ten key principles, as set out below, and supporting information/guidance.

1. Nature- Sustain landscapes rich in wildlife.
2. Planting - Plant for the future
3. Arts and heritage- Celebrate the power of trees to inspire
4. Health and wellbeing- Recover health, hope and wellbeing with the help of trees
5. Protection-Protect irreplaceable trees and woods
6. Planning -Plan greener local landscapes
7. Utility and livelihoods- grow forests of opportunity and innovation
8. Coping with threats- Combat the threat to our habitats
9. People and access- Make trees accessible to all.
10. Environment- strengthen our landscape with trees.

4.2 The Woodland Trust invites individuals to sign-up to the Charter. They encourage groups and organisations to support the Charter, and establish themselves, if they wish, as charter branch members. In other words, local groups who will champion trees in their communities from an educated and informed standpoint. This may be a part of a wider environmental agenda.

4.3 In Lincoln two groups have signed as branches to this point, Transition Lincoln, and Edible Campus at the University.

4.4 At the time of drafting this report the council is considering options to enhance its role to support the declaration of a Climate Crisis earlier in the year. Liaison with either/both of the above groups will be through whatever liaison mechanism is ultimately established for the wider agenda.

5. Strategic Priorities

5.1 Let's drive economic growth
Having a healthy and well maintained environment is seen as a key part of the development of a strong and sustainable economic base. Maintaining suitable tree cover in the city is seen as a key part of creating a vibrant economy.

5.2 Let's reduce inequality
Everyone should have access to a safe, clean and well maintained environment. Trees are seen as being a vital part of that environment.

5.3 Let's deliver quality housing
Aspirations for the delivery of a quality housing experience, go far beyond the provision of 'bricks and mortar'. The wider environment is a critical part of housing provision, and integral to the provision of a quality experience.

5.4 Let's enhance our remarkable place
Greening our environment is a key plank of the council's approach to enhancing the city.

6. Organisational Impacts

6.1 Finance.

There are no direct impacts arising from supporting the Tree Charter in principle, although future costs may arise if the council choses to put more resources to trees in the future.

6.2 Legal Implications including Procurement Rules

There are no direct impacts arising from supporting the Tree Charter in principle.

6.3 Equality, Diversity and Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities

6.4 Human Resources

N/A

6.5 Land, Property and Accommodation

Adopting the key principles of the Tree Charter will mean that this guidance should be used as the basis for any decisions made in relation to trees and council owned land/property.

6.6 Significant Community Impact

Adoption of the principles, and any development of strategies to support them, should assist in justifying decisions made with regards to trees, and thus aid transparency of the council's decision making within communities.

6.7 Corporate Health and Safety implications

Tree management is a serious issue in terms of risk assessment. The council uses trained and experienced staff to assess the risk from trees, and employs independent assessors as appropriate. The Tree Charter would not affect the overriding duties of the council with regards to matters of health and safety.

7. Risk Implications

7.1 (i) Options Explored

Adopt the Tree Charter in principle.
Do not adopt the Tree Charter in principle.

The preferred approach is to adopt the Tree Charter in principle.

7.2 (ii) Key Risks Associated with the Preferred Approach

Some may choose to try and use the council's commitment to this to suggest that it means that the council must retain trees in all locations at all times, rather than it being an approach based on guidance, to help with management of trees as an asset.

8. Recommendation

8.1 That the Council adopts the Woodland Trust's Tree Charter in principle, on the basis that these will be its guiding principles to be considered when assessing tree related issues, and that, having adopted it in principle, it does not bind the Council to it to exclusively to the detriment of other strategic objectives.

8.2 That the Council agrees to work with the Woodland Trust and other partners to translate the Tree Charter principles into action in the City of Lincoln both in terms of policy development and tree planting, in particular to help the Council deliver its commitment to tackling the climate emergency.

Is this a key decision?	No
Do the exempt information categories apply?	No
Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?	No
How many appendices does the report contain?	One
List of Background Papers:	None

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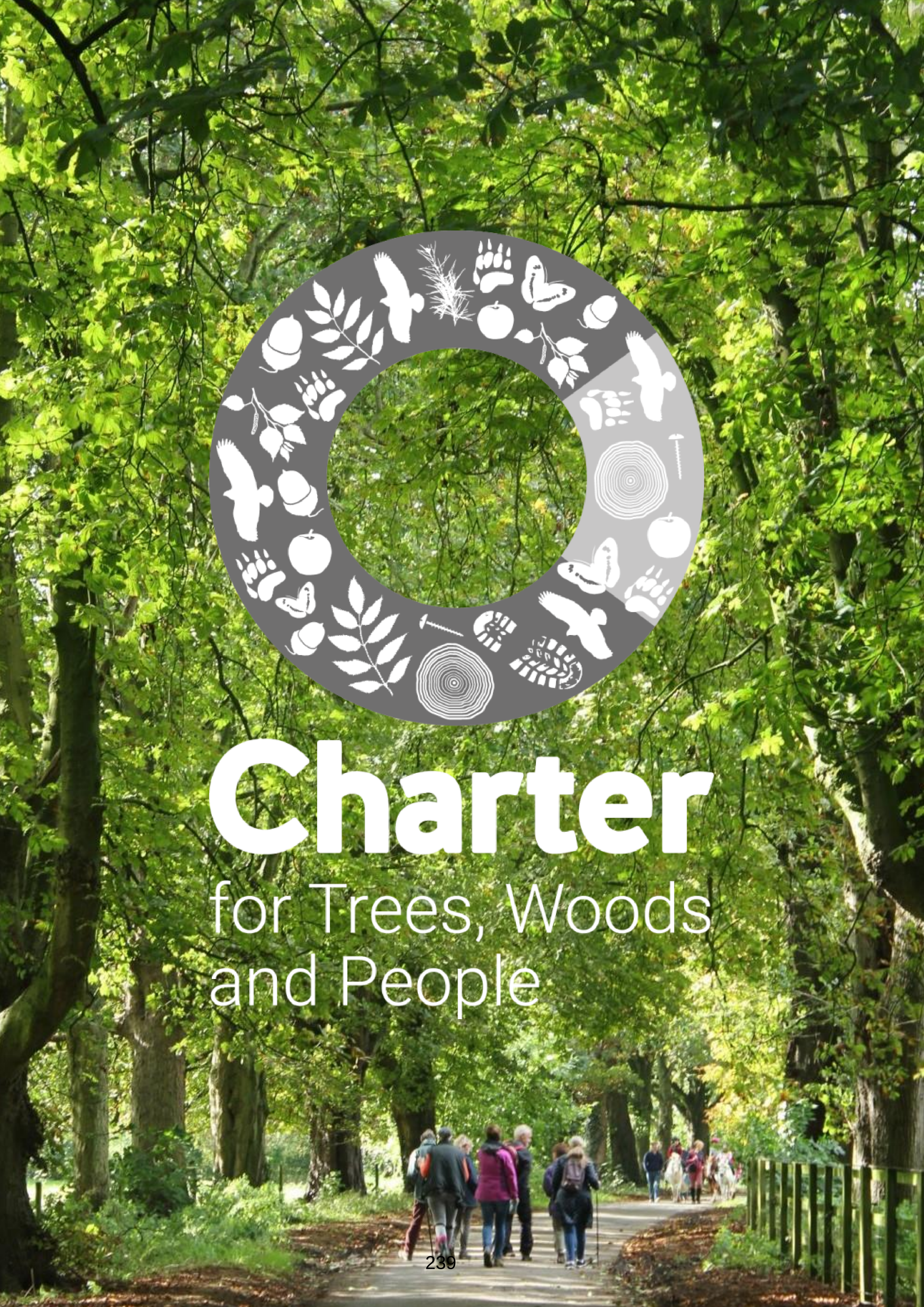


