

EXECUTIVE

Monday, 24 February 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 Wheeler

A G E N D A

SECTION A	Page(s)
MINUTES AND EXTRACTS	
1. Confirmation of Minutes - 20 January 2020	5 - 14
2. Declarations of Interest	
Please note that, in accordance with the Members' Code of Conduct, when declaring interests members must disclose the existence and nature of the interest, and whether it is a disclosable pecuniary interest (DPI) or personal and/or pecuniary.	
OUR PEOPLE AND RESOURCES	
3. Medium Term Financial Strategy 2020-2025	15 - 156
4. Council Tax 2020/21	157 - 162
5. Pay Policy Statement 2020/21	163 - 172
6. Financial Performance - Quarterly Monitoring	173 - 204
7. Q3 2019-2020 Operational Performance Report	205 - 226
8. Strategic Risk Register - Quarterly Review	227 - 230
9. Prudential Indicators 2019/20 - 2022/23 and Treasury Management Strategy 2020/21	231 - 268
10. Celebrating Vision 2020	269 - 306
11. Vision 2025 Strategic Plan	307 - 370

ECONOMIC GROWTH

12. Brayford Trust 371 - 386
-

REMARKABLE PLACE

13. Exclusion of the Press and Public 387 - 388

You are asked to resolve that the press and public be excluded from the meeting during the consideration of the following items because it is likely that if members of the press or public were present, there would be disclosure to them of 'exempt information'.

In accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, notice is hereby given of items which will be considered in private, for which either 28 days' notice has been given or approval has been granted by the appropriate person specified in the Regulations. For further details please visit our website at <http://www.lincoln.gov.uk> or contact Democratic Services at City Hall, Beaumont Fee, Lincoln.

These items are being considered in private as they are likely to disclose exempt information, as defined in Schedule 12A of the Local Government Act 1972. No representations have been received in relation to the proposal to consider these items in private.

SECTION B

OUR PEOPLE AND RESOURCES

14. Strategic Risk Register - Quarterly Review 389 - 402
[Exempt Para(s) 3]
15. Business Case for the Creation of An Assistant Director for Planning 403 - 412
[Exempt Para(s) 1, 2]
16. Write Outs of Irrecoverable Non Domestic Rates and Overpayment of Housing Benefit 413 - 420
[Exempt Para(s) 3]
17. Settlement of a Dilapidations Claim and Disposal of Freehold Interest 421 - 428
[Exempt Para(s) 3]
-

ECONOMIC GROWTH

18. Brayford Trust 429 - 446
[Exempt Para(s) 3]
-

REMARKABLE PLACE

19. Boutham Park Lake Restoration Project Update and National Lottery Heritage Fund Terms 447 - 472

[Exempt Para(s) 3]

20. Consideration of an Offer Received Relating to Street Scene Contracts **473 - 482**

[Exempt Para(s) 3]

21. Establishment of Climate Change Manager **483 - 488**

[Exempt Para(s) 2]

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

Apologies for Absence: None.

86. Confirmation of Minutes - 6 January 2020

RESOLVED that the minutes of the meeting held on 6 January 2020 be confirmed.

87. Declarations of Interest

No declarations of interest were received.

88. Council Tax Base 2020/21

Purpose of Report

To seek a recommendation of the Council Tax Base for the financial year 2020/21.

Decision

That the Council be recommended to:

- (1) Note that there are no special items as defined in Section 35 of the Local Government Act 1992 (as amended) applicable to any parts or part of the City of Lincoln local authority area.
- (2) 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 the report.
- (3) 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.

Alternative Options Considered and Rejected

None.

Reason for Decision

Certain assumptions had to be made in order to determine the number of dwellings within the authority's area, as set out in Appendix A of the report.

The calculation of the Council Tax base, as detailed in Appendix B of the report, showed the number of Band D equivalent chargeable dwellings as being 24,689.50. This was based on the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended).

89. Localised Council Tax Support Scheme 2020/21

Purpose of Report

To review consultation responses and give consideration to a 'no change' scheme for the Local Council Tax Support Scheme for the financial year 2020/21, as well as proposals made in relation to an Exceptional Hardship Scheme, also regarding Council Tax changes.

Decision

That Council be recommended to:

- (1) Review consultation responses relating to the Localised Council Tax Support Scheme for 2020/21.
- (2) Approve a proposed 'no change' Council Tax Support Scheme for 2020/21 as set out in section 4 of the report.
- (3) Approve continuation of the £20,000 Exceptional Hardship Fund for 2020/21 to top up Council Tax Support awards in appropriate cases.
- (4) Approve 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 of the report.

Alternative Options Considered and Rejected

None.

Reason for Decision

Based on the current core elements of the existing scheme, a caseload reduction of 1% had been modelled along with an increase in Council Tax ranging from 2% to 4%. These were summarised in Appendix 1, giving an indication of the potential cost and savings to the City Council.

As a billing authority, the Council could decide whether or not to amend core elements of its scheme each year. Officers were not proposing any changes to the core elements of the scheme as part of this report. In developing the modelling for each of the Council Tax Support Scheme options a number of assumptions had been made, as set out in paragraph 4.3 of the report.

Alongside a proposed 'no change' Council Tax Support Scheme for 2020/21, it was also suggested that £20,000 for an Exceptional Hardship Scheme continued. Exceptional Hardship Payments assisted persons who had applied for Council Tax Support and who were facing 'exceptional hardship'.

Details regarding the care leavers Council Tax exemption and Council Tax empty homes premium were set out in paragraphs 5.1 and 5.2 of the report respectively.

The outcome to the consultation undertaken from 30 October 2019 to 14 January 2020 was set out in Appendix 2 of the report, together with responses from Lincolnshire County Council and the Lincolnshire Police and Crime Commissioner at Appendices 5 and 6 respectively.

This report had been considered by the Policy Scrutiny Committee at its meeting on 14 January 2020 which supported the recommendations contained within.

90. Draft Medium Term Financial Strategy 2020-25

Purpose of Report

To consider 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.

Decision

- (1) That the Executive approves for consultation and scrutiny:
 - The draft Medium Term Financial Strategy 2020-2025 and
 - The draft Capital Strategy 2020-2025
- (2) That these included 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 being a 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 of the report and the main basis on which the budget had been calculated;
 - the draft General Investment Programme 2020/21-2024/25 as shown in Appendix 2 and the main basis on which the budget had been calculated;
 - the draft Housing Revenue Account Forecast 2020/21-2024/25 as shown in Appendix 3 and the main basis on which the budget had been calculated;
 - the draft Housing Investment Programme 2020/21-2024/25 as shown in Appendix 4 and the main basis on which the programme had been calculated.

- (3) That delegated authority be granted to the Chief Finance Officer for approval of the final Business Rates Base for the financial year commencing 1 April 2020 and ending 31 March 2021 and submission of the base (via the NNDR1 return) to the Ministry of Housing, Communities and Local Government by 31 January 2020.
- (4) That, subject to (3) above, all changes to the base estimated in the draft Medium Term Financial Strategy 2020-25 be reported to the Executive as part of the final Medium Term Financial Strategy 2020-25 on 24 February 2020.

Alternative Options Considered and Rejected

None.

Reason for Decision

Prior to submission of the Medium Term Financial Strategy 2020-2025 and the budget and Council Tax proposal for 2020/21 to Full Council, the initial draft as appended to the report would be subject to public consultation and member scrutiny via the Budget Review Group.

The report provided an overview of the General Fund, which included updates on the following:

- provisional finance settlement 2020/21;
- revenue support grant;
- new homes bonus;
- business rates retention;
- council tax;
- spending plans;
- the Council's Towards Financial Sustainability Programme;
- robustness and adequacy of the budget and reserves.

An overview of the Housing Revenue Account was also set out in the report and provided updates on the following:

- housing rents;
- financing the capital programme;
- robustness and adequacy of the budget and reserves.

The report also provided updates on the General Investment Programme, the Housing Investment Programme and the Capital Strategy.

91. Collection Fund Surplus or Deficit - Business Rates

Purpose of Report

To inform the Executive of the estimated balance for the Business Rates element of the collection fund and the surplus or deficit to be declared for 2019/20.

Decision

- (1) That the action of the Chief Finance Officer in declaring a business rates surplus of £802,023 for 2019/20 be confirmed, subject to the confirmation of the business rates base by 31 January 2020.
- (2) That any amendments to the declared deficit be notified to the relevant preceptors and included in the final Medium Term Financial Strategy 2020-25 to be presented to the Executive on 24 February 2020.

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 would 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.

The Executive, at its meeting on 6 January 2020, declared a surplus on Council Tax of £382,814 for the financial year 2019/20 of which its share was £57,809. The Council would declare a surplus on the business rates collection fund of £802,023 for 2019/20, subject to confirmation of the Business Rates base by 31 January 2020 of which its share was £144,168.

92. ICT Strategy 2019-2025

Purpose of Report

To seek approval of the proposed ICT Strategy for 2019-25.

Decision

That the ICT Strategy for 2019-25 be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

The Council's ICT Team had been working with Foresight Consultants on a proposed ICT Strategy for the period 2019-25. The Strategy was based on:

- Council priorities and the likely challenges facing the service over the next three years;
- supporting Vision 2025 and the One Council agenda;
- interviews with key stakeholders;
- reviews of current infrastructure;
- potential future requirements;
- meetings with stakeholders;
- industry developments.

Four key themes had been identified as part of the Strategy, which were:

- channel shift – customer services;
- new ways of working;
- value for money;
- high availability and high performance.

The Strategy was 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.

There were some key elements without which the ICT function could not operate. Aside from the people and skills which were critical for operating the service, some elements of the ICT infrastructure were required to form a platform for services. These included the data storage, servers, network, telephony and disaster recovery capability. Whilst some investment resources had been committed, these would be reviewed as part of the ongoing budget process, as set out in the Strategy itself.

In terms of aspirational and line of business services, section four of the Strategy set out the proposals for the Council's applications. This included:

- the applications that the Council was utilising;
- the way they were 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.

Many of these elements required investment and would be considered in more detail over the period of the strategy on a business case based approach.

A copy of the proposed Strategy was appended to the report.

Councillor Ric Metcalfe, Leader of the Council, was pleased that the Strategy reflected the One Council approach and linked into the authority's Vision 2025, emphasising that ICT was imperative as to how the organisation conducted all of its business.

It was noted that consultants with significant experience in working with other local authorities had supported the development of this Strategy as an independent, critical friend.

Councillor Metcalfe thanked Matt Smith, Business Development and IT Manager, and his team for an excellent piece of work.

93. Council House and Garage Rents 2020/21

Purpose of Report

To consider a proposed 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 6 April 2020.

Decision

That Council be recommended to approve the following increases to ensure that rent notices can be sent to tenants prior to the start of the new financial year and provide them with the requisite 28 day notice period:

- (1) The basis of rent calculation for changes to individual council house rents, as set out in paragraph five of the report, representing an increase in the average calculated 52 week council house net rent in 2020/21 of 2.7% for social housing rents at £1.83 per week and affordable rents at £2.85 per week increase per property.
- (2) The increase of garage rents for 2020/21 in accordance with the proposal in paragraph 6.1 of the report by 3%.

Alternative Options Considered and Rejected

None.

Reason for Decision

In keeping with the Housing Business Plan approved by the Council and the Government's rent guidelines, the formula rent rise for 2020/21 was based on the Consumer Price Index in the previous September plus 1.0%. In Lincoln's case this meant an average rent increase of 2.7% from Monday 6 April 2020, although this was an average rent increase across the Council's stock.

As a result of the continued erosion of stock numbers as a result of the Right to Buy regime, despite increasing rents as above, budgeted rental income would drop by £296,000 from £28.319 million in 2020/21. Despite actively buying back properties, stock numbers continued to reduce due to Right to Buy and to date 18 purchases had been completed on a range of one, two and three bedroomed properties.

Between April and December 2019, 42 properties had been sold under the Right to Buy, the majority of which were two bedroomed properties but ranged from one, two, three and four bedroomed properties.

There had therefore been a net reduction in stock of 24 properties which had a direct impact on rental income.

The average weekly increase for the City Council based on data at 12 December 2019 for net social housing rent, calculated over 52 weeks, would be £69.57 per week for 2020/21 compared to £67.74 per week for 2019/20. This represented an average equivalent increase of income per property of £1.83 per week over 52 weeks, with the 50 week average rent being charged at £72.35.

There were currently 208 properties charged at an affordable rent which was higher than social housing rent. Based on data as of 12 December 2019 the increase on the average weekly rent over 52 weeks would result in an increase from £105.52 per week in 2019/20 to £107.87 per week for 2020/21. This equated to an average equivalent increase of income per property of £2.35 per week over 52 weeks, with the 50 week average rent being charged at £112.18.

It was noted that the Tenants' Panel at a recent meeting was supportive of the proposals and understood the reasons for the increase.

94. Woodland Trust - Tree Charter

Purpose of Report

To seek agreement to the Council adopting the Woodland Trust's Tree Charter, in principle, so as to ensure its overriding principles were used in the development of other relevant Council policies.

Decision

- (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 exclusively to the detriment of other strategic objectives.
- (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.

Alternative Options Considered and Rejected

None.

Reason for Decision

The Woodland Trust was a charity established to protect ancient trees and woodland, as well as promoting trees and the benefits of trees. To assist in the Trust's mission, it had produced a Tree Charter which set out ten key high level strategic considerations that it wished individuals and organisations to embrace in their thinking about trees.

The Woodland Trust was seeking as many signatories to the Tree Charter as possible as tangible evidence of the nation's support for its ideals.

A copy of the Tree Charter was appended to the report and included ten key principles, as follows:

- nature – sustain landscapes rich in wildlife;
- planning – plant for the future;
- arts and heritage – celebrate the power of trees inspire;
- health and wellbeing – recover health, hope and wellbeing with the help of trees;

- protection – protect irreplaceable trees and woods;
- planning – plan greener local landscapes;
- utility and livelihoods – grow forests of opportunity and innovation;
- coping with threats – combat the threat to our habitats;
- people and access – make trees accessible to all;
- environment – strengthen our landscape with trees.

The Trust had suggested that the Council may wish 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.

95. Private Sector Housing Enforcement

Purpose of Report

To seek approval of the introduction of three new fees and charges, the amendment of the existing Houses in Multiple Occupancy licensing fee structure within the Private Sector Housing Team and approval of a related delegation of authority to the Assistant Director for Health and Environment.

Decision

That Council be recommended to:

- (1) Approve the introduction of a variable charge to recover costs associated with the service of specified enforcement notices, as set out in paragraph 4.4 of the report but that charges do not apply to owner occupiers.
- (2) Approve the introduction of a charge for Civil Penalties issued under the provisions of the Housing and Planning Act 2016 of up to £30,000 per offence as an alternative to prosecution for specific offences under the Housing Act 2004.
- (3) Approve the introduction of a penalty notice charge under the provisions of the Smoke and Carbon Monoxide Alarm (England) Regulations 2015 and that the penalty be set at £5,000, with a reduction to £2,500 for the first breach if the penalty charge is paid within 14 days, and repeat breaches be set at £5,000 with no discount for early payment.
- (4) Approve the removal of the 5% discount off the Houses in Multiple Occupation basis fee for multiple applications.
- (5) Delegate authority to the Assistant Director for Health and Environment in relation to (1) to (3) above in order that they can agree, in certain circumstances, to reduce or waiver the charge.

Alternative Options Considered and Rejected

None.

Reason for Decision

The introduction of the three new fees and charges would seek to act as a deterrent and encourage private landlords, in particular, to engage with the Private Sector Housing Team to improve the health and safety standards in properties throughout the city.

The first was to introduce a variable fee and charge to recover the costs of certain types of enforcement action taken under the Housing Act 2004.

The second fee, a variable charge up to a maximum £30,000 for imposing a civil penalty mainly on private housing landlords, was an alternative enforcement sanction to prosecution for specific offences under the Housing Act 2004.

The third fee, the introduction of a penalty charge notice up to a maximum of £5,000 under the provisions of the Smoke Alarm and Carbon Monoxide Regulations 2015.

A fourth amendment sought to amend the House in Multiple Occupation licensing fee structure by removing the multiple application discount.

Further details relating to these four proposed changes were set out in the body of the report.

It was recognised that in certain circumstances there needed to be some flexibility in the levying of charges. Delegated authority was therefore sought to enable the Assistant Director for Health and Environment to reduce or waive the charge. It was emphasised that any such reduction or waiver would be carefully considered, taking into account the circumstances of each particular case.

SUBJECT:	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 Medium Term Financial Strategy for the period 2020-2025 and the budget for 2020/21 for referral to Council.
- 1.2 To recommend to the Executive the Capital Strategy 2020-2025 for referral to Council.

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 through 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 its new, Vision 2025 and strategic priorities, whilst ensuring it maintains a sustainable financial position.
- 2.5 Prior to submission of the MTFS 2020-2025 to Full Council, on 3rd March 2020, the budget and council tax proposal have been 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 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 pose 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 and 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 £12.677m which is £0.424m (3%) lower than the current year's budget. The provisional forecast spending requirements for the remaining four years of the MTFS are, £12.764m for 2021/22, £12.714m for 2022/23, £13.323m for 2023/24 and £13.388m 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 Local Government Finance Settlement 2020/21

The 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; its Settlement Funding Assessment (SFA) made up of 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 6.4% 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 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 Settlement also provided grant allocations for the New Homes Bonus (NHB), for 2020/21 the Council will receive £0.770m a significant allocation in relation to its other funding streams. The 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 £5.824m of the £44.260m 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 positions 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 £0.684m in 2020/21.

Council Tax

4.9 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 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).

- 4.10 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 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

- 4.11 The Council's new Vision 2025, launched alongside this MTFS, sets out the Council's vision for the future of the City, strategic priorities and core values. This is the second phase of the Council's long-term vision for Lincoln by 2030 and follows on from the success of Vision 2020. It builds on Vision 2020 and includes those longer term projects which were started, but not yet completed, as well as brand new projects identified through our work with partners, residents and other stakeholders.
- 4.12 Whilst the MTFS already provides for the legacy projects from Vision 2020, an allocation of resources for new projects, to be delivered over the 5-year period is also required. The MTFS therefore allocates £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. Details of how these resources will be allocated to support Vision 2025 will be determined through the Annual Delivery Plan.
- 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	2021/22	2022/23	2023/24	2024/15
£m	£m	£m	£m	£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 programmes of work exploring common to all 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 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.

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 £1.645m 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 Full Council have agreed 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 £52.757m 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 £20.144m of which £15.586m 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 £20.144m 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 £77.122m of which £25.64m 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 £36.543m over the 5-year period and from revenue contributions, totaling £19.283m over the 5-year period. In addition the HIP is set to utilise £10.654m of prudential borrowing to fund the Council House New Build Programme 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 The Capital Strategy is attached at Appendix B.

9. Consultation and Scrutiny

9.1 Budget consultation has been undertaken online which consisted of the draft MTFS, proposed budget and council tax recommendation being publicised on the Council's website together with the opportunity for the public to comment. A verbal update will be provided at the meeting of consultation responses received.

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

9.3 The minutes of the Budget Review Group are attached at Appendix C, there were no specific recommendations made by the Group.