Charter

for Trees, Woods and People

CHARTER FOR TREES · WOODS & PEOPLE

Natural treasures, in roots, wood and leaves, for beauty, for use, the air that we breathe.
Imagine: a wood starts with one small seed. We're stronger together – people and trees.

SUSTAIN LANDSCAPES RICH IN WILDLIFE

Each tree is a world within itself, teeming with life. A fallen branch is a feast for beetles; fungal-rich woodland soil is a wildflower bed. A hedgerow is a living network, where a host of creatures share their home. Forests are full of opportunities for people, but their natural wealth is the wildlife. Our future good means thinking in the round, adapting plans to what is on the ground. New urban and transport projects should make routes for our native wildlife to move forward too. Take heed of nature's needs.

PLANT FOR THE FUTURE

When we enjoy the company of a treasured tree or the beauty of a favourite wood we often owe thanks to those with the foresight and confidence to invest in the future. We must show that same generosity of spirit, that same sense of hope for the future, and plant more now. Line streets with living greenery, let trees allow shifting colour into every life. More orchards for communities, more hedgerows for wildlife, more forests for timber and jobs. Nurture people's pride in their local trees and empower them to care for their future. Right tree, right place, bright future.

CELEBRATE THE POWER OF TREES TO INSPIRE

Stories have always grown on trees. Artists are drawn to their intricacies. Woods are rooted in memories, but it's the leaf mould of tales told that nourishes future growth. The poetry of trees is always living for every older work sends out new shoots. We grow attached to trees in books and learn to look for them in life. We feel connected to trees we know and love to see them painted well. Celebrate Tree Charter Day each year to strengthen this cultural legacy and help our living traditions thrive.

GROW FORESTS OF OPPORTUNITY AND INNOVATION

Forests, woods and trees all flourish under the stewardship of skilled professionals. Trees reward us with fuel for enterprise, craft and invention, green energy and fires. Consider the source of wooden products and choose the home-grown from well-managed forests. Teach the rising generation that with responsible management a wooded land is a thriving nation.

PROTECT IRREPLACEABLE TREES AND WOODS

Ancient woods have been continuously wooded since before records started: they are living descendants from Britain's pre-history. A tree may be a village's oldest inhabitant, a founding figure in a region's identity, a natural monument in the nation's story. Thorn bushes and hedgerows harbour our history. Old orchards are habitats for some of our rarest species and living museums of disappearing ways of life. A country that cares for its future cares for its past: we need laws and commitment to protect these irreplaceable natural treasures.

PLAN GREENER LOCAL LANDSCAPES

The trees that touch us most are those that live among us, along our street, in the local park, beside our school or place of work. Like us, they grow and change, need space to breathe and support to thrive. Trees give places their distinctive character. Local community networks have a vital role to play in caring for woods and trees. Trees provide long-lasting good, so well-informed planning reaps long-term rewards. Take guidance on planting, felling and replanting from skilled professionals. Good landscapes of the future depend on care for trees today.

RECOVER HEALTH, HOPE AND WELLBEING WITH THE HELP OF TREES

Peace grows quietly in tree-lined places where bees, fresh scents and birdsong revive our jaded senses. Sprays of greenery ensure cleaner air and clearer minds, and fitter bodies more inclined to take a walk or meet a friend. Spirits lift and stress recedes when we stroll through healing glades. Parks and woodlands keep us well and help to quell fears of illness, ageing, loss – we breathe more freely under trees. Healthcare and tree-care go hand in hand; harness the therapeutic power of trees.

MAKE TREES ACCESSIBLE TO ALL

Trees offer shared experience to every age, religion and race. In woods people can work together, sharing experiences and learning from each other and their natural surroundings. Those who no longer move with ease can still find pleasure among the trees. Cheerful voices ring through leaves, from makeshift pitches and games of make-believe. There should be room for us all beneath spreading canopies.

COMBAT THE THREATS TO OUR HABITATS

Pests, diseases and climate change pose serious threats to our precious trees. Enlightened management of woods will help ensure their future health: planting strong seeds and saplings, selecting species suited to the site, keeping forests mixed in age and kind, regular thinning, combatting invasive plants, and controlling infections and pests at the earliest sign.

STRENGTHEN OUR LANDSCAPES WITH TREES

From roots that bind and enrich the soil to leaves that shade and shelter, from locking carbon into timber and purifying air and water, trees make our landscapes better. Rising water swells and floods, so strengthen riverbanks with roots. Bare hills need trees to keep the soil stable, to slow the flow of nature's deluge, to shelter sheep or shade the cattle. The right tree in the right place earns its keep again and again. As farmers and landowners benefit from woods, the country will be strengthened in the years ahead.

THIS CHARTER FOR TREES, WOODS AND PEOPLE WAS COMMISSIONED BY THE WOODLAND TRUST AND DESIGNED, WRITTEN OUT AND PAINTED BY PATRICIA LOVETT MBE · 2017

The Charter for Trees, Woods and People
Designed, written out and painted by Patricia Lovett MBE, 2017

Natural treasures, in roots, wood and leaves,
for beauty, for use, the air that we breathe.
Imagine: a wood starts with one small seed.
We're stronger together – people and trees.

Harriet Fraser, 2017

Contents

Introduction

"The Tree Charter's ambition was and is to place trees and woods at the centre of national decision making, and back at the heart of our lives and communities. The new charter will redefine the relationship with people and trees in the UK for present and future generations, providing guidance and inspiration for policy, practice and attitude, across Government, businesses, communities and individuals."