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 recommend to Full Council for approval;
- The Medium Term Financial Strategy 2020-2025, and;
 - The Capital Strategy 2020-2025

Including the following specific elements:

- A proposed council tax Increase of 1.9% for 2020/21.

- A housing rent increase of 2.7% for 2020/21 (Agreed at Council 21st January 2020)
- The Council is member of the Lincolnshire Business Rates Pool in 2020/21
- The 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 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 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 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).

Is this a Key Decision?

No – Referral to Full Council

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?

Three

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:

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Medium Term Financial Strategy

2020/21 - 2024/25



Contents	Page No
Foreword	1
Introduction	3
Objectives	3
Policy & Financial Planning Framework	4
Context	5
Economic Climate	5
National Priorities	6
Local Priorities	10
Revenue (General Fund)	13
Spending Plans	13
Spending Pressures	13
Resources	15
Bridging the Gap	21
Revenue Forecast	22
Risks to the Revenue Budget	22
General Investment Programme	24
Capital Spending Plans	24
Spending Pressures	24
Resources	25
General Investment Programme Forecast	27
Risks to the General Investment Programme	27
Housing Revenue Account	28
Housing Revenue Account Business Planning	28
Spending Plans	27
Spending Pressures	29
Resources	29
Releasing Resources	31
Housing Revenue Account Forecast	31
Risks to the Housing Revenue Account Budget	31
Housing Investment Programme	32
Capital Spending Plans	32
Resources	32
Housing Investment Programme Forecast	34
Risks to the Housing Investment Programme	34
Reserves and Balances	35
Appendices	
1. General Fund Summary	37
2. Housing Revenue Account Summary	38
3. General Investment Programme	39
4. Housing Investment Programme	40
5. Risk Assessments	41
6. Earmarked Reserves	54
7. Fees and Charges Schedules	56



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 its financial resources to underpin its 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 pose 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 spending 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 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

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 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.

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 its 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's new Strategic Plan, Vision 2025, has five clear strategic priorities and in order to achieve these 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 new Strategic Plan, 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.

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 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 UK left the EU with effect from 31st January 2020, 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 0.6% for the first quarter but then the second quarter showed the economy going into reverse with a contraction of 0.1%. Growth in the third quarter surprised on the upside with 0.5%, 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 zero, giving annual growth in the economy of around 1.3%, 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 each of the last three months of 2019 to a three year low of 1.4% in December. 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 December, up from 2.1% in October which was its lowest level since 2016. It is predicted to increase over 2020 to around 3% remaining around this level until at least early 2022.

At its latest vote, in January 2020, 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%. This was the same position as per the previous sitting of the Committee in December 2019. 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. The next Budget has now been announced as taking place on 11th March 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 updated 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 Lincoln's 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 new Vision 2025, launched alongside this MTFs, sets out the Council's vision for the future of the City, strategic priorities and core values. This is the second phase of the Council's long-term vision for Lincoln by 2030 and follows on from the success of Vision 2020. This new vision is the product of work both

internally and externally through consultation with residents, businesses and other organisations with a stake in the city. It builds on Vision 2020 and includes those longer term projects which were started, but not yet completed, as well as brand new projects identified through our work with partners, residents and other stakeholders. The development of Vision 2025 has been informed by evidence from the Lincoln City Profile to ensure that the Council's visions and aspirations for the City are not just for the next five years, but look ahead beyond this.

The Council's vision for 2025 is;

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

Underpinning this vision are five strategic priorities, each with a number of supporting aspirations. The aspirations are in turn supported by groups of projects that will be delivered throughout the five-year activity programme. Not all the aspirations will be progressed at the same speed or even at the same time. Instead, they provide an overview of where effort needs to be placed over time, with the Annual Delivery Plan showing where the focus is for the current year. The four current strategic priorities are:

- Let's drive inclusive economic growth
- Let's reduce all kinds of inequality
- Let's deliver quality housing
- Let's enhance our remarkable place
- Let's address the challenge of climate change

Surrounding all this work is our commitment to continue delivering high professional, high performing services via our One Council programme, which is made up of the following pillars:

- Organisational development
- Best use of assets
- Technology
- Create value processes

These priorities and programmes are reinforced by our core values, which govern our approach to everything. These core values are:

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

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.

Vision 2025 is the second phase of the Council's long-term vision for Lincoln by 2030. As with Vision 2020, the detailed programme will need to be flexible, with project delivery being aligned to changing local needs. Thus the vision demonstrates the direction forward and some of the known specific projects, but it will be supported each year with a more detailed Annual Delivery Plan.

Whilst the MTFS already provides for the legacy projects from Vision 2020, an allocation of resources for new projects, to be delivered over the 5-year period is also required. The MTFS therefore allocates of £1m of revenue resources to support these new projects, 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 how these resources will be allocated to support Vision 2025 will be determined through the Annual Delivery Plan.

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	2021/22	2022/23	2023/24	2024/25
	% per	% per	% per	% per	% per
	year	year	year	year	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 its 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 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 £49.2bn, an overall increase for the period 2015/16 to 2020/21 of 10.1%. 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 £7.4bn (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 multiplier	0.165	0.165	0.175	0.275	0.400	0.500
Council Tax	22.036	23.247	24.666	26.332	27.768	29.386
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	49.158
Change %		-2.1%	1.3%	1.8%	2.5%	6.4%
Cumulative change %		-2.1%	-0.8%	1.0%	3.5%	10.1%

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 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 its 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 £684k 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	2021/22	2022/23	2023/24	2024/15
	£m	£m	£m	£m	£m
Forecast retained Income	5.824	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 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 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 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	770	111	50	0	0
Housing Benefit Admin Subsidy	336	336	336	336	336
Local Council Tax Support Admin Subsidy	137	137	137	137	137
Housing Benefits New Burdens	48	48	48	48	48

Flexible Homelessness Support Grant and Homelessness Reduction	1,070	0	0	0	0
Rough Sleeping Initiative	275	0	0	0	0
TOTAL	2,636	632	571	521	521

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, its 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 further, in early 2020. 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 its 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 programmes of work exploring common to all issues and how these can best be combined to 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 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. 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 MTFFS 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 MTFFS
- 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 legacy projects from Vision 2020, known specific schemes from 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 £20.144m of which there are two key schemes:

- Western Growth Corridor Phase 1a - £9.543m
- Crematorium Investment - £4.7m
- Disabled Facilities Grants - £1.5m

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

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. Heritage Lottery Fund for Boutham Park, and the single Local Growth Fund for the Transport Hub, with further funding now secured from the Local Authority Accelerated Construction for Western Growth Corridor Phase 1a. The Council continually seeks further external grant funding to support the delivery of its 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 its 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 £11.831m 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 and Contributions

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 £5.6m is expected to be received from external capital grants, which is largely for Disabled Facilities Grant £1.5m, Western Growth Corridor Phase 1a £2.132m and for investment in Boutham Park £0.576m.

Projected Capital Resources

Resources to fund the General Investment Programme 2020/21-2024/25 are estimated to be approximately £20.144m, as follows:

	£'000
Capital Grants and Contributions	5,572
Capital Receipts	2,550
Direct Revenue Financing	191
Prudential borrowing	11,831
TOTAL	20,144

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 its 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 £52.757m 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 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.

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 its 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 its 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 its 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 its 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 £77.122m and comprises the following main areas of work:

- Maintenance of the Decent Homes and the Lincoln Standard, £42m
- 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, £13m
- 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 £19.3m 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 - £5.052m 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 to be available 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 £10.654m 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 £77.122m Housing Investment Programme 2020/21 – 2024/25, are currently estimated to be as follows:

	£000
Major Repairs Reserve (depreciation)	36,543
Direct Revenue Financing	19,283
Grants and Contributions	5,052
Capital Receipts (inc RTBs)	5,590
Borrowing	10,654
TOTAL	77,122

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 its 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 MTF5.

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	2,692	1,773	1,606	1,563	1,645
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	503,320	510,430	534,580	541,880	548,890
Housing & Regeneration	963,790	637,650	646,820	653,370	659,870
Corporate	1,866,580	1,997,900	2,130,110	2,141,120	2,152,520
	13,585,690	13,063,970	13,236,900	13,257,200	13,398,050
Capital Accounting Adjustment	3,935,320	1,018,860	1,172,300	1,138,600	1,126,580
Base Requirement	17,521,010	14,082,830	14,409,200	14,395,800	14,524,630
Specific Grants	(4,070,650)	(411,190)	(350,250)	(300,000)	(300,000)
Contingencies	141,070	161,480	164,080	207,470	205,370
Savings Targets	(500,000)	(850,000)	(1,250,000)	(1,250,000)	(1,250,000)
Transfers to/(from) earmarked reserves	(459,830)	231,140	(313,450)	217,160	155,650
Transfers to/(from) insurance reserve	45,310	(450,000)	54,190	52,730	52,160
Total Budget	12,626,910	12,764,260	12,713,770	13,323,160	13,387,810
Use of Balances	268,310	(918,900)	(166,840)	(43,170)	82,050
NET REQUIREMENT	12,963,220	11,845,360	12,546,930	13,279,990	13,469,860
Business Rates	5,823,490	4,695,940	5,155,690	5,639,280	5,569,510
Business Rates Surplus	144,170	0	0	0	0
Revenue Support Grant	22,720	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	12,963,220	11,845,360	12,546,930	13,279,990	13,469,860
Balances b/f @ 1st April	2,405,778	2,692,088	1,773,188	1,606,348	1,563,178
Increase/(Decrease) in Balances	286,310	(918,900)	(166,840)	(43,170)	82,050
Balances c/f @ 31st March	2,692,088	1,773,188	1,606,348	1,563,178	1,645,228

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	521,182	208,033	208,033	208,033	200,000
Directorate of Communities and Environmental Services	6,123,597	300,000	300,000	300,000	300,000
Directorate of Major Developments	8,570,760	2,339,385	194,625	0	0
Directorate of Housing	370,152	0	0	0	0
Total Programme Expenditure	15,585,691	2,847,418	702,658	508,033	500,000
Capital Funding					
Contributions from Revenue					
Opening balance	194,873	28,132	20,099	12,066	4,033
Received in year	0	0	0	0	0
Used in financing	(166,741)	(8,033)	(8,033)	(8,033)	0
Closing balance	28,132	20,099	12,066	4,033	4,033
Capital receipts					
Opening balance	623,837	2,108,052	1,958,052	5,182,031	5,182,031
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	2,108,052	1,958,052	5,182,031	5,182,031	5,182,031
Grants & contributions					
Opening balance	14,333	14,333	14,333	14,333	14,333
Received in year	4,372,383	300,000	300,000	300,000	300,000
Used in financing	(4,372,383)	(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	11,030,782	200,000	200,000	200,000	200,000
Used in financing	(11,030,782)	(200,000)	(200,000)	(200,000)	(200,000)
Closing balance	0	0	0	0	0
Total Capital Funding	(15,585,791)	(2,847,418)	(702,658)	(508,033)	(500,000)
Available Resources c/f	2,150,517	1,992,484	5,208,430	5,200,397	5,200,397

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	7,650,470	7,567,071	7,755,684	8,109,227	8,352,547
Health & Safety	432,551	408,588	363,798	377,218	388,337
New build programme	14,901,910	6,342,760	3,399,130	46,032	46,953
Lincoln Standard	500,000	500,000	500,000	500,000	522,900
Other schemes	2,155,144	1,789,256	1,742,153	1,414,837	1,355,793
Total Programme Expenditure	25,640,075	16,607,675	13,760,765	10,447,314	10,666,530
Capital funding					
Major Repairs Reserve					
Opening balance	7,466,582	2,420,307	2,715,740	3,202,915	3,720,553
Depreciation received in year	6,637,390	6,637,390	6,637,390	6,637,390	6,637,390
Depreciation used in financing	(10,673,165)	(6,520,203)	(6,098,793)	(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	(4,194,120)	(3,336,124)	(3,982,842)	(4,401,282)	(3,368,364)
Closing balance	2,420,307	2,715,740	3,202,915	3,720,553	4,396,986
Capital receipts					
Opening balance	459,725	431,967	16,225	657,125	1,431,123
Received in year	820,030	820,030	820,030	820,030	820,030
Used in financing	(847,788)	(1,235,772)	(179,130)	(46,032)	(46,953)
Closing balance	431,967	16,225	657,125	1,431,123	2,204,200
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	2,041,750	0	0	0	0
Grants & contributions received in year	0	3,010,000	0	0	0
Used in financing	(2,041,750)	(3,010,000)	0	0	0
Closing balance	0	0	0	0	0
Borrowing					
Opening balance	2,923,779	20,779	19,946	19,946	19,946
Borrowing taken in year	3,500,000	1,750,000	2,500,000	0	0
Used in financing	(6,403,000)	(1,750,833)	(2,500,000)	0	0
Closing balance	20,779	19,946	19,946	19,946	19,946
Total Capital funding	(25,640,075)	(16,607,675)	(13,760,765)	(10,447,314)	(10,666,530)
Available Resources c/f	4,627,796	3,751,911	3,879,986	5,171,622	6,621,132

BUDGET RISK ASSESSMENT

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
			Risk score	Risk Score	
1	Business Rates Base	<p>Reduction and/or fluctuations in income against budget variation in:</p> <ul style="list-style-type: none"> – 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 	<p>Total Score: 9</p> <p>Likelihood: 3 Impact: 3</p>	<p>Total Score: 12</p> <p>Likelihood: 4 Impact: 3</p>	<ul style="list-style-type: none"> • 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.

Appendix 5

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
2	Fairer Funding Review	<p>Assessment of relative need and relative resources results in a baseline need below current level.</p> <p>Transitional arrangements are not sufficient to mitigate impacts.</p> <p>Impact of Brexit deal on Spending Review 2020.</p>	<p>Total Score: 2</p> <p>Likelihood: 1 Impact: 1</p>	<p>Total Score: 12</p> <p>Likelihood: 4 Impact: 3</p>	<ul style="list-style-type: none"> • 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	<p>Slippage in the project,</p> <p>Increased project costs including labour and material costs post Brexit. Inflationary impacts.</p> <p>Failure of contractor i.e. contractor goes into liquidation.</p> <p>Demand for improvement grants.</p> <p>Sunk costs of aborted schemes</p> <p>Achieving levels of projected costs in the HRA Business plan</p>	<p>Total Score: 9</p> <p>Likelihood: 3 Impact: 3</p>	<p>Total Score: 9</p> <p>Likelihood: 3 Impact: 3</p>	<ul style="list-style-type: none"> • 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.

70

Appendix 5

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
4	Income from Fees & Charges/ Rents: <ul style="list-style-type: none"> • 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	<p>Total Score: 9</p> <p>Likelihood: 3 Impact: 3</p>	<p>Total Score: 12</p> <p>Likelihood: 4 Impact: 3</p>	<ul style="list-style-type: none"> • 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 market (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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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.

Appendix 5

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
7	Repairs & Maintenance on Corporate Properties	<p>Unplanned emergency maintenance is required on the Council's Corporate Properties</p> <p>Increase in demands to meet statutory requirements and to minimise risks of adverse claims.</p> <p>Impact of works on income and service delivery.</p>	<p>Total Score: 9</p> <p>Likelihood: 3 Impact: 3</p>	<p>Total Score: 9</p> <p>Likelihood: 3 Impact: 3</p>	<ul style="list-style-type: none"> • 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	<p>Total Score: 6</p> <p>Likelihood: 2 Impact: 3</p>	<p>Total Score: 9</p> <p>Likelihood: 3 Impact: 3</p>	<ul style="list-style-type: none"> • 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

Appendix 5

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
9	General Budget Assumptions	<p>CPI and RPI inflation exceed rates assumed in the budget</p> <p>Actual establishment exceeds 99%</p> <p>Implications from Brexit deal or no deal on economy and general budget assumptions.</p>	<p>Total Score: 6</p> <p>Likelihood: 3 Impact: 2</p>	<p>Total Score: 6</p> <p>Likelihood: 3 Impact: 2</p>	<ul style="list-style-type: none"> • 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

Appendix 5

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
10	HRA Repairs and Maintenance Costs	<p>Assumed reductions in repairs and maintenance costs as a result of continued investment in the Council Housing Stock do not materialise</p> <p>The Housing Repairs Service (HRS) does not continue to modernise and achieve efficiencies</p>	<p>Total Score: 6</p> <p>Likelihood: 3 Impact: 2</p>	<p>Total Score: 6</p> <p>Likelihood: 3 Impact: 2</p>	<ul style="list-style-type: none"> • 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	<p>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)</p> <p>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</p> <p>Increasing demands for housing tenant support as other providers withdraw services</p>	<p>Total Score: 6</p> <p>Likelihood: 3 Impact: 2</p>	<p>Total Score: 9</p> <p>Likelihood: 3 Impact: 3</p>	<ul style="list-style-type: none"> • 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

75

Appendix 5

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
12	Housing Rents and Property Voids	<p>More Council House disposals than anticipated and/or slower than anticipated progress on the council house new build programme</p> <p>Void properties exceeding the allowance included in the budget (1% p.a.)</p> <p>CPI inflation less than budgeted rate (from 2020/21)– reducing rental income</p> <p>Impact of welfare reforms on rent collection – covered in risk no. 6.</p>	<p>Total Score: 6</p> <p>Likelihood: 2 Impact: 3</p>	<p>Total Score: 6</p> <p>Likelihood: 2 Impact: 3</p>	<ul style="list-style-type: none"> • 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	<p>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</p> <p>Revenue contributions are not sustainable in the revenue accounts of the HRA or General Fund</p> <p>Increase in borrowing costs (covered in separate risk – see no.5 & no. 14)</p> <p>Reductions in grant funding (covered in separate risk – see no. 15)</p>	<p>Total Score: 6</p> <p>Likelihood: 2 Impact: 3</p>	<p>Total Score: 6</p> <p>Likelihood: 2 Impact: 3</p>	<ul style="list-style-type: none"> • 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.