Beccy Speight, Woodland Trust CEO

The Charter for Trees, Woods and People – or Tree Charter for short - sets out the principles by which trees and people in the UK can stand stronger together.

The call for a Tree Charter was initiated in 2015 by the Woodland Trust in response to the crisis facing trees and woods in the UK. There was no clear, unifying statement about the rights of people in the UK to the benefits of trees, woods and forests. The UK's trees and woods face a host of issues, including:

- low planting rates
- lack of legal protection
- inconsistent management
- declining interest in forestry and arboriculture careers
- threats from housing and infrastructure development, pests, diseases and climate change

In addition, people in UK society – especially younger people - are increasingly disconnected from trees and woods, spending less time among them and knowing less about them than previous generations. This is due to increased urbanisation, the unstoppable rise of digital interaction, and changing lifestyles. Given the growing evidence base for the physical and mental health benefits of time spent among trees, this presents a wasted opportunity at a time when encouraging healthier lifestyles and addressing causes of mental health issues in UK society are seen as political priorities.

The 1217 Charter of the Forest established and protected the rights of free men to access the natural resources of the Royal Forests, including collecting firewood and grazing pigs on acorns and beech nuts in woodland. In doing so the charter demonstrates how important access to trees and woods was for people at the time. Our relationship with trees today is no less important than it was 800 years ago, however the benefits we seek from trees and the issues that threaten our access to those benefits have changed dramatically. In the interim 800 years there has been no new statement of rights for people to the benefits of trees and woods, and the anniversary provided an opportunity to revisit the concept and conceive a new charter that spoke for the needs of today's society.

In 2015 the Woodland Trust reached out to all sections of UK society to define this new charter, and to build a people-powered movement for trees. More than 70 organisations and 450 local community groups answered the call and helped to collect over 60,000 tree stories from people of all walks of life, demonstrating the important role that trees play in their lives. These stories were read and shared, and helped to define the 10 Principles of the Tree Charter, ensuring that it stands for every tree and every person in the UK.

The final wording of the Principles were crafted by author Fiona Stafford and handwritten by calligrapher Patricia Lovett. The articles under each principle were defined by a core steering group of organisations representing a diverse range of sectors and interest groups across society. These articles are intended to provide clear guidance for decision-makers, businesses, communities and individuals.

At the time of launching the Tree Charter on 6th November 2017 more than 100,000 individuals had signed their names in support of the Principles. Over the coming years we anticipate that this number will grow, slowly but surely strengthening and enhancing the role of trees in creating a stronger, happier society.

Evidence and signposts to further information and guidance for the delivery of the Tree Charter Principles can be found online at **treecharter.uk**

"When I see a landscape rich in trees and hedgerows I see a landscape that is better able to deliver for people, wildlife and the planet. Trees help prevent flooding, slow strong winds and improve air quality, all while looking beautiful and providing homes for precious wildlife."
Iolo Williams, naturalist and presenter

Photos: © Matt Larsen-Daw except p11: © Rob Fraser

"Trees provide food, shelter and homes to so many of our native species. That's why the Tree Charter is so important; by championing trees and calling for protection, it is safeguarding a whole host of animals, insects and birds."

Chris Packham, naturalist and presenter

Sustain landscapes rich in wildlife

Each tree is a world within itself, teeming with life. A fallen branch is a feast for beetles, fungal-rich woodland soil is a wildflower bed. A hedgerow is a living network, where a host of creatures share their home. Forests are full of opportunities for people, but their natural wealth is the wildlife. Our future good means thinking in the round, adapting plans to what is on the ground. New urban and transport projects should make routes for our native wildlife to move forward too. Take heed of nature's needs.

1) **Understand and protect the role of trees in supporting wildlife**

All trees and woodland habitats play a vital role in sustaining other species, and their role in the local ecosystem should be studied and recorded locally to inform management and planning decisions and ensure the wellbeing of wildlife that depends on them. The unique characteristics of a landscape's trees and woods that enable them to support a wider ecological network should be recognised and protected through local planning and with government support for management of green spaces.

2) **Strengthen important habitats with trees and woods**

Ancient woodland and other especially important woodland habitats should be buffered and connected with new trees and hedges wherever possible to improve chances for resident species. Connectivity should be at the heart of landscape management plans.

3) **Create transport networks for wildlife as well as people**

Canals, railways, roads and cycle ways lined with trees and hedges can provide vital wildlife corridors, habitats and links between woods across the wider landscape. Design, planting and maintenance decisions by all tiers of government should maximise the important role these routes can play in connecting ecological networks.

4) **Sustain precious and vulnerable woodland habitats**

Many native species depend on rare or irreplaceable habitats such as ancient woodland and wood-pasture, and on traditional management techniques such as coppicing that open the canopy of woodland to allow light to nurture life on the floor. Such important, irreplaceable habitats should be given statutory protection, and traditional management techniques should be encouraged and rewarded by government where they help sustain biodiversity. In preparing management plans, woodland custodians should consider how they sustain not only the health of the woodland but of all its inhabitants.

5) **Farm the land to provide for wildlife as well as people**

Trees and woodland can benefit agriculture in many ways, and opportunities to create and protect woodland habitats and networks of trees and hedges on farms should be maximised. Farming practices such as agroforestry that allow healthy woods and trees to deliver for wildlife should be encouraged and rewarded, and regulations should be enforced where farming practices damage or destroy woodland habitats.

6) Allow the natural cycle of life

Deadwood enriches the local ecosystem by providing habitat and food for many species. Ancient, veteran and dead standing trees, and deadwood from fallen or damaged trees, should be conserved in woodland and parks wherever it is safe to do so.

7) Be respectful neighbours to our wildlife

The wellbeing and survival of all species dependent on trees, woods and hedges should be protected through the creation, communication and enforcement of wildlife law. Leisure activities and business enterprises in woodland or affecting trees should be sensitive to the wellbeing of wildlife and habitats in consideration of any noise, light and physical impact.

8) Let nature do what it does best

Self-seeded trees will be from trees already thriving in the environment, and will represent the species mix on which the resident species depend. Allow natural regeneration to restock and buffer woodland wherever practical for maximum benefit to existing plants and animals, controlling invasive species that limit or destroy the natural ecosystem where necessary.

Plant for the future

"I love the thought of my grandchildren and their children climbing a tree I planted. No doubt we all want to leave the world a slightly better place than we found it. Planting trees is one way of making a contribution."