Appendix 5

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
14	Cashflow Management (Investments and short term borrowing)	<p>Available cash flow surpluses less than anticipated and/or interest rates lower than forecast</p> <p>Reduction in cash flow results in deficits and/or rising interest rates</p> <p>Impact of major sources of income not being received when expected.</p>	<p>Total Score: 3</p> <p>Likelihood: 3</p> <p>Impact: 1</p>	<p>Total Score: 6</p> <p>Likelihood: 3</p> <p>Impact: 2</p>	<ul style="list-style-type: none"> • 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

Appendix 5

No.	Budget Item	Risk	2020/21	2021/22 - 2024/25	Containment
15	Government Grants (including RSG and New Homes Bonus)	<p>Cash reductions in Government Grant which are in excess of the levels assumed in the MTFS</p> <p>The Council is unable to sustain sufficient levels of growth and future levels of funding are reduced</p> <p>Amount and timing of receipt of some grants not as assumed in the MTFS</p>	<p>Total Score: 2</p> <p>Likelihood: 1 Impact: 1</p>	<p>Total Score: 3</p> <p>Likelihood: 3 Impact: 1</p>	<ul style="list-style-type: none"> • 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	<p>Loss of anticipated external resource to support the capital programme</p> <p>Including</p> <ul style="list-style-type: none"> ○ 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. 	<p>Total Score: 4</p> <p>Likelihood: 2 Impact: 2</p>	<p>Total Score: 4</p> <p>Likelihood: 2 Impact: 2</p>	<ul style="list-style-type: none"> • 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	<p>In year variations to budget not containable within Collection Fund balances</p> <p>Costs to Council increased due to:</p> <ul style="list-style-type: none"> - Actual CT base different to estimate - Collection rates/bad debt provisions - Increase in LCTS caseload - Referendum rate of CT increases below budgeted rate 	<p>Total Score: 4</p> <p>Likelihood: 2 Impact: 2</p>	<p>Total Score: 4</p> <p>Likelihood: 2 Impact: 2</p>	<ul style="list-style-type: none"> • 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	<p>The Council's existing Bad Debt provision proves insufficient to meet any increase in the value of debts written off</p> <p>Impact of Welfare Reform Act (see risk no. 6)</p>	<p>Total Score: 4</p> <p>Likelihood: 2 Impact: 2</p>	<p>Total Score: 4</p> <p>Likelihood: 2 Impact: 2</p>	<ul style="list-style-type: none"> • 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	<p>Increase in payments that do not attract 100% subsidy i.e. overpayments and local authority errors</p> <p>Failure to comply with complex legislative requirements</p> <p>Lack of audit trail to substantiate grant claim</p> <p>Backlog of work</p> <p>Pressures from customer demands and complex enquiries due to welfare changes</p>	<p>Total Score: 4</p> <p>Likelihood: 2 Impact: 2</p>	<p>Total Score: 4</p> <p>Likelihood: 2 Impact: 2</p>	<ul style="list-style-type: none"> • 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	<p>Total Score: 4</p> <p>Likelihood: 2 Impact: 2</p>	<p>Total Score: 4</p> <p>Likelihood: 2 Impact: 2</p>	<ul style="list-style-type: none"> • Ongoing discussions and negotiations with key partners by senior officers and members

GENERAL FUND EARMARKED RESERVES FORECAST 2019/20 to 2024/25

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	1,277,139	1,507,959	1,607,959
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	629,720	354,170	344,670	344,670	344,670	344,670
Grants & Contributions	1,150,340	1,010,120	963,990	917,170	869,410	820,930
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	194,876	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
Yarborough Leisure Centre	1,668	1,668	1,668	1,668	1,668	1,668
TOTAL GENERAL FUND	5,979,038	5,519,208	5,750,348	5,436,898	5,654,058	5,809,708

HOUSING REVENUE ACCOUNT EARMARKED RESERVES FORECAST 2019/20 to 2024/25

Description	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Balance	Balance	Balance	Balance	Balance	Balance
	31.03.20	31.03.21	31.03.22	31.03.23	31.03.24	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 £	
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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 £	
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Please Note on All Licensing Fees and Charges for any Cheques that bounce there will be a £10.00 Charge Incurred

HACKNEY CARRIAGES

- 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

- 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 £
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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 Application			
- Initial Administration Fee	272.00	283.00	297.00
- Initial Annual Consent Fee	22.00	24.00	27.50
Renewal Consent Fee			
- Renewable Annual Administration 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
- Renewal 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 £
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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 purchaser/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
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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 (Fee inclusive of Urn, Medical Refs Fee & Cremation Certificate)	720.00	750.00	780.00	
Charge for non-city residents : Person over sixteen years (Fee inclusive of Urn, Medical Refs Fee & Cremation Certificate)	720.00	750.00	780.00	
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 Combined 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				
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	

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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 £	
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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	-	
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

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

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £
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HOUSING ACT 2004**Health & Environment Enforcement Policy**

- Charge for enforcement activity	-	336.63	336.63*
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* Minimum fine for a 1/2 bedroom property with one hazard identified
 The charge will vary upwards depending on the number of bedrooms
 and the number of hazards identified at the property

- Civil Penalty Notice	-	30,000.00	30,000.00*
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* Maximum fine of £30,000 - will be dependant on
 individual circumstances

- Penalty Charge Notice for Smoke & Carbon Monoxide Alarms	-	5,000.00	5,000.00*
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* £5,000 for first breach discounted to £2,500 if paid
 within 14 days.
 Repeat Breaches £5,000 with no discount for early payment

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 £	
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SUPPORTED HOUSING

Community Alarms Service	150.00	150.00	155.00	
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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	
Concessionary 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

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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 yards	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	
901 to 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	CURRENT	PROPOSED	
	2018/19	2019/20	2020/21	
	£	£	£	

COMMONS

- Impounding of Horses on City Commons	Contract Price + 15%	Contract Price + 15%	Contract Price + 15%	plus VAT
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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.					
- 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	6.00	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				
<small>(new rates for Saturday / Sunday and Bank Holidays at Broadgate, Rosemary Lane, County Offices, Lincoln College & Waterside North Car Parks)</small>				
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 w/	

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 selected 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 £	
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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	*
- 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
- Advertisements	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 2020/21 £
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CENTRAL MARKET

Daily Lettings	23.40	24.00	24.70
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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
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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)			

Charitable /Fundraising Market is a non commercial market operated by a defined organisation, i.e one that organises the market type event for charitable, 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 2020/21 £	
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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	66.00	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	88.00	inc VAT
31-45 Seats - Advanced	87.00	87.00	90.00	inc VAT
31-45 Seats - On the day	175.00	175.00	181.00	inc VAT
45+ Seats - Early Bird Advanc	106.00	106.00	110.00	inc VAT
45+ Seats - Advanced	109.00	109.00	113.00	inc VAT
45+ Seats - On the day	218.00	218.00	225.00	inc VAT

Departure outside of 16:00 - 18:00

16-30 Seats - Early Bird Advanc	48.00	48.00	50.00	inc VAT
16-30 Seats - Advanced	50.00	50.00	52.00	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	72.00	inc VAT
31-45 Seats - Advanced	71.00	71.00	74.00	inc VAT
31-45 Seats - On the day	175.00	175.00	181.00	inc VAT
45+ Seats - Early Bird Advanc	91.00	91.00	94.00	inc VAT
45+ Seats - Advanced	94.00	94.00	97.00	inc VAT
45+ Seats - On the day	218.00	218.00	225.00	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 2020/21 £	
STALL HOLDER FEES				
Stall Fees				
Castle Square	1,664.00	1,747.00	1,800.00	inc VAT
Castle Grounds	1,814.00	1,905.00	1,963.00	inc VAT
The Lawn (Outdoor)	1,360.00	1,428.00	1,471.00	inc VAT
Christmas Bazaar	1,434.00	1,506.00	1,552.00	inc VAT
Christmas Pantry	1,434.00	1,506.00	1,552.00	inc VAT
Westgate (Outdoor)	1,360.00	1,428.00	1,471.00	inc VAT
Westgate Marquees	1,434.00	1,506.00	1,552.00	inc VAT
Perfect Presents	1,664.00	1,747.00	1,800.00	inc VAT
Additional Sq Metre	207.00	217.00	224.00	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	93.00	inc VAT
Additional Socket Outlets				
13 AMP Socket	86.00	90.00	93.00	inc VAT
16 AMP Socket	86.00	90.00	93.00	inc VAT
32 AMP Socket	129.00	135.00	140.00	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	358.00	inc VAT
Alcohol Levy Band 2 (Hard Alcohol)	661.00	694.00	715.00	inc VAT
Discounts (Only taken off basic stall fee)				
Charity Discount (%)	50%	50%	50%	inc VAT
Craft/Fairtrade Discount	100.00	100.00	100.00	inc VAT
Local Traders - Within Lincoln E	200.00	200.00	200.00	inc VAT
Local Traders - Within Lincolnst	150.00	150.00	150.00	inc VAT
Stall Holder Vehicle Parking at Designated Areas				
Per Vehicle	140.00	147.00	152.00	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 2020/21 £	
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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*	25.00	2.5 x Normal License Fee	2.5 x Normal License Fee	
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*During market period

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

OTHER

- Housing Benefit Landlord Enquiry per year	153.50	158.50	163.00
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Capital Strategy

2020/21 to 2024/25

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Contents

1. Introduction
2. Purpose & Objectives
3. Policy and Financial Planning Framework
4. Financing the Capital Programme
5. Capital Prioritisation
6. Capital and Project Monitoring
7. Commercial activity and investment property
8. Loans to and investments in local businesses and organisations
9. Knowledge and Skills
10. Conclusion

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 £20.144m
- The Housing Investment Programme (HIP) with a budget for 2020-25 of £77.122m

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		31/3/2019
£000		£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 2025

Our Vision 2025 launched alongside the MTF5 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 five current strategic priorities:

- Let's drive inclusive economic growth
- Let's reduce all kinds of inequality
- Let's deliver quality housing
- Let's enhance our remarkable place
- Let's address the challenge of climate change

Each of these priorities has a number of supporting aspirations, these are in turn supported by groups of projects that will be delivered throughout the five-year activity programme. Not all the aspirations will be progressed at the same speed or even at the same time. Instead, they provide an overview of where effort needs to be placed over time, with the Annual Delivery Plan showing where the focus is for the current year.

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 along with 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	2021/22	2022/23	2023/24	2024/25
	£000	£000	£000	£000	£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.

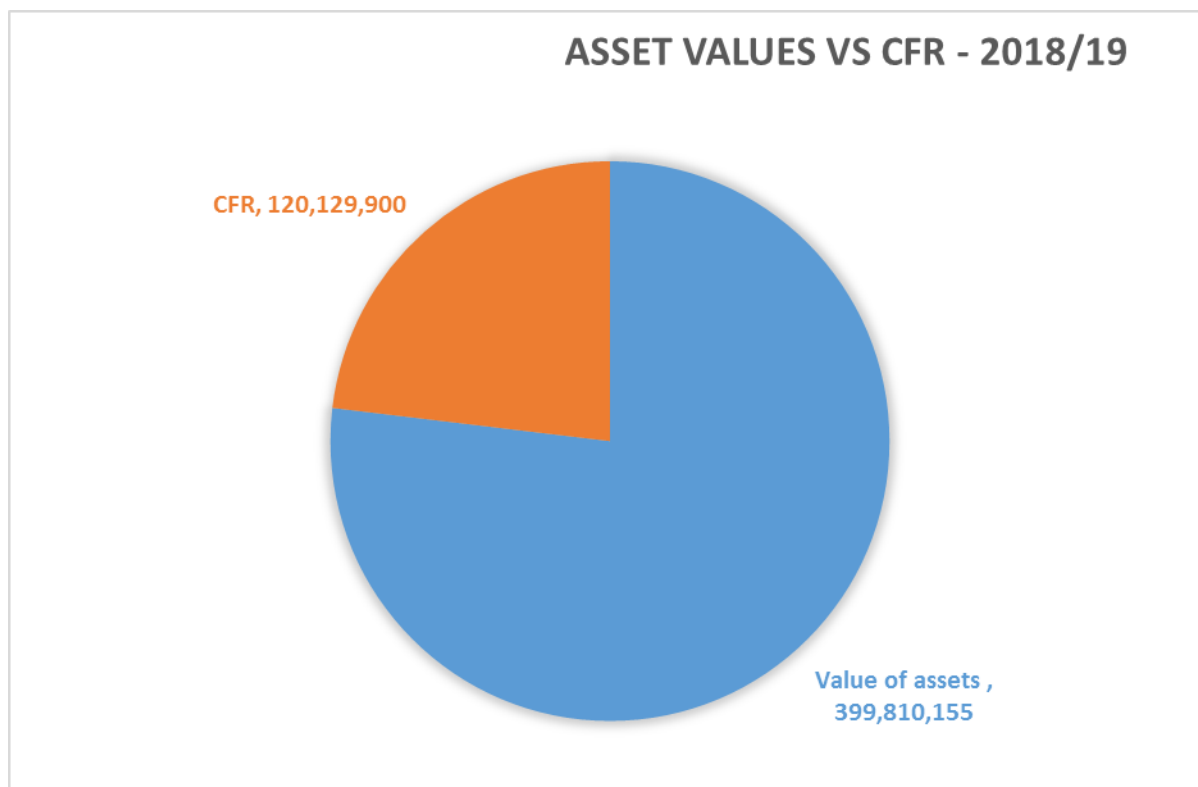
Many of the council’s investment properties have been council assets for a number of years. More recently the council has borrowed to fund the purchase of assets. The financial impact of this is shown in the table below:

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.

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Present: Councillor Gary Hewson (*in the Chair*),
Councillor Ric Metcalfe, Councillor Geoff Ellis, Councillor
Rebecca Longbottom, Councillor Jane Loffhagen,
Councillor Helena Mair, Councillor Laura McWilliams,
Councillor Hilton Spratt and Councillor Pat Vaughan

Apologies for Absence: Councillor Thomas Dyer and Councillor Loraine Woolley

1. Declarations of Interest

No declarations of interest were received.

2. Draft Medium Term Financial Strategy 2020-2025

The Budget Review Group considered the draft Medium Term Financial Strategy 2020-2025 and provisional 2020/21 budget and Council Tax proposals. A copy of the Medium Term Financial Strategy was appended to the report.

Jaclyn Gibson, Chief Finance Officer, presented the report and:

(a) Reported that the main objectives of this meeting were to:

- examine the principles and planning process that underlay the proposed budget 2020/21 and Council Tax, and the Medium Term Financial Strategy 2020-25;
- ensure that at each stage the budget was clear, focused, achievable, realistic and based on sound financial practices;
- ensure that at each stage the budget had clear linkages with corporate plans that formed the Council's Policy Framework, establishing that they were identifiable and designed to support the Council's Vision 2025.

(b) Reported that the Medium Term Financial Strategy 2020-25 had been developed on the following income assumptions:

- Lincoln would be a business rates pool in 2020/21;
- no growth in business rates in 2020/21, reduction of approximately £2 million due to empty properties and demolitions, with growth of 1% in 2021/22 and 2% per annum thereafter;
- 75% business rates retention from 2021/22 with a full reset of the system. An assessment of the impacts had been factored in but full details were not yet clear;
- business rates increase linked to CPI and/or the Uniform Business Rate;
- phasing out of Revenue Support Grant by 2021/22, in line with grant allocations;
- New Homes Bonus assumed last year of allocations in 2020/21 with legacy payments through to 2022/23, with no further funding beyond this point;
- investment returns approximately 1% across the Medium Term Financial Strategy;

- fees and charges average increase of 3.1% in 2020/21, with 3% per annum assumed thereafter.
- (c) Reported that the Medium Term Financial Strategy 2020-25 had been developed on the following expenditure assumptions:
- inflation based on 3% per annum for contractual commitments, based upon RPI, 2% per annum for general inflation, based upon CPI, no inflation on the supplies and services budgets and 2% per annum provision for a staff pay award;
 - staff turnover targets of 1% per annum;
 - capped increased of 1% per annum in 2020/21 to 2022/23 for employer pension contributions, with future increases subject to triennial review.
- (d) Reported the following in respect of Council Tax:
- referendum limits were increased to higher of 2% or £5 for 2020/21;
 - the Medium Term Financial Strategy assumed an increase of 1.9% in 2020/21 and 1.9% per annum thereafter. This was an increase of 7.5p per week for 80% of residents;
 - growth in the Council Tax base of 1.25% per annum with no reduction in Localised Council Tax Support Scheme caseload in 2020/21.

A number of questions or comments had been submitted in advance of the meeting, as follows:

Question

Over the two year period 2020/21 to 2021/22 the Medium Term Financial Strategy showed all risks remaining the same or deteriorating. How could the Council justify using the £1 million business rate windfall monies on the new Vision 2025 programme until it was sure that risk factors, such as the competition to income generators like the Crematorium, would not be forthcoming?

Response

There were a significant number of financial risks that the Council faced from 2021/22 onwards and where possible prudent allowance had been made in the Medium Term Financial Strategy based on the assumptions highlighted above. Until these were known for certain, there would remain an element of risk.

Councillor Ric Metcalfe was of the opinion that using the £1 million to support implementation of the Council's Vision 2025 would be a sensible approach.

Councillor Hilton Spratt made the point that the authority had been in a position of needing to make savings since 2007 and that it was getting more difficult each year. He asked what would happen if interest rates were set at a minus amount, noting that some countries had undertaken such an approach in the past. It was noted that, in such circumstances, all fixed investments already in place would be unaffected, however, for liquid monies the Council would effectively have to pay to retain any monies held in bank accounts.

Councillor Gary Hewson reflected on the risk assessments included as part of the Medium Term Financial Strategy and was concerned that every factor had stayed the same or had deteriorated since the previous year. He highlighted that the

Performance Scrutiny Committee would be closely monitoring this over the coming year. It was reported that this had been due to delays in national reform, which was outside of the authority's control, meaning that the risks had not changed. Officers were hopeful that this time next year there would be more known factors associated with these reforms so that they could be more accurately reflected in the budget and address some of these risks.

Comment

In response to some of these assumptions the level of savings required had to increase. An example of this was the Crematorium and the fact that the Medium Term Financial Strategy stated that through either investment required to maintain market share or due to loss of income to competitors the savings target would need to increase further.

Response

The £1 million business rate income was a one off surplus and could not be used to fund ongoing expenditure or replace ongoing income. The Council needed to strike a balance between maintaining a sustainable financial position as well as investing in its priorities.

Question

Corporate and Corporate Support accounted for 25% of the Council's expenditure but only generated 3% income from fees and charges. In monetary terms, what would the breakdown be on expenditure on the none-income generators on the General Account compared to 2017/18, 2018/19 and quarter three for 2019/20?

Response

Corporate Support Services included all the professional support teams within the Council, such as Human Resources, Financial Services, Property Services, Legal Services, Customer Services, Democratic Services, Insurance Services and Procurement for example. These were internal services supporting other services within the Council and as such did not have the opportunity to generate an income. The Corporate expenditure was in relation to pension contributions, members' allowances, land drainage rates, elections, council tax services and licensing. With the exception of licensing, these were not income generating services therefore only accounting for 3% of fees and charges income. An analysis of all service's income and expenditure budgets for 2018/19, 2019/20 and 2020/21 was circulated at the meeting.

Councillor Ric Metcalfe made the point that the Council had driven down costs enormously over the years, stating that the City Council used to employ 950 people whereas its establishment now equated to approximately 600 people. A lot of this reduction had been through central and support services and he emphasised that without these key central and support services, the Council's frontline services would simply not be able to function.

Councillor Pat Vaughan asked whether the Council received anything back from the Government regarding levies from Drainage Boards. It was noted that, due to the removal of the Revenue Support Grant, the Council no longer received anything back directly in respect of levies from Drainage Boards.

Councillor Gary Hewson referred to non-statutory fees and charges and the overall yield assumed at 3% per annum and asked whether this meant that the Council expected some revenue income to reduce. It was noted that in the majority of cases the Medium Term Financial Strategy was based on income

budgets either in line with a 3% increase or in some cases had forecasted increased levels. Some fees and charges, such as those associated with planning, were statutory and outside of the authority's control.

Question

What were the figures for Council Tax and Business Rates income for 2019/20 compared to 2018/19?

Response

The figures below were noted, however, it was reported that in 2018/19 the Council was in a Business Rate Pilot and retained 60% of income rather than 40%:

	2018/19	2019/20	2020/21
Council Tax	£6,393,490	£6,678,820	£6,915,030
Business Rates	£7,420,960	£5,366,070	£5,755,110

Question

The Medium Term Financial Strategy indicated that savings of £1,250,000 needed to be made by 2022/23 and a programme of reviews were already in progress. What were these savings in expenditure and how did the Council intend to make the savings not yet accounted for in the reviews of £475,000 by 2022/23?

Response

A programme of reviews was currently in progress and would be brought forward for scrutiny and subsequent approval at an appropriate time, which included areas such as asset acquisition, the One Council initiative, supplies and services reductions. A further range of options for consideration were currently under development.

Councillor Pat Vaughan, in respect of business rates, asked whether the County Council still received a share of the actual amount collected. It was noted that a rate level for business rates was set at the beginning of the year and the amount collected would be split between the City Council, County Council and Government. A surplus or deficit would be announced at the end of the year and this would be shared between the City Council, County Council and Government.

Councillor Rebecca Longbottom asked where the assumption in relation to interest rates came from. It was reported that the Council took advice from independent treasury management advisors who provided their latest advice which they sought from a range of projections based upon performance of the country's economy.

RESOLVED

That the Budget Review Group:

- (1) Agrees that at each stage the budget was clear, focused, achievable, realistic and based on sound financial practices and had clear linkages with corporate and other plans that formed the Policy Framework to establish that they are identifiable and designed to improve services in the Council's strategic priority areas.
- (2) Agrees to provide its comments to the Performance Scrutiny Committee and Executive on the draft Medium Term Financial Strategy 2020-25 and 2020/21 budget and Council Tax proposals to the Performance Scrutiny Committee and Executive prior to formal consideration by Council at its meeting on 3 March 2020.

Councillor Hilton Spratt requested that his abstention from voting be noted.

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EXECUTIVE**24 FEBRUARY 2020**

SUBJECT: COUNCIL TAX 2020/21

REPORT BY: CHIEF EXECUTIVE & TOWN CLERK

LEAD OFFICER: JACLYN GIBSON, CHIEF FINANCE OFFICER

1. Purpose of Report

1.1 In light of the report on the Medium Term Financial Strategy, which appears elsewhere on this agenda, this report will set out the City Council's council tax requirement and, together with the requirements of the County Council and the Police & Crime Commissioner Lincolnshire, and will allow Members to make a formal recommendation to Council for the overall levels of council tax for 2020/21.

2. City Council Requirement 2019/20

2.1 The net General Fund Budget requirement as set out in the Medium Term Financial Strategy report totals £12,963,220 which includes a contribution to balances of £286,310.

2.2 For 2020/21 a council tax increase of 1.90% has been applied.

2.3 The council tax requirement for 2020/21 is £6,915,030.

2.4 By reference to the Band D level, the 2020/21 council tax would rise by £5.22 to £280.08 per annum. The range of council taxes will be:

Band	2019/20 Council Tax £	2020/21 Council Tax £
A	183.24	186.72
B	213.78	217.84
C	244.32	248.96
D	274.86	280.08
E	335.94	342.32
F	397.02	404.56
G	458.10	466.80
H	549.72	560.16

3. Requirements of the Police & Crime Commissioner and the County Council

3.1 The County Council are due to agree their 2020/21 council tax requirement on the 21st and the Police & Crime Commissioner Lincolnshire is due to have agreed their requirement by 28th February 2020. The County Council have recommended a 3.5% increase, whereas the Police & Crime Commissioner have provisionally proposed an increase of 4.1%.

At Band D council tax level these are as follows: -

	£	
Police & Crime Commissioner	251.37	
Lincolnshire County Council	1,337.58	

Should any final amendments be made to either the County Council or the Police and Crime Commissioner's Band D equivalents, these will be reported to Full Council at its meeting on the 3rd March 2020 when it will formally approve the overall council tax levels for 2020/21.

4. Total Council Tax 2020/21

4.1 The council tax requirements for all the authorities for 2020/21 is summarised as follows:

	£	% share
City of Lincoln Council	280.08	15.0%
Police & Crime Commissioner Lincolnshire	251.37	13.0%
Lincolnshire County Council	1,337.58	72.0%
Total Band D Charge	1,869.03	100.0%

This represents an overall increase of 3.34% for 2020/21.

5. Strategic Priorities

5.1 There are no direct impacts on the Council's strategic priorities. Council Tax income is a key source of revenue funding by which the Council is able to fund the services it delivers in support of its Vision 2025.

6. Organisational Impacts

6.1 Finance – The council tax requirement is in accordance with the Council's 2020/21 budget requirement and MTFS 2020-2025 which appear elsewhere on this agenda for approval.

6.2 Legal including Procurement Rules - Local authorities must decide, prior to the 11th March, each year how much they are going to raise from Council Tax.

6.3 The Local Government Finance Act 1992 sets out the legislative powers for each billing authority to levy and collect Council Tax which shall be payable in respect of dwellings situated in its area.

7. Risk Implications

7.1 There are no direct risk implications arising as a result of this report.

8. Formal Council Tax Recommendation 2020/21

8.1 The Executive is requested to recommend to Council:

1. Acceptance of the 6th January 2020 Executive Committee recommendation that the Council Tax Base for 2020/21, as calculated in accordance with The Local Authorities (Calculation of Council tax Base) (England) Regulations 2012, to be 24,689.50.
2. That the following amounts be calculated for the year 2020/21 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:
 - a) £105,217,640 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
 - b) £98,302,610 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - c) £6,915,030 being the amount by which the aggregate at 2(a) above exceeds the aggregate at 2(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31A (4) of the Act).
 - d) £280.08 being the amount at 2(c) above (Item R), all divided by Item T (1 above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
 - e) £0 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act
 - f) £280.08 being the amount at 2c) above less the amount at 2e) above, all divided by the amount at 1 above, calculated by the Council in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year

g) **City of Lincoln Council**

A	B	C	D
£186.72	£217.84	£248.96	£280.08
E	F	G	H
£342.32	£404.56	£466.80	£560.16

being the amounts given by multiplying the amount at 2f) above by the number which, in proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular band divided by the number which in proportion is applicable to dwellings listed in Valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken for the year in respect of categories of dwellings listed in different bands.

3. That it be noted that for the year 2020/21 Lincolnshire County Council have provisionally stated the following amounts in precepts issued to the Council, in accordance with the dwelling bandings shown below:

Lincolnshire County Council

A	B	C	D
£891.72	£1,040.34	£1,188.96	£1,337.58
E	F	G	H
£1,634.82	£1,932.06	£2,229.30	£2,675.16

4. That it be noted that for the year 2020/21 Police & Crime Commissioner Lincolnshire have provisionally stated the following amounts in precepts issued to the Council, in accordance with the dwelling bandings shown below:

Police & Crime Commissioner Lincolnshire

A	B	C	D
£167.58	£195.51	£223.44	£251.37
E	F	G	H
£307.23	£363.09	£418.95	£502.74

5. That having calculated the aggregate in each case of the amounts at 2g, 3 and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following as the amounts of Council Tax for the year 2020/21 in accordance with the dwelling bandings shown below:

Total Council Tax Charge 2020/21

A	B	C	D
£1,246.02	£1,453.69	£1,661.36	£1,869.03
E	F	G	H
£2,284.37	£2,699.71	£3,115.05	£3,738.06

Is this a key decision?	No – referral to Full Council
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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SUBJECT: PAY POLICY STATEMENT 2020/21

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

REPORT AUTHOR: CLAIRE BURROUGHS, HR AND WBL MANAGER

1. Purpose of Report

- 1.1 To request that Executive recommend to Council the attached Pay Policy Statement, drafted in compliance of section 38 (1) of the Localism Act 2011.

2. Background

- 2.1 Section 38 (1) of the Localism Act 2011 requires local authorities to produce a Pay Policy Statement for each financial year. This must be approved by Council by the end of March.
- 2.2 The Government requires local authorities to produce pay policy statements which articulate an authority's own policies towards a range of issues relating to pay of its workforce, particularly its senior staff and its lowest paid employees.
- 2.3 The Government also considers that decisions on pay policies should be taken by elected members, as those directly accountable to local communities. The Act therefore requires the pay policy statement and any amendments to be considered by a meeting of full Council and cannot be delegated to any committee.

3. Pay Policy 2020/21

- 3.1 In order to comply with the Act the pay policy statement must include the Council's policy on:
- The level and elements of remuneration for chief officers
 - The remuneration of the lowest paid employee, and the definition of 'lowest paid employee'
 - The relationship between the remuneration of chief officers and other officers
 - Specific aspects of chief officers' remuneration, including at appointment, increases, termination and any other payments.

The Act defines remuneration to include pay, charges, fees, allowances, benefits in kind, increase in enhancements of pension entitlements, and termination payments.

- 3.2 The Pay Policy Statement must be:-

- approved formally at full Council by the end of March each year but can be amended at any time during the year
- published on the Council's website
- complied with when the council sets its terms and conditions for chief officers

The City of Lincoln Pay Policy Statement is attached at **Appendix 1**.

4. Strategic Priorities

4.1 Let's reduce inequality

By producing the pay policy statement the Council ensures, in relation to any remuneration that it is being transparent and accountable.

5. Organisational Impacts

5.1 Finance

As identified in the attached statement.

5.2 Legal Implications including Procurement Rules

The legal considerations are set out in the body of the report and therefore there are no additional legal implications arising. The pay policy statement complies with the statutory requirements.

5.3 Equality, Diversity and Human Rights

The requirements of the Equality Act are considered as part of the recruitment, selection and pay structure processes.

6. Recommendation

6.1 That the Pay Policy Statement be forwarded to Council with a recommendation to approve.

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

Lead Officer: Claire Burroughs, HR and WBL Manager
Telephone (01522) 873856

City of Lincoln Council Pay Policy Statement 2020/21

Appendix 1

1. Introduction

The City of Lincoln Council recognises the need to manage scarce public resources while balancing the need for remuneration at all levels to be adequate to secure and retain high quality employees who are dedicated to public service.

It is important that the City of Lincoln Council is able to determine its own senior pay structures in order to address local priorities and compete in the local labour market.

It is recognised that senior management roles in local government are complex and diverse functions which operate in a political environment where national and local pressures may conflict. The City Council's ability to attract and retain high calibre leaders capable of delivering a complex agenda during times of financial pressure is crucial especially when the numbers of senior management roles are reducing.

2. Legislation

Section 38 (1) of the Localism Act 2011 requires local authorities to produce a pay policy statement for each financial year. The Act provides details on matters that must be included in the policy and guidance from DCLG, JNC for Chief Officers of Local Authorities and ALACE have been used in preparing this statement.

The Pay Policy Statement must be:

- approved formally at full Council by the end of March each year but can be amended at any time during the year
- published on the Council's website
- complied with when the Council sets its terms and conditions for Chief Officers

3. Context

The Council, like all other local authorities, continues to face unprecedented and uncertain times as it copes with the challenge of delivering public services with a much lower level of financial resources than previously.

The Council continues to do all that it can to minimise the effects arising from annually reduced resources on the public and those employed by the Council, and will prioritise those services that are needed the most.

It has taken sensible steps to comprehensively review the services it delivers, and the way that it delivers them, so that its limited resources are used to

maximum effect, and it will continue to build on its record of delivering new and better ways of doing things.

4. Scope

In order to comply with the Act the pay policy will include the Council's policy on:

- The level and elements of remuneration for Chief Officers
- The remuneration of the lowest paid employee, and the definition of 'lowest paid employee'
- The relationship between the remuneration of Chief Officers and other officers
- Specific aspects of Chief Officers' remuneration, including at appointment, increases, termination and any other payments.

The Act defines remuneration to include pay, charges, fees, allowances, benefits in kind, increase in enhancements of pension entitlements, and termination payments.

5. Senior Pay

In this Policy the senior pay group covers the top five tiers of the organisation. These are the Chief Executive, Strategic Directors, Assistant Directors and Heads of Service.

The Joint Negotiating Committee (JNC) for Chief Officers of Local Authorities and the Joint Negotiating Committee (JNC) for Chief Executives adopted a modified version of the HAY job evaluation scheme for authorities to use to facilitate a review of senior posts.

In 2003 the Employers Organisation was engaged by the City Council to evaluate senior management posts using the HAY Job Evaluation Scheme. This exercise was repeated in 2005.

In early 2015 a restructure of the Council took place which saw the introduction of two Statutory Officer posts and they, together with the Assistant Directors, were given a wider remit in terms of strategic service delivery. As a result of the restructure, a further salary evaluation was undertaken and the following salary ranges were agreed.

Chief Executive	-	£106,494	-	£120,279
Strategic Directors	-	£81,306	-	£94,905
Statutory Officers	-	£69,225	-	£74,529
Assistant Directors	-	£60,240	-	£66,429
Head of Joint Service	-	£53,043	-	£59,232

The percentage differentials between grades is between 76 and 79% of the Chief Executives bandings for Strategic Directors, 62 and 65% Chief Executives bandings for Statutory Officers, 70 to 74% Strategic Directors

bandings for Assistant Directors and 62 to 65% Strategic Directors for Head of Joint Service.

Since this date salary increases will be in line with the negotiated settlements as agreed by the JNC for Chief Officers and Chief Executives.

5.1 Current Salary Levels for Chief Officers

Chief Executive annual salary bands

CX01 £106494
CX02 £110433
CX03 £114363
CX04 £118305
CX05 £120279

Strategic Directors' annual salary bands (76 to 79% of Chief Executives pay bandings)

CD01 £81306
CD02 £85323
CD03 £89334
CD04 £93351
CD05 £94905

Statutory Officers annual bands (62 to 65% of Chief Executives pay bandings)

SO01 £69225
SO02 £70551
SO03 £71877
SO04 £73200
SO05 £74529

Assistant Directors annual bands (70 to 74% of Strategic Directors pay bandings and 55 – 56% of Chief Executive pay bandings)

C001 £60240
C002 £61788
C003 £63333
C004 £64887
C005 £66429

Head of Joint Service annual bands (62 to 65% of Strategic Directors pay bandings and 49% of Chief Executive pay bandings)

JS01 £53043
JS02 £54585
JS03 £56130
JS04 £57684
JS05 £59232

Any national pay award, once agreed, would be applied.

The bands are in place to recognise and reward long service and loyalty, and also to allow some discretion in terms of starting salaries based on:

- Salary levels in a previous role
- Qualifications, skills and knowledge which are desirable within the role but if already held by the individual would diminish the need for training and development.

5.2 Allowances and Benefits for the Chief Executive and Chief Officers

There are no other additional elements of remuneration in respect of overtime, bank holiday working, stand-by payments, enhanced payments for evening or weekend working paid to senior staff, as they are expected to undertake duties outside their contractual hours and working patterns without additional payment. In line with this we do not operate an 'earn back' scheme and do not consider this would be appropriate at this time.

5.3 Severance of Chief Officers Contracts

There is no severance package for Chief officers, outside of those relating to entitlements under the JNC Terms and Conditions, the policies of City of Lincoln Council and the Local Government Regulations which relate to all employees on termination or dismissal.

5.4 Publication of Information relating to Chief Officer Pay

Rates of pay are published in accordance with the Localism Act.

5.5 Additional Fees

The Chief Executive is the Returning Officer for the City of Lincoln Council. The Returning Officer is the person who has the overall responsibility for the conduct of elections. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983, although appointed by the Council the role of the Returning Officer is one of a personal nature and distinct and separate from their duties as an employee of the Council. The Returning Officer is personally responsible for:

- the nomination process for candidates and political parties;
- provision and notification of polling stations;
- appointment of presiding officers and polling clerks;
- appropriate administration and security of polling stations;
- preparation of all ballot papers;
- the actual Count and Declaration of Results;
- issue, receipt and counting of postal ballot papers;
- all candidates' election expenses return

6. Pay Structure

The pay structure for employees who are covered by the National Joint Council for local Government Services (Green Book) are calculated using the Greater London Provincial Council Job Evaluation Scheme. Employees only receive a pay rise when it has been agreed nationally with the Joint Negotiating Committee. Employees can move up a spinal column point within their grade after each year of service until the highest spinal column point is reached.

The Salaries for employees covered by the Joint Negotiating Committee for Local authority Craft and Associated Employees (Red Book) are within the Craft Development scheme which was agreed under the terms of a local agreement in 2006. Employees under the Craft Development Scheme are paid according to their skills and ability linked to their specific craft.

Employees only receive a pay rise when it has been agreed nationally with the Joint Negotiating Committee. A new pay spine was implemented in 2019 in line with the two-year increase pay offer with effect from 2018. The new pay spine saw a bottom rate of £9.0749 with new pay points implemented to deal with the compacting of the differentials at the lower end of the spine. The new pay scales reduced from 56 to 50 pay points.

The Council does not have a policy that would allow any employee to minimise tax payments.

7. Living Wage

The Council became an accredited member of the Living Wage Foundation in October 2013.

The Council has previously implemented the living wage increases. Depending on the outcome of the pay award negotiations for 2020/21 will determine whether the Council would progress to seek approval to implement the latest living wage rate.

8. Relationship between Pay Rates

The lowest paid employee within the council is on a scale S1B and is paid £17508. The hourly rate for this lowest scale is currently above the living wage rate (£9.0749). However this may change subject to an agreed pay award for 2020/21 and the latest living wage rate (£9.30 November 2019).

The highest graded post is that of Chief Executive of £120,279 per annum.

Therefore the ratio between the Chief Executives pay and the lowest paid employees is 6.9:1. This is the same as last year and considered to be acceptable at this time.

9. Pension Contributions

All employees who are members of the Local Government Pension Scheme make individual contributions to the scheme in accordance with the following table.

Local Government Pension Scheme – contribution bands with effect from the 1 April 2019.

Band	Salary Range	Contribution Rate
1	£0 - £14400	5.5%
2	£14401 - £22500	5.8%
3	£22501 - £36500	6.5%
4	£36501 - £46200	6.8%
5	£46201 - £64600	8.5%
6	£64601 - £91500	9.9%
7	£91501 - £107700	10.5%
8	£107701 - £161500	11.4%
9	More than £161501	12.5%

Employers' contributions to the LGPS vary depending upon how much is needed to ensure benefits under the Scheme are properly funded, and are set independently. The rules governing the pension scheme are contained in regulations made by Parliament.

10. Travel

Essential car user allowance has been removed from all employees except where it is provided as a reasonable adjustment in relation to disability. Mileage is paid at the prevailing HMRC rate for all employees.

11. Professional Fees

Professional fees are only paid to practising Solicitors who require membership in order that they can lawfully act as a Solicitor.

12. Market Supplements

No market supplements are paid.

13. Discretionary Payments

The Council has an approved Change Management Policy which includes an Early Retirement and Redundancy policy and this will be applied equally to all members of staff. The Council has a flexible retirement policy.

14. Decision Making

Decisions on remuneration are made by Executive.

15. Disclosure

This Pay Policy Statement will be published on the Council's Website. In addition, details of employees paid above £50,000 are disclosed.

16. Review

This Pay Policy will be reviewed annually in line with the Localism Act and any guidance issued by the DCLG.

February 2020

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EXECUTIVE

24 FEBRUARY 2020

SUBJECT: FINANCIAL PERFORMANCE – QUARTERLY MONITORING

REPORT BY: CHIEF EXECUTIVE & TOWN CLERK

LEAD OFFICER: COLLEEN WARREN, FINANCIAL SERVICES MANAGER

1. Purpose of Report

- 1.1 To present to the Executive the third quarter's performance (up to 31 December) on the Council's:
- General Fund
 - Housing Revenue Account
 - Housing Repairs Service
 - Capital Programmes
- 1.2 Financial Procedure Rules require members to receive, on a quarterly basis, a report prepared jointly by the Chief Finance Officer and Corporate Management Team commenting on financial performance to date. This report is designed to meet this requirement.