John Humphrys, journalist and presenter

Plant for the future

When we enjoy the company of a treasured tree or the beauty of a favourite wood we often owe thanks to those with the foresight and confidence to invest in the future. We must show that same generosity of spirit, that same sense of hope for the future, and plant more now. Line streets with living greenery, let trees allow shifting colour into every life. More orchards for communities, more hedges for wildlife, more forests for timber and jobs. Nurture people's pride in their local trees and empower them to care for their future.
Right tree, right place, bright future.

1) **Increase canopy cover across the UK**

The UK's low canopy cover means there are fewer trees and less accessible woodland than we need for a future in which trees and people stand stronger together. We should pursue opportunities to plant more trees and increase canopy cover across rural and urban landscapes, prioritising areas with low canopy cover when planning at a local or national level. We need to develop innovative ways to encourage more tree planting and **c**onsider how woodland creation and tree planting can be linked to house building and other priority areas for development through innovative approaches such as agroforestry and sustainable urban drainage systems (SUDS).

2) **Plant the right tree for the right place**

Every tree planted needs to be a tree that will survive and thrive. A tree that is wanted and planted appropriately will bring the most benefit and avoid potential problems as it grows. Plant healthy, vigorous trees with known provenance that are able and ready to thrive in the environment in which they are destined to live.

3) **Take a landscape view**

Trees do not exist in isolation. They affect, and are affected by, the wider landscape and should be planted with this in mind. All new planting should consider the local character of the area and be accompanied by a researched and realistic management plan that takes a short, medium and long-term view.

4) **Plant with purpose**

Plant trees to create functional, accessible spaces that deliver for people by improving health, providing timber, creating local enterprise and employment opportunities, improving soil and water quality and their management, and improving agricultural land use.

5) **Plant for beauty**

Trees can define the look and feel of a place for those who spend time there. Plant flowering trees or trees with colourful berries or changing leaf colour where people live and work to provide beauty, connect with the seasons and to inspire a love of trees in those who experience them.

6) **Plant more hedges and replenish those that become damaged**

In rural and urban areas hedges provide functional beauty as screens, enclosures, habitat for wildlife and by helping to reduce noise and air pollution. Landowners, local authorities and home owners should be encouraged and supported to maximise opportunities for hedge planting wherever they can be properly managed and do not detract from valued landscape characteristics, and to replenish and maintain those that exist.

7) **Plant more orchards**

Orchards are community resources that can make even a small green space deliver for people and wildlife. Orchard planting and maintenance of traditional orchards in urban and rural landscapes should be encouraged and supported locally and by national policy.

8) **Plan ahead**

Forward planning allows professionals to be prepared to deliver planting according to good practice, but targets are only positive if they can be trusted to be met. We need planting policies and incentives that ensure realistic and achievable annual planting targets and consistent levels of new planting, enabling nurseries to plan effectively and supply demand without using imported trees.

9) **Involve everyone in planting trees**

People remember and care about the trees they plant. Wherever possible, local communities should be involved in planting and caring for trees, in order to create a sense of responsibility for their wellbeing. Children should be given the opportunity to plant trees while at school so the next generation gains skills and knowledge about the care, protection and choice of trees.

Celebrate the power of trees to inspire

"Woods and trees are cultural treasures; given to us by nature, they play a huge role in our heritage and artistic expression – providing inspiration, and a backdrop for our most well-loved stories. They make poetry without using words, they deserve to be loved, they deserve to be celebrated and looked after for future generations."

Benjamin Zephaniah, poet and lecturer

Celebrate the power of trees to inspire

Stories have always grown on trees. Artists are drawn to their intricacies. Woods are rooted in memories, but it's the leaf mould of tales told that nourishes future growth. The poetry of trees is always living, for every older work sends out new shoots. We grow attached to trees in books and learn to look for them in life. We feel connected to trees we know and love to see them painted well. Celebrate Tree Charter Day each year to strengthen this cultural legacy and help our living traditions thrive.

1) **A national day for trees, woods and people**

Trees deserve to be celebrated. Each year the whole of UK society should unite in celebrating the value and importance of trees and woods to people. On the last Saturday in November each year, as part of National Tree Week, local communities, schools, organisations and individuals should mark a national 'Tree Charter Day' with activities and events that celebrate and reinvigorate the relationship between people and trees.

2) **Preserve our woodland culture**

The skills, trades, pastimes and traditions around woods and trees reflect the important role of woods and trees in the development of our society. This rich heritage should be remembered, celebrated and practically experienced by being embedded in the school curriculum and made visible and accessible to people of all ages.

3) **Celebrate trees and woods in the arts**

The role of trees in the development of our society is captured in our cultural heritage, and has lessons for our future. The role of trees in inspiring art, music and literature throughout history should be recognised and celebrated in schools and through museums, galleries and libraries.

4) **Recognise trees as living heritage**

The cultural, historical and emotional significance of specific trees, woods and parklands to people, locally and nationally, should be recorded and made available to all through a national database. Evidence of the cultural value of trees and woods should inform decisions around local planning and good management.

5) **Consider our future tree heritage**

The trees and woods around us are clues to the historical and cultural context that led to them being planted, protected, managed or ignored. Decisions about tree planting and management today should be based on an understanding of the area's past, and with a mind to the future. Decisions should be recorded for posterity in local records to give cultural context to the landscape for future generations.

6) **Respect and strengthen local identity**

The species, location and management of trees and woods can impact on the spirit of place. Planting and management choices should respect local cultural associations, traditions, heritage and history.

7) **Bring beauty to our landscapes**

All people should have a right to natural beauty in their lives and landscapes, including the inspiring sensory experience of varied species of tree and the wildlife that they support. Landscapes in which people live and work should be enhanced wherever appropriate with beautiful mature trees.

8) **Celebrate and preserve our rich orchard heritage**

Orchard traditions provide fun ways for communities to remember and strengthen the long-standing relationship between people, trees and pollinators, as demonstrated by fruit-growing. Orchard traditions should be nurtured, supported and celebrated, including Apple Day on October 21st and traditional orchard wassailing in early January.

9) **Provide common roots for multicultural communities**

Many tree species have deep roots in local history and tradition yet can be found in other countries and communities around the world. The diverse cultural associations of trees should be shared in schools and through local celebrations to bring multicultural communities together and foster a sense of belonging in the natural landscape.

Grow forests of opportunity and innovation

"Forestry is worth £2 billion annually to the UK and employs 80,000 people. Woodlands sustain livelihoods, support local businesses and contribute to the greening of our national economy. With only 20% of our timber needs met by UK production there is a great opportunity for sustainable growth through use of a low carbon renewable resource."