2. Executive Summary

- 2.1 As at the end of the third quarter (up to 31 December) the forecast financial position of the Council for 2019/20 is:

	MTFS Budget £'000	2019/20 Forecast at Q3 £'000	Variance at Q3 £'000
Revenue Accounts			
General Fund –Contribution to/(from) balances	554	332	(222)
Housing Revenue Account (HRA) (Surplus)/Deficit in year	(52)	(131)	(79)
Housing Repairs Service	0	(117)	(117)
Capital Programmes			
General Fund Investment Programme	14,756	12,510	(2,246)
Housing Investment Programme	20,629	14,906	(5,723)
Capital Receipts			
General Fund	(1,650)	0	(1,650)

	MTFS Budget £'000	2019/20 Forecast at Q3 £'000	Variance at Q3 £'000
HRA	(845)	(862)	17
Reserves & Balances			
General Fund Balances	2,452	2,184	(268)*
HRA Balances	1,075	1,158	79*
HRS Balances	89	89	0
General Fund Earmarked Reserves	6,674	5,910	(764)
HRA Earmarked Reserves	1,321	1,195	(126)

* includes underspend on 2018/19 outturn

2.2 The detailed financial position is shown in sections 3-7 and accompanying appendices.

3. General Fund Revenue Account

3.1 For 2019/20 the Council's net General Fund revenue budget was set at £13,655,090, including a planned contribution from balances of £554,410 (resulting in an estimated level of general balances at the year-end of £2,452,134).

3.2 The General Fund Summary is currently projecting a forecast over spend of £222,080 (appendix A provides a forecast General Fund Summary). This forecast variance is the result of a number of forecast year-end variations in income and expenditure against the approved budget. Full details of the main variances are provided in appendix B while the key variances are summarised below:

- Homeless B&B – increased expenditure: £107,800
- Savings Target – shortfall in delivery: £201,750
- Housing Benefit Overpayment – reduced income: £318,000
- HIMO - reduced income: £74,260
- City Bus Station – reduced expenditure (£104,800)
- External Interest payable – reduced expenditure: (£225,945)
- City Hall, Industrial Estates & Lincoln Prop. – increased income: (£159,360)
- Car Parking - increased income: (£162,000)
- Car Parking – increased expenditure: £135,000
- Bereavement Services - increased income: (£124,150)
- Bereavement Services – increased expenditure: £88,020

3.3 The most significant of the forecast variances is the reduction in the level of housing benefit overpayment being raised. Whilst this is positive in that the number of overpayments are reducing it in turn creates a budgetary pressure. This is a continuation of a trend from 2017/18 and 2018/19 with the transition of benefits customers to universal credit and the use of 'real time' information the level of overpayments raised as drastically reduced. This has led to the budget pressure

due to reduced income from the reclaiming over the overpayment from the claimant. This reduction in overpayments raised is uncontrollable and as such the budget has been realigned as part of the 2020-25 MTFS process. In order to inform this requirement an assessment of the implications, encompassing the impact of the reduction in overpayments along with the transition to universal credit and its impact on historic overpayment debt has been undertaken.

- 3.4 Although forecast outturn for the General Fund is a shortfall of £222,080 at this stage, the forecast outturn remains difficult to predict due to volatility, e.g. car parking income, and uncertainty.
- 3.5 Included in the forecast outturn position in para 3.2 are additional contributions (to)/from earmarked reserves that the Chief Finance Officer (in accordance with Financial Procedure Rules) has identified as being required:

Directorate Reserve		Amount £
Contributions to Reserves		
DMD	Townsfund Grant – expenditure to be incurred in 20/21	(173,030)
DCE	Transport Hub – maintenance underspend to be moved to a sinking fund for future repairs	(60,000)
Contributions from Reserves		
HSG	Controlling Migration – drawdown for grant expenditure	109,180
HSG	Homelessness Grants – drawdown for grant expenditure	84,950
HSG	Rough Sleeping Strategy – drawdown for grant expenditure	18,050
HSG	Pocket Parks Plus Scheme – drawdown of grant expenditure	25,500
Total additional reserve movements:		4,650

- 3.6 The Executive should be aware that the forecast over spend of £222,080 does not take into account any requested carry forwards. Assistant Directors have requested a number of items to be transferred to an earmarked reserve and spent in future years. Each approved carry forward will increase the forecast over spend. These requests are detailed below;

Directorate	Reason for Carry Forward	£
CX Human Resources	Training Budget earmarked but expenditure likely to be in 2020/21	30,000
CX Twinning	To support 50 th Anniversary Twinning with Neaustadt in 2020/21	9,210
Total		39,210

- 3.7 The forecast outturn for the General Fund therefore would be £261,290 overspent if the above carry forwards and the earmarked reserve request were to be agreed.
- 3.8 In addition to the key variances, mitigating action being taken and earmarked reserves, as set out above, the following other key areas of monitoring of the General Fund Revenue Account set out below.
- 3.9 **Towards Financial Sustainability Programme** - The savings target included in the MTFS for 2019/20 is £4,650,000. Progress against this target, based on quarter 3 performance shows that secured and confident projections total £4,448,250. This results in a current forecast under achievement of the target in 2019/20 of £201,750. Although there are still a number of reviews in progress these are not expected to deliver savings in this financial year. The current year target is therefore unlikely to be achieved in full. A summary of the current position is shown in the table below.

	£ General Fund
<u>Review/Business Case Approved/Delegated Decision Taken</u>	
One Council	33,290
Asset Acquisition	661,790
Commercialisation	889,800
Managing Demand (Withdrawal/Service Reduction)	2,863,370
Total Savings – Secured	<u>4,448,250</u>
<u>Subject to Review/Business Case</u>	
One Council	0
Asset Acquisition	0
Commercialisation	0
Managing Demand (Withdrawal/Service Reduction)	0
Total Savings - Subject to Review/Business Case	<u>0</u>
Overall Savings	<u><u>4,448,250</u></u>
MTFS savings target	(4,650,000)
(Under)/ over achievement	(201,750)

3.10 **Fees and charges income** – Income from fees and charges represents a significant proportion of income to the Council, with the primary sources being from car parking, development management and building regulations. Due to the importance of these income streams to the Council’s financial position and the impact external factors can have on the levels of income receive they are monitored regularly by the Corporate Management Team. A summary of the progress of these key income streams against the approved budget, together with the actual variance to the third quarter of the financial year to date is provided below:

	<u>Budget Q3</u> £'000	<u>Actual Q3</u> £'000	<u>Variance</u> £'000
Car Parks	(4,230)	(4,403)	(173)
Crematorium	(1,007)	(1,087)	(80)
HIMO	(183)	(136)	47
Development Management	(465)	(442)	23
Building Regulations	(154)	(128)	26
Total	(6,039)	(6,196)	(157)

4. **Housing Revenue Account**

4.1 For 2019/20 the Council’s Housing Revenue Account (HRA) net revenue budget was set at £52,040, resulting in an estimated level of general balances at the year-end of £1,078,609.

4.2 The HRA is currently projecting an in-year forecast underspend of £79,582 (appendix C provides a forecast HRA Summary). This forecast variance is the result of a number of forecast year-end variations in income and expenditure against the approved budget. Full details of the main variances are provided in appendix D while the key variances are summarised below:

- Staff Vacancies – reduced expenditure: (£177,000)
- Repairs Costs – increased expenditure (Offset from HRS Surplus): £62,400
- Council Tax – increased expenditure: £67,000
- Depreciation: increased expenditure: £375,000
- Interest Payable – increased expenditure: £129,000
- DRF Contribution – reduced expenditure: (£429,000)
- HRS Surplus – increased income: (£117,000)

5. **Housing Repairs Service**

5.1 For 2019/20 the Council's Housing Repairs Service net revenue budget was set at zero, reflecting its full cost recovery nature.

5.2 At quarter 3 HRS are forecasting a surplus of £117,075 in 2019/20 (appendix E provides a forecast HRS Summary), with full details of the main variances provided.

6. Earmarked Reserves

6.1 The details of all the earmarked reserves and their forecast balance as at 31st March 2020 are attached in Appendix F. In summary:

	Opening Balance	Contributions	Actuals Q3	Forecast Q4	Forecast Balance
	01/04/19				31/03/20
	£'000	£'000	£'000	£'000	£'000
General Fund	6,674	156	(954)	34	5,910
HRA	1,321	0	(62)	(64)	1,195
Capital Resources	10,701	16,220	0	(14,127)	12,794

7. Capital Programme

7.1 General Investment Programme

7.2 The last quarterly report approved a General Fund Investment Programme for 2019/20 of £14,755,906. Movements in the programme during the third quarter have decreased overall planned expenditure in 2019/20 to £12,509,748. A summary of the overall changes to the programme is shown below:

	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000
Revised following budget changes at Q2	14,756	8,586	2,839	695	500
Budget changes for Executive approval at Q3	(2,246)	7,000	8	8	8
Revised Budget	12,510	15,586	2,847	703	508

7.3 The Chief Finance Officer has delegated authority to approve financial changes up to an approved limit as set out under Financial Procedure Rules. All changes over the approved limit require approval by the Executive.

The budget amendments approved by the Chief Finance Officer during the third quarter are detailed at Appendix H under the heading of "Approved by Chief Finance Officer".

- Planned capital works - allocation of £5,257 to the following 19/20 schemes for additional expenditure requirements;
 - £4,637 into Grandstand Fire Exit Improvements,
 - £620 into Guildhall Works.
- Planned capital works – allocation back into 19/20 unallocated works of £10,341 relating to:
 - £5,117 High Bridge Café,
 - £1,855 Temple Gardens Roman Wall,

- £238 Stamp End Demolition,
- £3,131 Birchwood Leisure Centre Roof.
- Re-profile of expenditure relating to 19/20 planned capital works into 20/21 future years:
 - £5,000 Stamp End Demolition,
 - £42,550 Yarborough Leisure Centre Diving Boards,
 - £3,267 Birchwood Leisure Centre Roof.
- Additional funding from revenue towards existing schemes:
 - £2,420 Birchwood Leisure Centre Roof,
 - £379 Car Park Improvement ticket machines.
- Boultham Tennis Court Fencing Improvements - £798 contribution from S106 funding for scheme delivery.
- Re-profiled 19/20 budgets into future years:
 - New telephony system £32,132 profiled over next 4 years,
 - Compulsory Purchase Orders £234,954 into 20/21,
 - Housing Renewal Areas £370,152 into 20/21,
 - Western Growth Corridor £1,561,700 into 20/21.

7.4 There are no changes that require Executive approval for quarter 3.

7.5 New projects agreed at Capital Programme Group are then subject to Executive approval, there is one new project that requires Executive approval for the third quarter.

- Stamp End Depot demolition works: £134,440 funded from the unallocated capital contingency budget, relating to 50% recharge of capital works undertaken in agreement with a third party.

The following projects have been previously been approved at Executive and added to the GIP in quarter 3:

- Crematorium remodelling - £4.7m towards crematorium enhancements at Washingborough Road commencing in 20/21 approved by Exec 25th November 2019.
- Swift Gardens Play Area – £74,200 for new play area scheme approved by executive 30th August 2017. £14,000 from grant funding in relation to the MUGA refurbishment, and £60,200 funded by S106.

7.6 The table below provides a summary of the projected outturn position for the General Investment Programme:

	MTFS 2019-20 Budget following Qtr2 Report	Revised Budget	Forecast Outturn	Variance
	£'000	£'000	£'000	£'000
Active Programme				
Housing & Regeneration	389	19	19	0
Communities & Environment	3,795	3,561	3,561	0
Chief Executives Department	7,754	7,809	7,809	0
Major Developments	1,902	340	340	0
Total Active Schemes	13,840	11,728	11,728	0
Schemes On Hold/Contingencies	916	782	782	0
Total Capital Programme	14,756	12,510	12,510	0

7.7 The overall spending on the General Fund Investment Programme for the third quarter is £8.847m, which is 70.7% of the 2019/20 programme and 75.4% of the active programme. This is detailed further at Appendix I.

7.8 Housing Investment Programme

7.9 The last quarterly report approved a Housing Investment Programme for 19/20 of £20,629,324. Movements in the programme since have decreased overall planned expenditure in 2019/20 to £14,906,247. A summary of the changes are shown below:

	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000
Revised budget following 2019/20 Qtr2 Report	20,629	23,707	17,421	15,866	10,823
Budget changes for Executive approval at Q3	(5,723)	1,933	(813)	(2,105)	(376)
Revised Budget	14,906	25,640	16,608	13,761	10,447

7.10 The Chief Finance Officer has delegated authority to approve financial changes up to an approved limit as set out under Financial Procedure Rules. All changes over the approved limit require approval by the Executive. Changes were approved by the Chief Finance Officer for the third quarter are shown in Appendix J and K summarised below:

- Within the new build programme Property Acquisitions have been agreed under delegated authority utilising £70,975 1-4-1 receipts and £675,579 borrowing totalling additional budget of £1,238,482 relating to 11 new acquisitions, 1 withdrawn offer, and 3 initial capital repairs not previously allocated.
- Re-profiling:
 - £194,171 from the 20/21 New build programme re-profiled into 19/20.
 - £297,757 from the 20/21 New Build programme 141 eligible re-profiled into 19/20.
 - New build scheme re-profile 19/20 into 20/21 budgets in relation to:
 - £1,600,000 for the De Wint Court scheme, and;
 - £691,985 in relation to the Western Growth Corridor scheme.
 - Re-profile budgets from 19/20 into 20/21 in relation to:
 - £109,796 Garages,
 - £235,682 Door replacement programme,
 - £44,397 Structural Defects,
 - £45,501 Re-roofing.
 - Re-profile budgets from 19/20 split over future 4 years.
 - £386,093 Environmental New Works,
 - £23,550 Renew Stair Structure,
 - £221,120 Lincoln Standard Windows Replacement,
 - £268,772 Bathrooms & WC's,
 - Re-profile £27,055 from 20/21 and £3,013 from 21/22 into the 19/20 Operation ROSE programme.
- Re-allocation of £238,680 from 19/20 Kitchen improvements into the 20/21 fire door project.
- Reallocation into a larger Environmental work budget going forward from:
 - Communal Hardstanding Areas 19/20 £596,878, 20/21 £587,595, 21/22 £391,970, 22/23 £390,750, 23/24 £145,114 and;
 - Landscaping & Boundaries budgets 19/20 £464,215, 20/21 £353,555, 21/22 £364,370, 22/23 £350,000, 23/24 £350,000.
- Re-allocation from the contingency reserve into unallocated resources for future scheme developments 19/20 £2,327,516, 20/21 £738,537, 21/22 £1,034,829, 22/23 £2,330,360, 23/24 £601,049

- Movements back to available resources from:
 - Hermit Street regeneration 19/20 £18,725.
 - New Services 19/20 £51,828,
 - Over bath showers 19/20 £300,000
 - Safety Flooring 19/20 £10,169
- Movements from available resources into
 - Fire Compartment Works 19/20 £40,000

7.11 There are no changes that require Executive approval for quarter 3.

7.12 New projects agreed at Capital Programme Group are subject to Executive Approval, there are no new projects to be presented to the Executive for the third quarter.

7.13 The table below provides a summary of the 2019/20 projected outturn position:

	MTFS 19/20 Budget following Qtr2 Report	Revised Budget	Forecast Outturn	Variance
	£'000	£'000	£'000	£'000
Decent Homes/ Lincoln Standard	7,206	5,830	5,830	0
Health and Safety	370	347	347	0
Contingent Major Repairs/ Works	2,809	770	770	0
New Build Programme	8,126	6,326	6,326	0
Land Acquisition Fund	95	95	95	0
Other Schemes	1,824	1,339	1,339	0
Computer Fund	199	199	199	0
Total Capital Programme	20,629	14,906	14,906	0

7.14 Expenditure against the HIP budget during the first three quarters was £8.025m, which is 53.84% of the programme. The expenditure is detailed further at Appendix K.

Although this would appear to be low at this stage of the financial year, the following points should be taken into consideration:-

- An element of the programme in 2019/20 is the De Wint new build scheme and Markham House, construction of which is yet to commence.
- 11 Property acquisitions are yet to complete.

8. Organisational Impacts

8.1 Finance

The financial implications are contained throughout the report.

8.2 Legal including Procurement Rules

There are no legal implications arising from this report.

8.3 Equality, Diversity and Human Rights

There are no equality and diversity implications as a direct result of this report.

9.0 Risk Implications

9.1 A full financial risk assessment is included in the Medium Financial Strategy 2019-24.

10. Recommendations

Executive are recommended to:

10.1 Note the progress on the financial performance for the period 1st April to 31st December 2019 and the projected outturns for 2019/20.

10.2 Assess the underlying impact of the pressures and underspends identified in paragraphs 3.2 (and appendix B), 4.2 (and appendix D), and 5.2 (and appendix F).

10.3 Approve the proposed contributions to and from reserves in paragraph 3.5 and the carry forward requests detailed in paragraph 3.6.

10.4 Review the changes to the General Investment Programme and Housing Investment Programme as approved by the Chief Finance Officer and detailed in paragraphs 7.3 and 7.10

10.5 Approve the changes to the General Investment Programme as detailed in paragraph 7.5

Key Decision Yes

Key Decision Reference No. N/A

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

List of Background Papers:

Medium Term Financial Strategy 2019-24

Lead Officer:

Collen Warren, Financial Services Manager
Telephone 873361

APPENDIX A

GENERAL FUND SUMMARY - AS AT 31 DECEMBER 2019

Service Area	Ref	Revised Budget £'000	Projected Outturn £'000	Variance £'000
Strategic Development	A	1,908	1,883	(25)
Chief Finance Officer (S. 151)	B	(537)	(384)	153
City Solicitor	C	1,517	1,465	(52)
Housing	D	796	825	29
Director of Major Developments	E	282	281	(1)
Communities and Street Scene	F	2,207	2,244	37
Health & Environmental Services	G	2,311	2,314	3
Planning	H	802	783	(19)
		9,287	9,411	124
Corporate Expenditure	I	1,756	1,751	(4)
TOTAL SERVICE EXPENDITURE		11,043	11,162	120
Capital Accounting Adjustment	J	3,547	3,486	(61)
Specific Grants	K	(778)	(721)	58
Contingencies	L	158	28	(130)
Savings Targets	M	(202)	0	(202)
Earmarked Reserves	N	(798)	(765)	34
Insurance Reserve	O	131	131	0
TOTAL EXPENDITURE		13,101	13,323	222
CONTRIBUTION FROM BALANCES		554	332	(222)
NET REQUIREMENT		13,655	13,655	0
Retained Business Rates Income	P	5,366	5,366	0
Collection Fund surplus/ (deficit)	Q	1,546	1,546	0
Revenue Support Grant	R	22	22	0
Council Tax	S	6,679	6,679	0
Council Tax Surplus	S	42	42	0
TOTAL RESOURCES		13,655	13,655	0

Please note the above is now shown on an Expenditure Funding Analysis (EFA) basis. This means all charges which are reversed out under statute are now **not** shown in the above figures. Examples of this are depreciation and capital grants. This means the above only includes items which are a call on the general fund balance.

APPENDIX B

General Fund Forecast Variances - Quarter 3

Many items of income and expenditure are demand led and difficult to predict. Consequently, judgement has been applied in order to provide the most realistic indication of the financial position at the year-end. Figures in brackets indicate an under spend of expenditure or additional income.

Ref	£	Reason for variance	
<u>Additional Expenditure</u>			
B	City Hall	36,000	Overspend on staffing and security, offset by additional income from tenants.
B	City Square & Cornhill Markets	47,570	Business Rates on unoccupied Kiosk and loss of rental income. (awaiting demolition)
B	Banking	30,870	Increased transactional costs due to increased fees and volumes.
D	Homeless Bed & Breakfast	107,800	Net cost of increased B&B requirements, based on ineligible for HB and under-recovered costs.
F	Car Parking	92,000	Additional NNDR charges following assessment by the Valuation office
F	Car Parking	43,000	Overspend on specialist equipment
F	Street Cleansing & Waste	31,120	Contractual Inflationary pressures.
G	Bereavement Services	88,020	Business case, preparation costs, Plotbox purchase & Overtime/Agency
M	Savings Targets	201,750	Shortfall in delivery against target.
<u>Reduced Income</u>			
B	Housing Benefits	318,000	Expected reduction in the level of Housing Benefits Overpayments raised compared to the budgeted amount £450k, offset by a contribution from reserves of £132K.
C	CX Workbased Learning & CoLC Apprentices	18,700	Net overspend after loss of contractual income less staff vacancies and savings on the apprentice levy payable.
G	HIMO	74,260	HIMO Licensable premises applications have not been as forecast in the business case in year (now expected in future years).
K	Specific Grants	57,000	Government grant announced and budgeted for in 19/20, however was received in 18/19 and not carried forward.

Ref		£	Reason for variance
<u>Reduced Expenditure</u>			
B	City Hall	(26,000)	Gas & Electricity underspends/efficiencies
B	CX Business Management	(29,570)	Vacancy Savings
B	Revs & Bens Shared Services	(27,560)	Staffing savings and additional New Burdens Grant
B	Insurance	(30,905)	Underspend on planned premiums
F	City Bus Station	(104,800)	Savings on Staffing, Repairs & Maintenance, Cleaning Services & Utilities
F	Garden Waste	(35,000)	Underspend on Supplies & Services
G	Housing Regeneration	(38,030)	Vacancy savings and use of DFG admin fee to finance staffing costs incurred.
L	External Interest	(225,945)	Contingency for additional borrowing costs not required and lower than average cost of new borrowing taken in year.
L	Vacancy Savings	(107,660)	1% vacancy savings target assumed, offset by actual vacancies achieved.
L	Loss of GF rent through asset sales	(37,500)	Provision not expected to be utilised.
<u>Additional Income</u>			
B	Interest Receivable	(37,280)	Additional interest received due to increased average cash balances
B	City Hall	(95,000)	Income budgets not reflective of current lease arrangements and additional income in respect of weekend working.
B	Industrial Estates & Lincoln Properties	(64,360)	Increase in rental income following rent reviews.
C	Legal Services	(45,550)	Increased income from property acquisitions and increase in fees & charges in year.
F	Car Parking Income	(162,000)	Additional car parking income.
G	Bereavement Services	(124,150)	Over achievement of income due to increased number of Cremations & Burials.

APPENDIX C**HOUSING REVENUE ACCOUNT FUND SUMMARY - AS AT 31 DECEMBER 2019**

	Ref	Budget	Forecast Outturn	Variance
		£'000	£'000	£'000
Gross Rental Income	A	(28,221)	(28,208)	12
Charges for Services & Facilities	B	(322)	(292)	30
Contribn towards Expenditure	C	(50)	(56)	(6)
Repairs & Maintenance	D	8,660	8,722	62
Supervision & Management:	E	7,148	6,935	(213)
Rents, Rates and Other Premises	F	95	162	67
Increase in Bad Debt Provisions	G	288	288	0
Insurance Claims Contingency	H	339	339	0
Contingencies	I	(84)	0	84
Depreciation	J	6,262	6,637	375
Debt Management Expenses	K	12	12	0
HRS Trading (Surplus) / Deficit	L	0	(117)	(117)
Net Cost of Service	M	(5,873)	(5,577)	295
Loan Charges Interest	N	2,352	2,425	73
Investment/Mortgage Interest	O	(37)	(55)	(18)
Net Operating Inc/Exp		(3,557)	(3,207)	350
Major Repairs Reserve Adjustment	P	4,077	3,713	(364)
Transfers to/from reserves	Q	(572)	(637)	(65)
(Surplus)/Deficit in Year		(52)	(131)	(79)

APPENDIX D

Housing Revenue Account Variances - Quarter 3

Many items of income and expenditure are demand led and difficult to predict. Consequently, judgement has been applied in order to provide the most realistic indication of the financial position at the year-end. Figures in brackets indicate an underspend of expenditure or additional income.

Ref		£	Reason for variance
	<u>Reduced Expenditure</u>		
E	Staff vacancies	(213,121)	Supervision & Management vacancies & General Savings.
	<u>Reduced Income</u>		
B	Charges for Services & Facilities	30,041	Lifeline Alarms income moved from the HRA to General Fund Control Centre
	<u>Increased Expenditure</u>		
D	Repairs & Maintenance	62,400	Increased expenditure (offset from HRS Surplus)
G	Council Tax	67,000	Council Tax on Voids & De-Wint Court @ 150%
K	Depreciation	375,000	Revaluation of Dwellings
P	Loan Charges Interest	73,000	Increased Interest on borrowings due to asset acquisition programme
	<u>Increased Income</u>		
L	HRS Trading Surplus	(117,000)	Forecast HRS Repatriation
Q	Transfers to/from Reserves	(65,000)	DRF Contribution from Reserves
T	Major Repairs Reserve	(364,000)	DRF Contribution Reduced re Revaluations of Dwelling

APPENDIX E

HOUSING REPAIRS SERVICE SUMMARY - AS AT 31 DECEMBER 2019

	Forecast Outturn		
	Budget	Forecast Outturn	Variance
	£'000	£'000	£'000
Employees	2,928	2,974	46
Premises	40	48	8
Transport	501	462	(39)
Materials	1,356	1,173	(183)
Sub-Contractors	2,273	2,002	(270)
Supplies & Services	134	169	35
Central Support Charges	320	320	0
Capital Charges	0	0	0
Total Expenditure	7,552	7,148	(404)
Income	(7,552)	(7,265)	287
(Surplus)/Deficit	0	(117)	(117)

Housing Repairs Service Variances - Quarter 3

Many items of income and expenditure are demand led and difficult to predict. Consequently, judgement has been applied in order to provide the most realistic indication of the financial position at the year-end. Figures in brackets indicate an underspend of expenditure or additional income.

	£	Reason for Variance
<u>Reduced Spending</u>		
Sub-Contractors	(270,464)	Continual reduction of sub-contractor works. Plus in year reduction with Meddo.
Materials	(183,085)	Continual reduction of sub-contractor works. Plus in year reduction with Meddo.
<u>Reduced Income</u>		
Income (Billing)	286,616	Continual reduction of sub-contractor works. Plus in year reduction with Meddo has resulted in lower forecast billing in year to the HRA.

APPENDIX F**EARMARKED RESERVES – Q3 MONITORING 2019/20**

	Opening Balance 01/04/2019 £'000	Contributions £'000	Actuals Q3 £'000	Forecast Q4 £'000	Forecast Balance 31/03/2020 £'000
General Fund					
Budget Carry Forwards	172	0	(53)	(20)	99
Air Quality Initiatives	10	5	0	0	15
Asset Improvement	55	0	(46)	0	9
Backdated rent review	220	0	(50)	0	170
Birchwood Leisure Centre	0	0	26	0	26
Boston Audit Contract	14	0	0	0	14
Business Rates Volatility	1,456	745	0	0	2,201
Christmas Decorations	14	0	0	2	16
City Hall Sinking Fund	60	0	0	0	60
Commons Parking	25	0	0	9	34
Crematorium Income	100	0	(100)	0	0
DRF Unused	203	(133)	87	38	195
Electric Van replacement	11	4	0	0	15
Funding for Strategic Priorities	1,219	(310)	(279)	0	630
Grants & Contributions	1,465	(77)	(303)	(33)	1,052
Income Volatility	0	0	0	0	0
Invest to Save (GF)	427	32	(125)	(10)	324
IT Reserve	0	65	0	0	65
Managed Workspace	0	0	0	0	0
Mayoral car	47	0	0	0	47
Mercury Abatement	414	(42)	0	0	371
MSCP and Bus Station SF	0	0	0	60	60
Organisational Development	85	(76)	(8)	0	0
Private Sector Stock Condition					
Survey	45	(48)	48	0	45
Property Searches	4	0	0	0	4
Revenues & Benefits shared service	163	(30)	(132)	0	0
Section 106 interest	32	0	0	0	32
Strategic Growth Reserve	14	0	0	0	14
Strategic Projects - Revenue Costs	303	0	(168)	0	135
Tank Memorial	10	0	0	0	10
Tree Risk Assessment	108	20	0	(13)	115
WGC Planning	0	0	150	0	150
Yarborough Leisure Centre	2	0	0	0	2
	6,674	156	(954)	34	5,910
HRA Repairs Account	579	0	0	0	579
Capital Fees Equalisation Reserve	182	0	(41)	0	140
HRA Strategic Priority Reserve	240	0	0	(64)	176
Invest to Save (HRA)	140	0	(15)	0	125
Western Growth Corridor	25	0	0	0	25
De Wint Court Reserve	73	0	0	0	73
HRA Survey Works	60	0	(6)	0	54
Stock Retention Strategy	22	0	0	0	22
	1,321	0	(62)	(64)	1,195
Total Earmarked Reserves	7,995	156	(1,016)	(30)	7,105

APPENDIX G

CAPITAL RESOURCES – Q3 MONITORING 2019/20

	Opening balance	Contributions	Used in financing	Forecast balance 31/03/2020
	£'000	£'000	£'000	£'000
Capital Grants/Contributions GF	482	2,070	(2,539)	13
Capital receipts GF	1,166	0	(542)	624
Capital receipts HRA	0	862	(233)	629
Capital Grants/Contributions HRA	82	3,010	(968)	2,124
Capital receipts 1-4-1	3,296	0	(1,261)	2,035
Major Repairs Reserve	5,675	6,640	(6,761)	5,554
HRA DRF	0	3,638	(1,823)	1,815
Total Capital Resources	10,701	16,220	(14,127)	12,794

As the contributions for 1:4:1 receipts depend upon levels of RTB sales no budget is set for these receipts. The opening capital receipts 1-4-1 figure has been adjusted following completion of the pooling audit. As shown above the amount of 1:4:1 receipts which require spend on eligible developments creating new social housing units is £1.26m, to avoid repayment to MHCLG. The amount shown above represents 30% of eligible spend (therefore £2.94m of funding is required to support eligible spend). At quarter 3 there was sufficient anticipated eligible spend to avoid repayment of 1:4:1 receipts.

APPENDIX H

General Investment Programme – Summary of Financial Changes

	2019/20	2020/21	2021/22	2022/23	2023/24	Notes
	£'000	£'000	£'000	£'000	£'000	
2019/20 MTFs Budget as at Q2	14,756	8,586	2,839	695	500	
Budget for approval	12,510	15,586	2,847	703	508	
Total changes for Q3	(2,246)	7,000	8	8	8	
Approved by Chief Finance Officer	£	£	£	£	£	
Planned Capitalised Works	5,084	(4,068)				Re-profile to below schemes
High Bridge Cafe Improvements	(5,117)					Re-profiled from planned works
Grandstand fire exit Improvements	4,637					Re-profiled from planned works
Temple Gardens Roman Wall	(1,855)					Re-profiled from planned works
Stamp End Demolition	(5,238)	5,000				Spend re-profiled
YLC Diving Boards	(42,550)	42,550				Spend re-profiled
BLC Roof	(3,978)	3,267				Spend re-profiled
Guildhall	620					Re-profiled from planned works
Boultham Tennis Courts	798					Re-profiled from planned works
Car Park Improvements	379					Re-profiled from planned works
Lucy Tower Lifts		4,068				Re-profiled from planned works
New Telephony System	(32,132)	8,033	8,033	8,033	8,033	Spend re-profiled
Housing Renewal Area	(370,152)	370,152				Spend re-profiled
Compulsory Purchase Orders	(234,954)	234,954				Spend re-profiled
Western Growth Corridor	(1,561,700)	1,561,700				Spend re-profiled
Approved by Executive	£	£	£	£	£	
Crem - remodelling		4,700,000				Approved Exec
Swift Gardens Play Area		74,200				Approved Exec
Stamp End Demolition	134,400					New Scheme
Capital Contingency	(134,400)					New Scheme
Total of changes	(2,246,158)	6,999,856	8,033	8,033	8,033	

APPENDIX I

General Investment Programme – Summary of Expenditure as at 31st December 2019

Scheme	2019/20 MTFS Budget as at Qtr2 Report	Budget to be Approved	Actuals as at Q3	Variance	Spend	
ACTIVE SCHEMES	£	£	£	£	%	
DCE - Communities & Environment						
Skate Park	0	0	0	0	0.00%	Budget in 20/21
Compulsory Purchase Orders	234,954	0	0	0	0.00%	Budget in 20/21
Disabled Facilities Grant	1,218,568	1,218,568	201,720	1,016,848	17%	
Transformation of Birchwood Leisure Centre	30,000	30,000	0	30,000	0.00%	
Artificial Grass Pitches (AGP)	1,856,964	1,856,964	1,648,263	208,701	88.76%	
New Software- Crem	20,000	20,000	8,625	11,375	43.13%	
	3,360,486	3,125,532	1,858,608	1,266,924		
DCE - Community Services						
Flood alleviation scheme - Hartsholme Park	28,130	28,130	13,880	14,250	49.34%	
Boultham Park Masterplan	84,460	84,460	34,760	49,700	41.16%	
Boultham Park Lake	0	0	0	0	0.00%	Budget in 20/21
CCTV Upgrade	0	0	0	0	0.00%	
Allotment Capital Improvement Programme	102,158	102,158	30,206	71,952	29.57%	
Car Park Improvements - ticket machines	120,000	120,379	115,441	4,938	95.90%	
Car Park Improvements - CCTV in MSCPs	100,000	100,000	31,797	68,203	31.80%	
	434,748	435,127	226,084	209,043		
General Fund Housing						
Housing Renewal Area Unallocated	388,877	18,725	0	18,725	0.00%	Re-profiled to 20/21
	388,877	18,725	0	18,725		

Major Developments						
Lincoln Transport HUB	0	0	(110,361)	110,361	0.00%	
Central Markets	300,000	300,000	24,271	275,729	8.09%	
Western Growth Corridor (Phase 1 Devt)	1,601,700	40,000	16,339	23,661	40.85%	
	1,901,700	340,000	(69,751)	409,751		
Chief Executives - Corporate Policy						
New Telephony System	40,165	8,033	0	8,033	0.00%	
New Website	49,200	49,200	45,160	4,040	91.79%	
Infrastructure Upgrade	195,118	195,118	0	195,118	0.00%	
	284,483	252,351	45,160	207,191		
Chief Executives - Chief Finance Officer						
Planned Capitalised Works	19,318	24,402	0	24,402	0.00%	
Allotments Asbestos Sheds	33,795	33,795	0	33,795	0.00%	
City Hall Improvements	13,788	13,788	7,926	5,862	57.48%	
Guildhall Works	17,630	17,630	0	17,630	0.00%	
Stamp End Demolition	5,238	134,400	0	134,400	0.00%	
Fire Stopping Works	0	0	(12,544)	12,544	0.00%	
Grandstand CC Stairs Improvements	2,119	2,119	2,119	0	100.00%	
Greyfriars Roof Improvements	5,000	5,000	0	5,000	0.00%	
City Hall 3rd Floor Fire Works	5,001	5,001	0	5,001	0.00%	
YLC Pipework/Water Quality	0	0	0	0	0.00%	
High Bridge Cafe Improvements	5,117	0	0	0	0.00%	
Guildhall	15,000	15,620	3,424	12,196	21.92%	
Play Area Surfacing Works	22,859	22,859	22,859	0	100.00%	
Long Leys Road Drainage	10,438	10,438	0	10,438	0.00%	
High Bridge Canopy's	0	0	0	0	0.00%	
Broadgate Dist. Board/Emergency Lighting	10,487	10,487	4,824	5,663	46.00%	
Lucy Tower Lifts	4,215	4,215	0	4,215	0.00%	
YLC Diving Boards	42,550	0	0	0	0.00%	Budget in 2021
Hartsholme Country Park Play Area Imps	2,018	2,018	2,018	0	100.00%	

Boultham Tennis Court Fencing Improvements	16,234	17,032	0	17,032	0.00%	
BLC Roof	131,554	127,576	20,521	107,055	16.09%	
City Hall Toilets	10,838	10,838	5,043	5,795	46.53%	
Michaelgate Boundary Wall	5,140	5,140	5,140	0	100.00%	
Central Market Heating	15,441	15,441	15,440	1	99.99%	
YLC Fire Escape Stairs	8,750	8,750	8,750	0	100.00%	
Hartsholme Fire Escape Stairs	3,850	3,850	3,850	0	100.00%	
Temple Gardens Roman Wall	4,000	2,145	2,145	0	100.00%	
Broadgate Carpark asbestos /Dryriser	20,000	20,000	10,521	9,479	52.61%	
Bridge in West Common	8,000	8,000	0	8,000	0.00%	
Michaelgate Structural works	10,000	10,000	0	10,000	0.00%	
YLC Teaching Pool Pipework	17,300	17,300	17,300	0	100.00%	
Hartsholme Park Drainage Improvements	10,000	10,000	0	10,000	0.00%	
Grandstand Fire Exit Improvements	0	4,637	0	4,637	0.00%	
Land and Property Acquisition	96,063	96,063	(165,287)	261,350	-172.06%	
The Terrace	0	0	(2,712)	2,712	0.00%	
The Terrace Heat Mitigation Works	0	0	0	0	0.00%	Moved into 20/21
Deacon Road	6,897,950	6,897,950	6,835,663	62,287	99.10%	
	7,469,693	7,556,494	6,787,000	769,494		
TOTAL BUDGET FOR ACTIVE SCHEMES	13,839,987	11,728,229	8,847,101	2,881,128		
Schemes Currently Under Review						
Capital Contingencies	845,357	710,957	0	710,957	0.00%	
IT Reserve	70,562	70,562	0	70,562	0.00%	
	915,919	781,519	0	781,519		
TOTAL GENERAL INVESTMENT PROGRAMME	14,755,906	12,509,748	8,847,100	3,662,648		

APPENDIX J

Housing Investment Programme – New Build/Acquisitions Programme– Summary of Financial Changes