Shireen Chambers FICFor
Executive Director, Institute of Chartered Foresters

Grow forests of opportunity and innovation

Forests, woods and trees all flourish under the stewardship of skilled professionals. Trees reward us with fuel for enterprise, craft and invention, green energy and fires. Consider the source of wooden products and choose the home-grown from well-managed forests. Teach the rising generation that with responsible management a wooded land is a thriving nation.

1) **Promote careers working with trees and woods**

Professions connected to trees and woods are as important to our future as they have been to our past, and we need to build the next generation of experts. The profile of forestry, arboriculture, landscape architecture and conservation as modern progressive sectors with a wide range of opportunities for everyone should be raised, including by promoting these sectors in schools to inform further education and training choices.

2) **Create opportunities for sustainable forestry across the landscape**

Through innovative approaches, planting and managing trees across the landscape can bring sustainable economic opportunities without compromising other benefits to people and wildlife. Promote commercial forestry as part of an integrated rural landscape management strategy for each nation, encouraging the planting of productive species wherever appropriate.

3) **Empower the custodians of our woods and trees**

Well-managed woods and trees benefit us all. A simple incentive scheme should be implemented, agreed between central government and the devolved governments of Wales, Scotland and Northern Ireland, that supports the creation of new woodland habitats and the responsible management of existing woodland and trees.

4) **Source timber and forest products responsibly**

Responsible sourcing of forest products supports responsible management of forests. All timber and forest products should be sourced from responsibly managed forests, certified under credible certification schemes that enable businesses and consumers to make ethical purchasing decisions. We need to strengthen links between woodland managers and timber users, enabling better understanding of, and support for, sustainable timber production.

5) **Encourage innovation in timber use**

There is huge untapped potential for timber as a material as new ways to treat and engineer wood are developed. Emerging timber technologies should be supported and promoted to growers, industry and decision-makers.

6) **Support small woodland businesses**

Local enterprises can create local jobs, ensure small woods are better managed and monitored, and result in locally produced wood products that lock up carbon and reduce waste and pollution. Funding and support should be provided for sustainable small businesses derived from woodland management, such as coppice products.

7) **Promote UK-grown timber products**

Using responsibly grown UK-grown timber is better for the economy and for the environment than imported timber. UK timber products should be promoted as the first choice for UK industries.

8) **Support UK fruit producers**

The UK has a rich orchard tradition that can support the economy and wildlife. Businesses and consumers should prioritise responsibly run UK orchards wherever possible when sourcing fruit.

9) **Encourage and support sustainable woodland management**

The majority of woodland in the UK is privately owned, and the way it is managed has an impact on the national economy and environment. Policies around woodland ownership should encourage sustainable management practice and cooperation between owners and managers of woods, in order to ensure quality and consistency of woodland management across the landscape.

"As iconic as our historic castles and houses our ancient woodlands and trees are a quiet connection to the past, a sanctuary from 21st century life and a gift to our descendants. We still don't fully understand all that they do. They are irreplaceable and we should cherish them."

Luci Ryan BSC Hons MRES, Ecologist

Protect irreplaceable trees and woods

Ancient woods have been continuously wooded since before records started: they are living descendants from Britain's prehistory. A tree may be a village's oldest inhabitant, a founding figure in a region's identity, a natural monument in the nation's story. Thorn-bushes and hedgerows harbour our history. Old orchards are habitats for some of our rarest species and living museums of disappearing ways of life. A country that cares for its future cares for its past: we need laws and commitment to protect these irreplaceable natural treasures.

1) **Prevent any further loss of the UK's precious ancient woodland**
Ancient woodland is irreplaceable, and provides vital habitat for native species, and an important link with our natural and social history. Ancient woodland should have protection at least equivalent to that provided to our man-made heritage.

2) **Identify and protect important tree heritage**
Our oldest trees are living links with history, and support a wealth of wildlife. Ancient and heritage trees should be listed natural monuments and they and their immediate environment should have the same level of legal protection and financial management support as listed buildings and monuments.

3) **Empower custodians of our tree heritage to restore important landscapes**
Ancient woodland habitats are nationally important, but many are located on privately owned land. Landowners and managers should be supported with funding and expert guidance to effectively and sustainably manage and restore ancient woodland, ancient and veteran trees, hedgerows, wood-pasture and parkland for future generations.

4) **Identify and map important trees and woods**
We can only protect and maintain what we know is there. Important trees, woods, hedges and landscapes with trees should be recorded on a national public database that is maintained and updated to allow proper monitoring and protection.

5) **Clarify responsibilities for the care of important trees and woods**
Our precious tree heritage can suffer when neglected. Conservation covenants should be introduced to ensure that management responsibilities for ancient and veteran trees and ancient woodland protection are written into deeds, as with man-made heritage.

6) **Give legal protection to historic orchards**
Historic orchards tell the story of a long and important relationship between people and trees. Historic orchards should have statutory protection as community heritage assets and important habitat.

7) **Protect and manage established hedgerows for the future**

Ancient and established hedgerows help to deliver multiple benefits to the landscape and environment. They should be protected and managed for their role as valuable natural and historical assets, not just for their function as enclosures or screens.