Project Name	2019/20 MTFS Budget as at Qtr2Report	Budget increase/ (reduction)	Budget to be Approved	Reprofile (to) from future years	Notes
New Build Programme	675,579	(675,579)	0	194,171	Increased budget for 70% requirement on housing programme
New Build Programme (141 eligible)	70,975	(70,975)	0	297,757	Budget reallocated to approved schemes
New Build Capital Salaries	38,760		38,760		
New Build- De Wint Court	2,568,250	(1,600,000)	968,250	(1,600,000)	Re-profiled in 20/21
New Build - Markham House	683,318	0	683,318	0	New Scheme 70% New Build, 30% 141 New Build
New Build – Searby Road	62,497		62,497		
Western Growth Corridor	691,985	(691,985)	0	(691,985)	Re-profiled in 20/21
Westleigh	10,000		10,000		
Rookery Lane	78,237		78,237		
Property Acquisitions	3,246,306	1,218,593	4,464,899	0	Allocation to property acquisitions
New Build Programme	8,125,907	(1,819,946)	6,305,961	(1,800,057)	
Land Acquisition					
Lillicrap Court	0	19,889	19,889	0	Budget reallocation
Land Acquisition fund	94,689				
Land Acquisition	94,689	19,889	19,889	0	
Total New Build/Acquisitions	8,220,596	(1,800,057)	6,325,850	(1,800,057)	

Housing Investment Programme - Summary of Financial Changes

Project Name	2019/20 MTFS Budget as at Qtr2 Report	Budget increase/ (reduction)	Budget to be Approved	Reprofile (to) from future years	Notes
	£	£	£	£	
<u>Decent Homes</u>					
Bathrooms & WC's	518,772	(268,772)	250,000	(268,772)	Re-profiled across future years
DH Central Heating Upgrades	1,470,470	0	1,470,470	0	
Thermal Comfort Works	150,000	0	150,000	0	
Kitchen Improvements	658,680	(238,680)	420,000	(238,680)	Re-profiled to 20/21
Rewiring	20,826	0	20,826	0	
Re-roofing	695,501	(45,501)	650,000	(45,501)	Re-profiled to 20/21
Lincoln Standard Windows Replacement	841,120	(221,120)	620,000	(221,120)	Re-profiled across future years
Structural Defects	54,397	(44,397)	10,000	(44,397)	Re-profiled to 20/21
Wall Structure Repairs	0	0	0	0	
Door Replacement	905,682	(235,682)	670,000	(235,682)	Re-profiled to 20/21
Decent Homes Decoration Allowance	0	0	0	0	
Canopy & Porches	0	0	0	0	
New services	56,828	(51,828)	5,000	0	Moved to contingency reserve
Void Capitalised Works	1,308,455	0	1,308,455	0	
Fire compartment works	0	40,000	40,000	0	Moved to contingency reserve
Decent Homes	6,680,731	(1,065,980)	5,614,751	(1,054,152)	

Lincoln Standard					
Over bath showers (10 year programme)	500,000	(300,000)	200,000	0	Moved to contingency reserve
Safety flooring - Supported Housing	25,342	(10,170)	15,172	0	Moved to contingency reserve
Lincoln Standard	525,342	(310,170)	215,172	0	
Health & Safety					
Asbestos Removal	151,407	0	151,407	0	
Asbestos Surveys	145,479	0	145,479	0	
Replacement Door Entry Systems	10,060	0	10,060	0	
Renew stair structure	23,550	(23,550)	0	(23,550)	Re-profiled across future years
Fire Alarms	40,000	0	40,000	0	
Health & Safety	370,496	(23,550)	346,946	(23,550)	
Other					
Environmental new works	250,000	675,000	925,000	(386,093)*	*Re-profiled across future years
Landscaping and Boundaries	464,215	(464,215)	0	0	Re-allocated to Environmental new works
Gunby Avenue	56,928	0	56,928	0	
Communal Hardstanding Areas	596,878	(596,878)	0	0	Re-allocated to Environmental new works
Communal Electrics	149,559	0	149,559	0	
Garages	109,796	(109,796)	0	(109,796)	Re-profiled to 20/21
HRA Assets - Shops/Buildings	109,319	0	109,319	0	
Hermit Street Regeneration	18,725	(18,725)	0	0	To contingency reserve - GIP scheme
Communal TV Aerials	2,919	0	2,919	0	
Other	1,758,339	(514,614)	1,243,725	(495,889)	
Contingency Schemes					
Contingency Reserve	2,808,791	(2,038,774)	770,017	0	Re-allocated to available resources
Contingency Schemes	2,808,791	(2,038,774)	770,017	0	

Other Schemes					
Housing Support Services Computer Fund	115,740	0	115,740	0	
Infrastructure Upgrade	83,622	0	83,622	0	
Operation Rose	65,667	30,068	95,735	30,068	Re-profile to 19/20
Other Schemes	265,029	30,068	295,097	30,068	
Total Housing Investment	12,408,728	(3,923,030)	8,846,209	(1,543,523)	

APPENDIX K

Housing Investment Programme – Summary of Expenditure as at 31st December 2019

Project Name	2019/20 MTFS Budget at Qtr2 report	Budget to be Approved	Budget Change	Actuals as at Q3	Variance	Spend
	£	£	£	£	£	%
Decent Homes						
Bathrooms & WC's	518,772	250,000	(268,772)	49,872	(200,128)	19.95%
DH Central Heating Upgrades	1,470,470	1,470,470	0	851,730	(618,740)	57.92%
Thermal Comfort Works	150,000	150,000	0	136,472	(13,528)	90.98%
Kitchen Improvements	658,680	420,000	(238,680)	70,420	(349,580)	16.77%
Rewiring	20,826	20,826	0	2,289	(18,537)	10.99%
Re-roofing	695,501	650,000	(45,501)	504,452	(146,049)	77.55%
Lincoln Standard Windows Replacement	841,120	620,000	(221,120)	503,770	(116,230)	81.25%
Structural Defects	54,397	10,000	(44,397)	1,004	(8,996)	10.04%
Door Replacement	905,682	670,000	(235,682)	463,090	(206,910)	69.12%
New services	56,828	5,000	(51,828)	883	(4,117)	17.66%
Void Capitalised Works	1,308,455	1,308,455	0	962,420	(346,035)	73.55%
Fire compartment works	0	40,000	40,000		(40,000)	0.00%
Prelim Costs & Exceptionals to be allocated			0	86,170	86,170	0.00%
Total Decent Homes	6,680,731	5,614,751	(1,065,980)	3,632,572	(1,982,179)	
Lincoln Standard						
Over bath showers (10 year programme)	500,000	200,000	(300,000)	143,498	(56,502)	71.75%
Safety flooring - Supported Housing	25,342	15,172	(10,170)	15,172	0	100%
Total Lincoln Standard	525,342	215,172	(310,170)	158,670	(56,502)	
Health & Safety						
Asbestos Removal	151,407	151,407	0	74,693	-76,714	49.33%

Asbestos Surveys	145,479	145,479	0	78,076	-67,403	53.67%
Replacement Door Entry Systems	10,060	10,060	0	1,212	-8,848	12.05%
Renew stair structure	23,550	0	(23,550)	0	0	0.00%
Fire Alarms	40,000	40,000	0	0	-40,000	0.00%
Total Health & Safety	370,496	346,946	(23,550)	153,981	(192,965)	
Other						
Environmental new works	250,000	925,000	675,000	565,169	-359,831	61.10%
Landscaping and Boundaries	464,215	0	(464,215)	0	0	0
Gunby Avenue	56,928	56,928	0	53,595	-3,333	94.15%
Communal Hardstanding Areas	596,878	0	(596,878)	0	0	0
Communal Electrics	149,559	149,559	0	75,785	-73,774	50.67%
Garages	109,796	0	(109,796)	0	0	0.00%
HRA Assets - Shops/Buildings	109,319	109,319	0	0	-109,319	0.00%
Hermit Street Regeneration	18,725	0	(18,725)	0	0	0.00%
Communal TV Aerials	2,919	2,919	0	0	-2,919	0.00%
Total Other	1,758,339	1,243,725	(514,614)	694,549	(549,176)	23.66%
Contingency Schemes						
Contingency Reserve	2,808,791	770,017	(2,038,774)	0	(770,017)	0.00%
Total Contingency Schemes	2,808,791	770,017	(2,038,774)	0	(770,017)	
Other Schemes						
Housing Support Services Computer Fund	115,740	115,740	0	512	(115,228)	0.44%
Infrastructure Upgrade	83,622	83,622	0	0	(83,622)	0.00%
Operation Rose	65,667	95,735	30,068	47,475	(48,260)	49.59%
Total Other Schemes	265,029	295,097	30,068	47,987	(247,110)	
Total Housing Investment	12,408,728	8,485,708	(3,923,020)	4,687,756	(3,797,949)	55.25%

New Build Programme						
New Build Programme	675,579	0	(675,579)	0	0	0.00%
New Build Programme (141 eligible)	70,975	0	(70,975)	0	0	0.00%
New Build Partnership - Westleigh	10,000	10,000	0	10,000	0	100.00%
New Build Partnership - Lytton Street	0	0	0	0	0	0.00%
New Build Site - Searby Road	62,497	62,497	0	0	(62,497)	0.00%
New Build Site - Allotment Site	0	0	0	0	0	0.00%
New Build Site - Rookery Lane	78,237	78,237	0	0	(78,237)	0.00%
Blankney Crescent New Build Scheme			0	20	20	0.00%
New Build Site - Queen Elizabeth Road	0	0	0	72,478	72,478	0.00%
New Build Capital Salaries	38,760	38,760	0	0	(38,760)	0.00%
New Build- De Wint Court	2,568,250	968,250	(1,600,000)	163,394	(804,856)	16.88%
New Build - Trelawney Crescent	0	0	0	0	0	0.00%
New Build - Markham House	683,318	683,318	0	48,353	(634,965)	7.08%
Western Growth Corridor	691,985	0	(691,985)	0	0	0.00%
Property Acquisitions	3,246,306	4,464,899	1,218,593	3,023,575	(1,441,324)	67.72%
New Build Programme	8,125,907	6,305,961	(1,819,946)	3,317,820	(2,988,141)	
Land Acquisition						
Land Acquisition Fund	94,689	94,689	0	0	(94,689)	0.00%
Lillicrap Court	0	19,889	19,889	19,889	0	100.00%
Land Acquisition	94,689	114,578	19,889	19,889	(94,689)	
Total Housing Strategy & Investment	8,220,596	6,420,539	(1,800,057)	3,337,709	(3,082,830)	51.98%
GRAND TOTALS	20,629,324	14,906,247	5,723,077	8,025,464	(6,880,779)	53.84%

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SUBJECT: Q3 2019-2020 OPERATIONAL PERFORMANCE REPORT

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

REPORT AUTHOR: PAT JUKES – BUSINESS MANAGER CORPORATE POLICY

1. Purpose of Report

- 1.1 To present to Executive a summary of the operational performance position for quarter three of the financial year 2019/20 (from September 2019 to January 2020).

2. Executive Summary

- 2.1 As part of the development of the new performance system (PIMS), all strategic measures were reviewed, with new targets allocated at the start of 2019/20. Some measures are marked as “V” for volumetric – these are contextual measures which support targeted measures.
- 2.2 Quarter three’s performance shows significant improvement in a number of service areas, particularly in Housing Benefit Administration, Planning and Housing Maintenance. We still have challenges in Customer Services and Housing Voids, although resolution plans are in place for both of these services to bring them back to within their targets.

3. Main body of report

- 3.1 Regular monitoring of the Council’s operational performance is a key component of the Local Performance Management Framework. This report covers key service performance measures identified by Members and CMT as of strategic importance.
- 3.2 The main body of the report is now found as two appendices:
- **APPENDIX A** – Detailed report of the council’s strategic performance, broken down by authority, directorate and service area.
 - **APPENDIX B** – Strategic quarterly measures table (all directorates)

4 Strategic Priorities

- 4.1 Let’s drive economic growth; Let’s reduce inequality; Let’s deliver quality housing; Let’s enhance our remarkable place – As this report is purely concerned with service performance there are no direct impacts on Strategic Priorities, although clearly the better the performance the more services can contribute towards priorities.

5. Organisational Impacts

- 5.1 Finance (including whole life costs where applicable) - there are no direct financial implications as a result of this report. Further details on the Council's financial position can be found in the financial performance quarterly report elsewhere on the agenda.
- 5.2 Legal Implications including Procurement Rules – There are no direct legal implications
- 5.3 Equality, Diversity & Human Rights - Any impact of poor performance on individual groups is the responsibility of the relevant service area to consider. This report is simply a summary monitoring tool.

6. Risk Implications

- 6.1 (i) Options Explored – not applicable
- 6.2 (ii) Key risks associated with the preferred approach – not applicable

7. Members are asked to:

- 7.1 a) Comment on the achievements, issues and future concerns noted this quarter
- 7.2 b) Agree that relevant portfolio holders place a local focus on those highlighted areas showing deteriorating performance

Is this a key decision? No

Do the exempt information categories apply? No

Does Rule 15 of the Scrutiny Procedure Rules apply? No

How many appendices does the report contain? Two – Appendix A and B

List of Background Papers: None

Lead Officer: Nathan Walker – Senior Corporate Performance and Engagement Officer - Ext 3315



**Q3 2019/2020
OPERATIONAL
PERFORMANCE REPORT**

Heather Grover - Principal Policy Officer

HOW TO READ THIS REPORT

Let's enhance
our remarkable
place

Measures belonging to Directorate for Communities and Environment under Remarkable Place

Let's deliver
quality
housing

Measures belonging to Directorate for Housing and Investment under Quality Housing

Let's reduce
inequality

Measures belonging to Chief Executives Directorate under Reducing Inequality

Professional,
high performing
service delivery

Corporate measures belonging to the authority under Professional, high performing services

Directorate for Major Developments doesn't monitor its performance through strategic measures, and instead is performance managed by the progress of the various projects DMD owns under "Driving Economic Growth".

The report details all measures by individual directorate grouping, with annual and quarterly measures split separately.

The report also includes data on our corporate measure categories:

- Sickness
- Corporate complaints including Ombudsman rulings
- Resource information

In addition, key headlines from operational measures collected and reported by directorates are summarised below and reported in full.

R

Below target

A

Acceptable performance - results are within target boundaries

G

At or above target

V

Volumetric/contextual measures that support targeted measures



Performance has improved since last quarter/year



Performance has deteriorated since last quarter/year



Performance has stayed the same since last quarter/year

AUTHORITY WIDE SUMMARY

Q3 2019/2020

Below shows a summary of the performance measures status for each directorate and as an authority. The information is presented as a count of the measures, broken down by the directorates, status and direction, as well as a total.

A	Acceptable performance - results are within target boundaries
G	At or above target
R	Below target
V	Volumetric/contextual measures that support targeted measures

Strategic measure performance by status					
Directorate	Below Target	Acceptable	Above Target	Volumetric	Total
CX	5	1	11	3	20
DCE	2	7	12	8	29
DHI	3	4	7	5	19
Total	10	12	30	16	68

Strategic measure performance by direction				
Directorate	Deteriorating	Improving	Maintaining	Total
CX	7	8	5	20
DCE	13	9	7	29
DHI	7	9	3	19
Total	27	26	15	68

Directorate	Total number of FTE employees	Total sickness days per FTE	Average time in working days to respond to complaints
Authority Wide	562.18	2.85	6.9

CHIEF EXECUTIVE'S DIRECTORATE



Quarter three sees a long list of really positive results, with 11 measures above their target. Five measures were below target in CX, and whilst some measures' negatively changed in direction (seven), the majority of measures still remain above or within target.

Service Area	Measure	Current Value	Status	Direction
Communications	Percentage of media enquiries responded to within four working hours	54.00	R	▼
Communications	Number of proactive communications issued that help maintain or enhance our reputation	21	R	▼
Work Based Learning	Percentage of apprentices completing their qualification on time	100.00	G	▬
Work Based Learning	Number of new starters on the apprenticeship scheme	19	G	▲
Work Based Learning	Percentage of apprentices moving into Education, Employment or Training	100.00	G	▬
Customer Services	Number of face to face enquiries in customer services	3,534	V	▬
Customer Services	Number of telephone enquiries answered in Channel Shift Areas (Rev & Bens, Housing & Env. Services)	26,989	V	▬
Customer Services	Average time taken to answer a call to customer services	159	R	▲
Customer Services	Average customer feedback score (face to face enquiries - score out of 10)	10	G	▲
Customer Services	Customer satisfaction with their phone call to Customer Services	96.05	G	▼
Accountancy	Average return on investment portfolio	0.85	G	▼
Accountancy	Average interest rate on external borrowing	3.60	G	▼
Revenues Administration	Council Tax - in year collection rate for Lincoln	79.03	A	▲
Revenues Administration	Business Rates - in year collection rate for Lincoln	83.39	R	▲
Revenues Administration	Number of outstanding customer changes in the Revenues team	550	R	▲
Housing Benefit Administration	Average (YTD) days to process new housing benefit claims from date received	21.73	G	▲
Housing Benefit Administration	Average (YTD) days to process housing benefit claim changes of circumstances from date received	5.84	G	▼
Housing Benefit Administration	Number of Housing Benefits / Council Tax support customers awaiting assessment	1,025	G	▼
Housing Benefit Administration	Percentage of risk-based quality checks made where Benefit entitlement is correct	95.72	G	▲
Housing Benefit Administration	The number of new benefit claims year to date (Housing Benefits/Council Tax Support)	2,290	V	▬

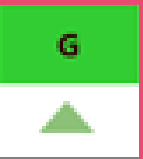
Service Area	Measure ID	Measure	High Or Low	Low Target	High Target	Previous Data Period	Previous Value	Current Year	Current Value	Unit	Status
CX	DEM 1	The number of individuals registered on the electoral register (local elections)	N/A	Volumetric	Volumetric	2018/19	60,138	2019/20	67,919	Number	V



COMMUNICATIONS

The Communications team has operated with a significantly reduced capacity during quarter three, with two staff (out of a small team of four) leaving in the same quarter. This reduction in capacity, as well as resource heavy, high profile events such as the Lincoln Christmas Light Switch On and the Lincoln Christmas Market has impacted the teams ability to respond to media enquiries and promote the council with positive media releases. The percentage of media enquiries responded to within four working hours is below its lower target of 70 with a figure of 54, while the number of proactive communications issued that help maintain or enhance our reputation is also just below its lower target of 25 with a figure of 21.

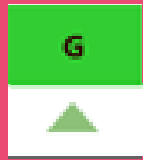
Two new members of staff are joining the team in quarter four, which should help bring the team's performance back to acceptable/above target levels.



HOUSING BENEFIT ADMINISTRATION

For the second consecutive quarter, all targeted measures have surpassed their targets. The average time to process new housing benefit claims in quarter three is above target with a figure of 21.73 days (compared to 23.42 last quarter). Throughout quarter three, staff have monitored new claims weekly to ensure prompt decision making, hence the further improvement in the time taken to process claims. The average (YTD) days to process housing benefit claim 'changes of circumstances' from date received continues to be above target but has decreased from the quarter two figure of 4.88, reporting at 5.84 days in quarter three.

In quarter three, the number of Housing Benefits/Council Tax support customers awaiting assessment has increased slightly compared to the quarter two figure of 939 with a figure of 1,025, of which 670 are awaiting first contact from us. This builds on the significant improvement in quarter two and is a marked improvement over the quarter three 2018/19 figure of 1,235. Benefit Officers are now more familiar with the Universal Credit processes and legislation. They have reviewed processes within the team and are managing workloads on a day to day basis, with weekly reviews of performance being undertaken with management. As a result, the percentage of risk based quality checks where benefit entitlement is correct, has reported above target, improving from 95.57% to 95.72%.