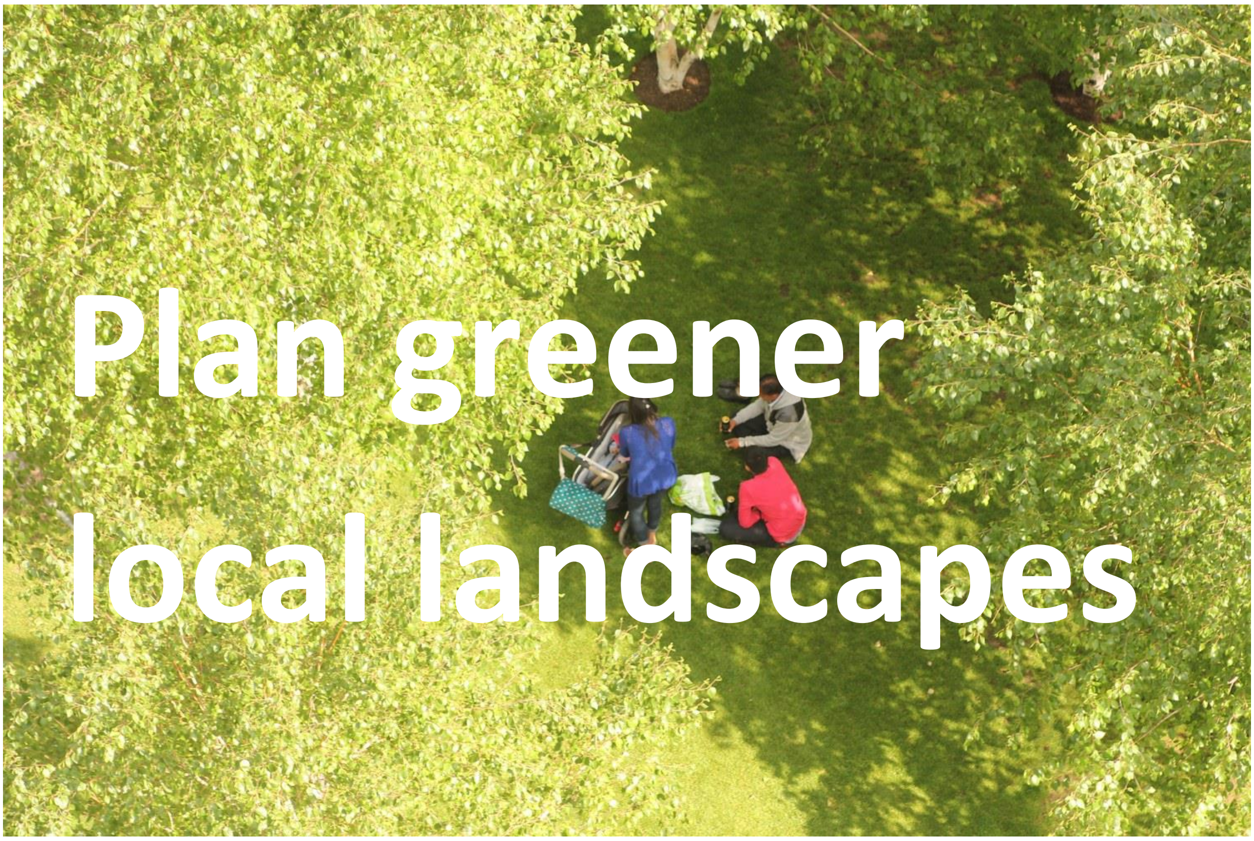
8) **Conserve the unique qualities of ancient woodland**

Ancient woods have irreplaceable value as heritage and habitat, from mineral and fungi rich soil that has developed over centuries of tree cover, to boundary ditches and coppiced trees that show the historic management that led to such rich habitat. Their unique features, whether natural or as a result of management, should be maintained, restored or enhanced wherever they are found.

9) **Safeguard our future tree heritage**

The trees we plant today will be the ancient woods and trees in the future, but only if we ensure they survive. We need to plant, protect and care for young trees and woods today to ensure the tree heritage of the future. Replacements for mature trees in heritage landscapes should be planted early enough to be mature before their predecessors decline.

Plan greener local landscapes



"Urban trees are a source of incredible environmental benefits and deep cultural meanings, and are integral to viable urban futures".

Professor Alan Simson
Landscape architect and urban forester

Plan greener local landscapes

The trees that touch us most are those that live among us, along our street, in the local park, beside our school or place of work. Like us, they grow and change, need space to breathe and support to thrive. Trees give places their distinctive character. Local community networks have a vital role to play in caring for woods and trees. Trees provide long-lasting good, so well-informed planning reaps long-term rewards. Take guidance on planting, felling and replanting from skilled professionals. Good landscapes of the future depend on care for trees today.

1) **Increase tree cover in new developments**

Street trees and green spaces with trees enhance built environments for people and wildlife by intercepting rainfall, improving drainage, and providing shade, natural beauty and habitat. Their inclusion in new developments should be considered at the earliest stage of planning so that new planting can complement and enhance the built infrastructure.

2) **Sustain strong local networks of tree expertise**

A durable culture of expertise in tree management and protection can connect and empower local communities and local authorities in maintaining a healthy tree population. Local volunteers, dedicated Local Authority staff and specialist tree and landscape consultants should work together to ensure informed decisions are made about their trees and woods.

3) **Recognise the full value of trees and woods**

Trees and woods are seen as valuable by different people for different reasons. We need a holistic planning approach that recognises environmental issues, development objectives, landscape character and the cultural, spiritual, and historical significance of individual trees and woods in management and development decisions. The full financial contribution of mature street trees should be calculated to inform local highway maintenance and planning decisions.

4) **Respect the connection between people and trees**

In many cases the people who benefit from trees and woods are not those responsible for their management. People should have a right to influence decisions affecting the trees in their lives. Significant decisions around planting, management and removal of trees should be informed by genuine consultation with those who are likely to be impacted.

5) **Plan for the future when making decisions about trees and woods**

The benefits of trees and woods are realised over long time periods, but are worth the investment. We need long-term planning and integrated management of trees and woods beyond short-term economic gains, with decision-makers guided and supported to achieve canopy cover targets.

6) **Take a strategic approach to tree management, planting and protection**

Clear guiding objectives help to ensure the best results for trees and people whenever a decision is made that affects trees or woods. Every local authority should have a tree strategy developed through consultation with local residents and qualified experts. This should recognise the significant contribution of the area's existing trees, and commit to future planting.

7) **Share learning and good practice about the benefits of trees**

A shared understanding of the role and value of trees in planned environments is key to creating vibrant, resilient and healthy communities going forward. Courses for landscape architects, urban designers, engineers and planners should cover in detail the importance of trees and green infrastructure.

8) Prioritise sustainable timber as a building material

Timber is a versatile, cost-effective and environmentally friendly choice of building material, creating beautiful and enduring buildings while locking in carbon and supporting a supply chain of traditional professions. Architects should adopt a timber-first policy in designs for new developments, and planners should prioritise development proposals that use sustainably produced UK timber over other materials.

9) Ensure compensation for any loss of trees or woodland

Loss of any type of tree cover must be compensated for by appropriate new woodland planting or restoration of existing woodland habitat, factoring in the quality as well as quantity of loss. Compensation planting or restoration work should benefit the ecosystem, landscape and local community affected by the loss, and the replacement trees should have the same level of statutory protection as those they replace. Ancient woodland is irreplaceable, and loss can never be fully compensated for.

Recover health, hope and wellbeing with the help of trees

"Trees play a vital role in enhancing health: they encourage us to be more active, decrease stress and help us connect with each other. They also filter out toxins, protect us from UV rays and keep cities cool in the hot summers. They are not just a cosmetic feature, but are part of the efficient 'natural health service' looking after whole communities."

Dr William Bird MBE

Recover health, hope and wellbeing with the help of trees

Peace grows quietly in tree-lined places, where bees, fresh scents and birdsong revive our jaded senses. Sprays of greenery ensure cleaner air and clearer minds, and fitter bodies, more inclined to take a walk or meet a friend. Spirits lift and stress recedes when we stroll through healing glades. Parks and woodlands keep us well and help to quell fears of illness, ageing, loss – we breathe more freely under trees. Healthcare and tree-care go hand in hand: harness the therapeutic power of trees.

1) **Develop an action plan to harness the health benefits of trees**

Trees can contribute to healthcare if their potential is explored. Develop a visionary and inspiring plan of action in partnership with the NHS to realise the preventative and health potential of trees, woods and green space for people.

2) **Create health opportunities through cross-sector partnerships**

Health benefits can be enjoyed from trees and woods that are performing other roles in the landscape. Encourage and enable embedded cross-sector working between the health sector and the forestry, conservation and green space management sectors.

3) **Create healthier environments with trees**

Bringing trees closer to people where they live and work has been shown to improve their health and wellbeing by improving air quality, raising their spirits and encouraging healthy lifestyles. Local Authorities should ensure the presence of trees where people live and work as part of their health and wellbeing strategy.

4) **Create spaces that heal**

Careful design and management choices can maximise the health benefits of trees. Light, open outdoor spaces surrounded by varied trees offer an uplifting and restful experience, and safe level access to green spaces with trees encourages healthier active travel choices such as cycling and walking. Inside buildings, the use of visible timber products has been shown to lower stress and improve mood. Planners, landscape architects, site managers and designers should seek to harness the health benefits of trees when defining spaces for people.

5) **Promote the benefits of green surroundings**

Views of trees through windows can improve concentration and lower stress for those who cannot go outside. Institutions such as schools, universities, hospitals and care homes should strive to ensure that trees can be seen through every window to maximise the benefits to occupants.

6) **Give children a daily dose of trees**

In our formative years we establish habits that stay with us for life. Schools should seek to ensure that time spent outside with trees is a frequent part of school life for students of all ages, ensuring children discover the benefits of time amongst trees. The health benefits of trees should be part of the curriculum.

Make trees accessible to all

"I'm very aware of the problems that people with mobility issues can have in accessing woodland. I think that's terribly sad. It's important to have these healing connections with trees. A lot of us are excluded and it's becoming harder to access really lovely places. The charter will change that."

Tanvir Bush, Author and Sensory Photographer

Make trees accessible to all

Trees offer shared experience to every age, religion and race. In woods people can work together, sharing experiences and learning from each other and their natural surroundings. Those who no longer move with ease can still find pleasure among the trees. Cheerful voices ring through leaves, from makeshift pitches and games of make-believe. There should be room for us all beneath spreading canopies.

1) **Help children build a connection with trees in school**

A connection with trees formed in childhood can last a lifetime, leading to adults who care about trees and nature and want to spend time among them for their work or leisure. Outdoor learning among and about trees should be part of the curriculum at all levels of education.

2) **Support landowners to open their woods to people**

Many people live close to woods that they cannot enter. Landowners should receive support and encouragement to overcome legal and practical barriers to allowing public access to their woods. Opportunities should be created for communities, landowners and organisations to explore ideas and work together to find ways for people to access and enjoy local woods in a safe, responsible way.

3) **Involve communities in planting and managing trees and woods**

The practical work of planting, monitoring and managing woodland habitats can involve volunteers who wish to give time to enhancing their community while spending time and gaining skills with trees. Local authorities and land managers should create opportunities for local residents to help create and manage woodland, trees and hedges in their community.

4) **Identify and overcome barriers to accessing woods and trees**

Everyone in society should feel able and welcome to enjoy time among trees irrespective of age, ethnicity, background and disability. Access to woodland, trees and green space should be a core driver of public funding schemes for public benefit. Local and national decision-makers need to address social and practical barriers to accessing woods and trees by ensuring affordable public transport access, and by promoting and facilitating inclusivity and diversity in these spaces.

5) **Promote awareness of local opportunities to access woods and trees**

People may not know that there are opportunities to spend time among trees. Clear information about local accessible woods and green spaces with trees should be available to all in society, including details of public transport links and structured opportunities for volunteering, socialising and exercising among trees.

6) **Promote diversity and inclusivity in forestry and arboriculture**

There are varied and rewarding opportunities for people of all backgrounds working with trees and timber, but these career paths are less well known and understood than others. Training opportunities and qualifications in tree and woodland management should be widely promoted as equal opportunities for all, and made accessible to everyone in society.

7) **Support the creation of community woodland groups**

Community woodland management brings people together around their local wood. Support should be made available to support the creation of local community woodland groups, including funding, peer support networks and expert advice in brokering relationships with managers of woodland on both private and public land.

8) **Foster a love of trees and woods across society**

The best way to ensure a positive future for trees and woods is to ensure that people across the UK will stand up for them. Enabling and encouraging everyone in society to access and enjoy trees should be recognised as a strategic action to ensure that the next generation will care for and protect trees.

9) **Safeguard the future of the Public Forest Estates**

The Public Forest Estates represent a large percentage of accessible woodland in the UK. The Public Forest Estates of England, Scotland, Wales and Northern Ireland should be held in trust and maintained for the public benefit in perpetuity.

Combat the threats to our habitats

“It is vital we act now to manage our woods and trees so that they can adapt to the increased threat and severity of pests, disease and climate change. To ensure our trees and woods thrive into the future significant changes to conventional woodland management practices are required.”

Simon Lloyd, CEO, Royal Forestry Society

Combat the threats to our habitats

Pests, diseases and climate change pose serious threats to our precious trees. Enlightened management of woods will help ensure their future health: planting strong seeds and saplings, selecting species suited to the site, keeping forests mixed in age and kind, regular thinning, combatting invasive plants, and controlling infections and pests at the earliest sign.

1) **Bring all woods into management**
Managed woods are more resilient to the threats of pests, disease and climate change than neglected woods. Effective incentives are needed for woods to be brought back into management and for all woodlands to be managed to nationally recognised standards.

2) **Provide clear good practice guidelines on planting and management**
Informed decisions about species choice can ensure the best chance of newly planted trees thriving to create, replenish or buffer woodland habitats. Selection of the right tree in the right place should be supported through free-to-access, site-specific decision support tools. Knowledge networks should be created and maintained so that the skills required to manage woods well are available to all those who own or manage them.

3) **Ensure diversity of trees across the landscape**
Woodland habitats dominated by one species of tree are vulnerable, because the impact of a pest or disease that affects that species could decimate the landscape. Diversification of tree species and ages should be encouraged in all woodland and across landscapes to enhance resilience to threats.

4) **Let woods breathe**
A crowded wood leads to weaker trees more vulnerable to threats. Young woodland should be regularly thinned to promote growth of healthy trees by giving them the light and space to thrive.

5) **Actively manage orchards for the future**
Orchards need active management to endure. Good orchard management practice, including regular pruning and mulching, should be encouraged and supported to maximise the health and resilience of orchards long term.

6) **Act fast on pests and invasive species**
Woods can be irreparably damaged when populations of destructive animals and plants get out of control. Woods and landscapes with trees should be monitored closely, and the rigorous and sustained control of pests and destructive invasive species should be undertaken where needed to deliver management objectives, contain outbreaks and avoid extensive damage.

7) **Invest in research to find solutions to tree diseases**
Knowledge is our greatest tool in protecting the woods and trees of the future. Support should be provided for research into causes and treatments of tree disease, development of more productive and resilient tree species, and the sharing of knowledge and data between professionals and through volunteer networks.

8) **Ensure an early warning system for tree disease and pests**

We need to monitor for threats closely to ensure problems are identified before they get out of control. Properly funded and co-ordinated methods to report and effectively control pests and diseases should be maintained. This should include encouraging and enabling the general public to report sightings, outbreaks or concerns.

9) **Maintain a disease-free supply chain for trees and timber**

Preventing the spread of disease is better than treatment. Seed should be regulated to ensure it meets at least the basic standard of being sourced from trees and woods certified disease free, germinated and grown in the UK before planting. Rigorous biosecurity should be in place for all trees and timber to prevent the spread of pests and diseases.

Strengthen our landscapes with trees

"A combination of high population and a climate in transition is defining a new set of imperatives for UK landscapes - the need for resilience and an emphasis on sustainability. Clean air and water, restored soils and sustainable food production can all be delivered by strengthening our landscapes with trees."

Merrick Denton-Thompson OBE
President Elect, Trustee & Fellow, Landscape Institute

Strengthen our landscapes with trees

From roots that bind and enrich the soil to leaves that shade and shelter, from locking carbon into timber and purifying air and water, trees make our landscapes better. Rising water swells and floods, so strengthen riverbanks with roots. Bare hills need trees to keep the soil stable, to slow the flow of nature's deluge, to shelter sheep or shade the cattle. The right tree in the right place earns its keep again and again. As farmers and landowners benefit from woods, the country will be strengthened in the years ahead.

1) **Champion the positive impact of trees in the landscape**

Landscape-scale decision-making must be informed by the latest evidence and research into the impact of trees, woods and hedges. The role of hedges and trees outside woods in carbon sequestration, flood prevention, habitat networks and improving water quality needs to be recognised in government policy on planning, climate change, public health, planting and maintenance subsidies and economic development.

2) **Take a joined-up approach to land management**

Good practice in planting and managing trees needs to be reflected across the whole landscape to have the most positive impact. Integrated rural land management policies are needed in each country to ensure that decisions made concerning agriculture, conservation, planning and forestry are coordinated and complementary to each other.

3) **Value trees for all of the benefits they bring**

The positive impact of trees in a landscape is not just determined by their number. The habitat and ecosystem value of trees should factor into calculations of compensation planting or restoration, to ensure that a landscape is not left weaker than before. This means considering species variety, age and location, not just number of trees or hectares of woodland cover.

4) **Maximise the role of trees in flood prevention**

Trees can intercept rainwater in their canopies, improve the rate of drainage into the soil, and slow the flow of floodwater. The potential for trees to help reduce flood risk should be fully researched and reflected in land management policy, and in the design of sustainable urban drainage systems.

5) **Improve waterways with trees**

Tree canopies can shade rivers and streams while their roots provide stability to the soil of the banks. The role of trees beside waterways in improving fish stocks and strengthening riverbanks should be researched and promoted, and should inform land management decisions.

6) **Promote the role of trees on farms**

Trees can be an asset to farms, as well as providing benefits to the wider landscape. By improving soil stability, providing shelter and support and controlling rainwater runoff, trees can improve farming outputs while offering a profitable crop in their own right. The combining of forestry and agriculture as a way of supporting productive farming - and farming practices that enhance and protect tree cover - should be promoted and supported to ensure that agriculture is not in conflict with the need for tree cover.

7) **Recognise and support custodians of valuable landscapes**

We all benefit from landscapes rich in trees and woods. Quantify and value ecosystem services from appropriately planted and well managed trees, hedges and woods, rewarding land owners for their role in safeguarding these benefits for society.

Appendix 1: Summary Tree Charter

Appendix 2: Organisations involved

Tree Charter Content Leads

The following organisations led on the collation of evidence and drafting of the Tree Charter articles.

Chair: Woodland Trust
Black Environment Network
Campaign to Protect Rural England
Centre for Sustainable Healthcare
City of Trees
Chartered Institute of Ecology & Environmental Management
Common Ground
Forest Stewardship Council UK
Grown in Britain
Institute of Chartered Foresters
John Muir Trust
Landscape Institute
Llais y Goedwig
National Association of Local Councils
New Forest National Park Authority
Northern Ireland Environment Link
Order of Bards Ovates and Druids
Orchard Project
Royal Forestry Society
Sherwood Forest Trust
Sylva Foundation
Wildlife Trusts
Woodland Heritage
Small Woodland Owners Group
Tir Coed
Trees for Cities
Tree Council

Tree Charter Steering Group

The following wider group of organisations contributed to defining the Tree Charter campaign and provided an expert review panel for the drafts of the Tree Charter.

Ahmadiyya Muslim Youth Association
Ancient Tree Forum
Arboricultural Association
Bat Conservation Trust
Borders Forest Trust
Butterfly Conservation
Caring for God s Acre
Church of England
Coigach Assynt Trust
Continuous Cover Forestry Group
Country Land and Business Association CLA
Forest School Association
Froglife
Game & Wildlife Conservation Trust
Going Wild
GreenBlue Urban
Legal Sustainability Alliance
Muslim Action for Development and Environment
National Farmers Union
National Trust
National Union of Students
NHS Forest
Order of British Druids
Plantlife
Reforesting Scotland
Royal Horticultural Society
Royal Society for the Protection of Birds
Small Woods Association
Soil Association
The British Beekeepers Association
The Climate Coalition
The Conservation Foundation
The Conservation Volunteers
The Consulting Arborist Society CIC
The Land Trust
The Mersey Forest
The National Forest
The Wild Network
The Windsor Estate
Trees and Design Action Group
Woodlands.co.uk
WWF UK