CUSTOMER SERVICES

In quarter three, Customer Services experienced the lowest number of face to face enquiries in reception since data collection began in 2014, with a figure of 3,534. There has also been a decrease in the number of calls answered, reporting at 26,989 in quarter three compared to 28,477 in quarter two. There is naturally a lower number of calls during quarter three as this period includes Christmas and New Year. Whilst still below the target of 120 seconds, it is pleasing to see the average time taken to answer a call in customer services has decreased from last quarter by 38 seconds. As explained in the quarter two version of this report, five new members of staff were recruited into the team, and their presence has certainly had an effect on the waiting time, as previously predicted.

It is also encouraging to report however that whilst the time taken to answer these calls is still below target, customer satisfaction with their phone calls was (despite being 1.95% lower than last quarter) above target with a figure of 96.05%. The team will always review the feedback from the customers who were unhappy with the service delivered, and implement changes where realistic and appropriate. Also, for the third consecutive quarter, our average customer feedback score for face to face customers has maintained an unbeatable score of 10/10.



REVENUES ADMINISTRATION

Two of the three targeted measures within Revenues Administration have again reported as below target. The collection rate for council tax has however reported as acceptable (the boundary between its lower target of 78.56% and target 79.47%), with a figure of 79.03% (compared to 79.47% in quarter three last year). Collection is below 2018/19 by 0.44%, equating to £196,266. The net collectable debit (the total amount of money to collect from our tax base) has increased by £2.82m, of which £2,054,522 has been collected.

The collection rate for Lincoln Business Rates is still reporting below its lower target of 85% with a figure of 83.39%. Collection is below 2018/19 by 2.84% equating to a £1,276,089 reduction. A key reason for the reduction compared to 2018/19 performance is due to a business which overpaid their account by more than £450k in quarter three last year, which was refunded in quarter four 2018/19. Therefore, until the end of quarter four 2019/2020, it is difficult to compare 'like with like'. Officers have undertaken an analysis of the number of businesses that are anticipated to fully pay their business rates in 2019/20, which also currently have a level of arrears. Officers will continue to seek collection and recovery within the current financial year, wherever possible.

The number of outstanding customer changes in the revenues team has decreased by 627 from the quarter two figure of 1,177, now reporting at 550. This is the result of four new starters within the team being recruited and trained. Student review work has also been completed four months ahead of schedule, due to the introduction of the new e-verification process and as a result has allowed the team to catch up on outstanding work earlier than possible in previous years.

COMMUNITIES AND ENVIRONMENT



Quarter three sees a long list of really positive results, with 12 measures above their target. Just two measures were below target in DCE, and whilst 13 measures negatively changed in direction, most of these measures still remain above or within target.

Service Area	Measure	Current Value	Status	Direction
Food and Health & Safety Enforcement	Percentage of premises fully or broadly compliant with Food Health & Safety inspection	98.40	G	▲
Food and Health & Safety Enforcement	Average time from actual date of inspection to achieving compliance	17.50	R	▼
Food and Health & Safety Enforcement	Percentage of food inspections that should have been completed and have been in that time period	93.80	A	▲
Development Management (Planning)	Number of applications in the quarter	209	V	▬
Development Management (Planning)	End to end time to determine a planning application (Days)	67.25	A	▼
Development Management (Planning)	Number of live planning applications open	95	G	▼
Development Management (Planning)	Percentage of applications approved	95.00	A	▼
Development Management (Planning)	Percentage of decisions on planning applications that are subsequently overturned on appeal	1.85	G	▼
Development Management (Planning)	Percentage of Non-Major Planning Applications determined within the government target (70% in 8 weeks) measured on a 2 year rolling basis	93.67	G	▼
Development Management (Planning)	Percentage of Major Planning Applications determined within the government target (60% in 13 weeks) measured on a 2 year rolling basis	93.02	G	▼
Private Housing	Average time in weeks from occupational therapy notification to completion of works on site for a DFG grant (all DFG's exc. extensions)	28.00	R	▼
Private Housing	Average time from date of inspection of accommodation to removing a severe hazard to an acceptable level	6.00	V	▬
Private Housing	Number of empty homes brought back into use	37	G	▲
Public Protection and Anti-Social Behaviour Team	Number of cases received in the quarter (ASB)	51	V	▬
Public Protection and Anti-Social Behaviour Team	Number of cases closed in the quarter	592	V	▼
Public Protection and Anti-Social Behaviour Team	Number of live cases open at the end of the quarter	610	G	▲
Public Protection and Anti-Social Behaviour Team	Satisfaction of complainants relating to how the complaint was handled	98.00	G	▲
Sport & Leisure	Quarterly visitor numbers to Birchwood and Yarborough Leisure Centres	231,576	G	▼
Sport & Leisure	Artificial Grass Pitch usage at Yarborough Leisure Centre (exp. to open July 19) & Birchwood Leisure Centre (exp. to open June 19)	612.00	A	▲
CCTV	Total number of incidents handled by CCTV operators	3,797	V	▬
Waste & Recycling	Percentage of waste recycled or composted	37.75	A	▲
Waste & Recycling	Contractor points achieved against target standards specified in contract - Waste Management	120	A	▼
Street Cleansing	Contractor points achieved against target standards specified in contract - Street Cleansing	50	G	▲
Grounds Maintenance	Contractor points achieved against target standards specified in contract - Grounds Maintenance	15	G	▼
Allotments	Percentage occupancy of allotment plots	87.00	A	▼
Parking Services	Overall percentage utilisation of all car parks	51.00	G	▲
Parking Services	Number of off street charged parking spaces	3,750	V	▬
Licensing	Total number of committee referrals (for all licensing functions)	2	V	▬
Licensing	Total number of enforcement actions (revocations, suspensions and prosecutions)	5	V	▬

Three annual measures were due in quarter three and these were three satisfaction figures for waste collection. However, due to the election the Citizens Panel survey went out later than usual and therefore this data will be available in quarter four.

G

FOOD HEALTH AND SAFETY

The percentage of premises fully or broadly compliant with Food Health & Safety inspection is again above its target of 97% with a figure of 98.40% (which is also another increase on last quarters figure of 98.20%). The total number of registered food businesses is 1,043. 17 of those businesses are considered to be non compliant of which four are new businesses. These are the businesses that we continue to work with to improve food hygiene and safety standards. Although the time taken from date of inspection to achieving compliance has deteriorated (17.50 days in quarter three compared to 15.90 achieved in quarter two), this is due to the complex nature of some cases. There was a significant increase in the percentage of food inspections should have been completed and have been, increasing from 88% in quarter two to 93.80% in quarter three, with this being the first quarter where the team had been fully staffed for approximately two years. There were 33 businesses not inspected, of which 15 were evening economy businesses and four were new businesses. The remaining business were fully compliant except for one business that was broadly compliant.

G

PARKING SERVICES

During quarter three, the utilisation of all council car parks across the city reported at 51%. This is above target by 1%, and is an increase of 5% from last quarter. Naturally, during quarter three, with Christmas and New Year festivities across the city, more people rely on our parking offering. Car parking income at the end of quarter three is £204,139 above budget and 14% up on the previous year. Investment in broadband and new ticket machines has dramatically improved card payments and the overall customer customer experience across other sites such as Broadgate and Lucy Tower. CCTV improvements have also reduced the level of anti-social behaviour.

G

DEVELOPMENT MANAGEMENT

Quarter three saw 209 planning applications submitted, a decrease on last quarters figure of 249. One application originally made in 2016 has only just been determined this quarter for a number of reasons including the S.106 legal agreement process. This has increased the average time taken to determine applications, increasing from 55.01 in quarter two to 67.25 in quarter three. The number of planning applications still open has risen from 84 in quarter two to 95 in quarter three, caused by a temporary reduction in resource within the team.

The key measures now required centrally are the percentage of non-major and major planning applications determined within the government target (70% in eight weeks and 60% in 13 weeks respectively measured on a two year rolling basis). These have both only slightly decreased since last quarter, and are still above target of 90%, at 93.67% and 93.02% respectively. The Development Management team continues to prioritise major developments and manages the timescales effectively with the applicant to ensure that this level of performance is maintained. This workload was completed against a background where 95% (previously 98% in quarter two) of planning applications were approved, with a 98.15% success rate at appeals.

G

SPORT AND LEISURE

In comparison to quarter three last year, the total number of users across all of our health and recreation facilities has risen by 19,704, reaching an impressive 231,576 as of quarter three. We are now seeing regular increases in usage at both leisure centres due to effective marketing between Active Nation and the City of Lincoln Council, promoting the facilities much more. The improved facilities at Birchwood Leisure Centre (as part of its renovation in 2018) have undoubtedly increased the number of users, showing a 15% increase on last year. However, Yarborough has also increased by nearly 7% compared with the same quarter last year.

Artificial Grass Pitch usage at Yarborough Leisure Centre & Birchwood Leisure Centre has reported at 612 hours, the second quarter of data collection. The target of 520 is based on an hour booking of either the full sized pitch, two halves or four quarters, which takes up the full playing surface. In following fiscal quarters, the average usage to date is 584 hours.

G

PRIVATE SECTOR HOUSING

In quarter three the average time in weeks from occupational therapy notification to completion of works on site for a DFG grant (all DFG's exc. extensions), has reported below its lower target of 26 with a figure of 28. This figure has worsened by seven weeks in comparison to last quarters figure of 21 weeks. During quarter three we introduced a new processing system, which meant that a number of adaptations had to be held back until the Procurement Framework for that system was in place and active, thus we expect performance to improve by year end..

The average time from receiving a complaint about disrepair in a private rented property to the property being declared free of any serious hazards stood at 16 weeks in both quarter one and two, but there has been a considerable improvement in performance in quarter three largely due to the team being fully resources, bringing the time taken down to six weeks.

The cumulative number of empty properties brought back into use has increased by 20 since last quarter's figure of 17, with a figure of 37. At 37, this measure has now reached its annual target of 37. Current long term empty property figures are as below:

- Properties empty for more than 6 months - 426
- Properties empty for over 2 years and up to 4 years - 48
- Properties empty for more than 4 years - 57
- 2nd homes and furnished empty homes empty for more than 6 months (Please note these homes are exempt from Empty Homes legislation, but we still report them to help paint the bigger picture)

HOUSING AND INVESTMENT



Quarter three sees a long list of really positive results, with seven measures above their target and just three measures below target in DHI. Whilst six targeted measures negatively changed in direction, eight saw a move in a positive direction.

Service Area	Measure	Current Value	Status	Direction
Housing Investment	Percentage of council properties that are not at the 'Decent Homes' standard (excluding refusals)	0.55	R	▲
Housing Investment	Number of properties 'not decent' as a result of tenants refusal to allow work (excluding referrals)	184	V	▲
Housing Investment	Percentage of dwellings with a valid gas safety certificate	99.86	A	▼
Control Centre	Percentage of Lincare Housing Assistance calls answered within 60 seconds	98.63	A	▼
Rent Collection	Rent collected as a proportion of rent owed	100.30	G	▲
Rent Collection	Current tenant arrears as a percentage of the annual rent debit	2.82	G	▲
Housing Solutions	The number of people currently on the housing list	1,477	V	▬
Housing Solutions	The number of people approaching the council as homeless	457	V	▬
Housing Solutions	Successful preventions against total number of homelessness approaches	338.00	G	▲
Housing Voids	Percentage of rent lost through dwelling being vacant	0.89	A	▲
Housing Voids	Average re-let time calendar days for all dwellings - standard re-lets	31.52	R	▲
Housing Voids	Average re-let time calendar days for all dwellings (including major works)	39.65	R	▲
Housing Maintenance	Percentage of reactive repairs completed within target time	97.67	A	▼
Housing Maintenance	Percentage of repairs fixed first time	94.67	G	▼
Housing Maintenance	Percentage of tenants satisfied with repairs and maintenance	97.41	G	▼
Housing Maintenance	Appointments kept as a percentage of appointments made	97.82	G	▲
Business Development	Number of users logged into the on-line self service system this quarter	8,409	G	▼
IT	Number of calls logged to IT helpdesk	770	V	▬
IT	Percentage of first time fixes	51.60	V	▼

RENT COLLECTION

At quarter three, the rent collection has increased to 103.3%. This represents a significant 2.26% increase on the quarter two figure of 98.04% and is also well above the target of 98%. During December, we had the two rent free weeks in which we were able to collect £195,281 in rent. The team have been set targets for rent visits and calls, and management are continually monitoring performance in this area in order to further increase our income collection and reduce tenant arrears. There are also a range of additional indicators that the service area uses, all of which are currently performing above target.

As explained above, the two rent free weeks in December means the current tenant arrears are 2.82% (£789,473). This is 0.9% lower than quarter two, and with a target of 3% this measure is above target.

HOUSING VOIDS

The average re-let time in calendar days for all dwellings (both standard re-lets and major works) are both again below target in quarter three, but have both slightly improved since quarter two. With respective figures of 31.52 days and 39.65 days, they continue to be below their lower targets of 26 but have improved by 4.19 days and 4.41 days from 35.71 and 39.65 in quarter two. Consequently, the void rent loss percentage is now at 0.89%, compared to 1.06% in quarter two. An investigation during quarter four will be taking place, focusing on more ways to improve performance across the service.

HOUSING INVESTMENT

Although below target again, the percentage of council properties that are not at the 'Decent Homes' standard (excluding refusals) has decreased from 0.84% in quarter two to 0.55% in quarter three, just 41 properties excluding refusals. This decrease in the percentage of homes failing to reach our strict standard follows on from the upgrade to our system which means additional work is now easier to identify and log. Although not targeted there has also been a decrease in the number of properties not decent as a result of tenants refusals to allow work (decreasing for the second quarter running from 206 in quarter two to 184 in quarter three). In addition, the percentage of dwellings with a valid gas safety certificate continues to be just above the target of 99.8% now standing at 99.86%.

HOUSING SOLUTIONS

The number of homeless approaches received in quarter three shows that 457 people approached the council as homeless. We have successfully prevented 338 homelessness situations against the total number of homeless approaches. These figures continue to be above target, increasing slightly above that reported in quarter two.



HOUSING MAINTENANCE

Housing maintenance continues to see excellent performance, with all but one measure increasing since quarter one and all but one measure remaining above their recently revised targets.

The percentage of reactive repairs completed within the target time has decreased very slightly since last quarter, maintaining very strong performance, with a figure of 97.67% which is slightly below the target of 98%. With the new repair task codes implemented, along with making sure the team are identifying the repairs correctly at the first point of contact, it is allowing repairs to be completed in a more efficient time frame. The contracts team within HRS (Housing Repairs Service) are also concentrating on longer/planned repairs, allowing the reactive side of the service to solely focus on common short term repairs. This consistently strong performance is evidence of the new system and way of processing repairs being the most effective for our customers.

At the same time as seeing this excellent performance in time taken to complete repairs, we are also continuing to see a good performance in both the percentage of repairs fixed first time – moving from 95.04% in quarter two to 94.67% in quarter three - along with appointments being kept as a percentage of appointments being made increasing from 97.73% to 97.82%. Satisfaction with the repairs that have been carried out has seen a slight decrease since last quarter's figure of 98.72% with a figure of 97.41%, against a Service Level Agreement which requires at least 60 satisfaction surveys completed.

This area of performance has significantly improved from previous years. With better intelligence on the repairs before the visit and improved material/repair stock on the fleet has allowed us to complete repairs at the first visit without the need to return at a later date in order to mark a repair as complete.

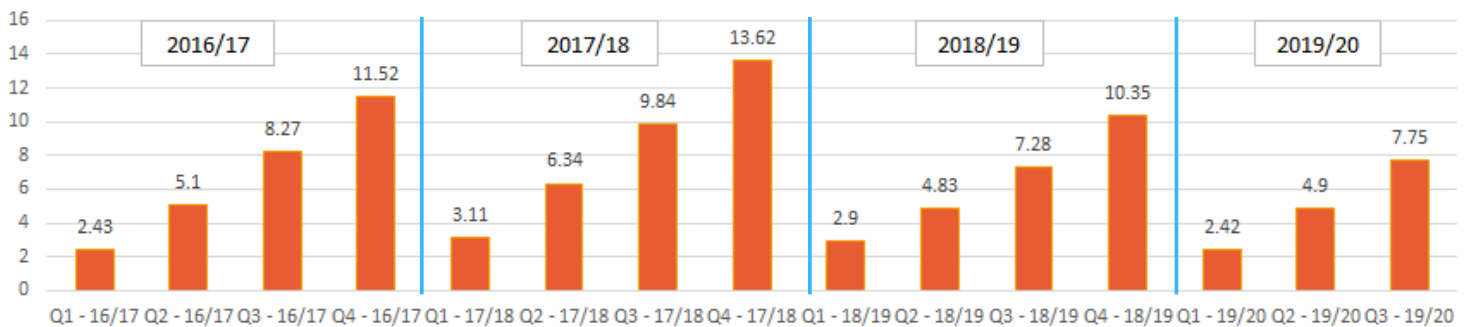
SICKNESS PERFORMANCE

The cumulative sickness data at the end of quarter three is 7.75 days per FTE (excl. apprentices), which is only slightly higher than the 7.28 days per FTE quarter three 2018/19. During quarter three, the long term sickness (sickness over 14 days) per FTE stood at 4.29 days, slightly higher than the 4.14 days in quarter three last year. Short term sickness stood at 3.45 days.

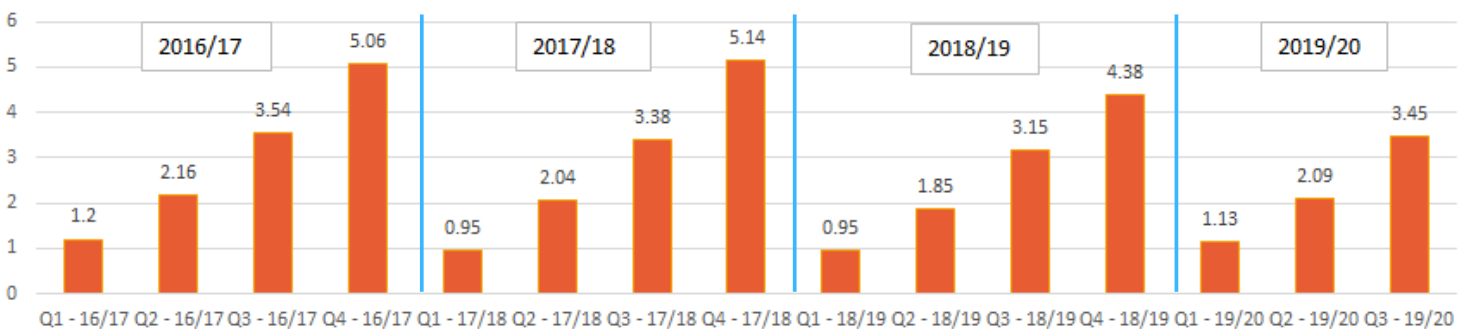
Q3 2019/20 ONLY

Directorate	Short Term Days Lost	Long Term Days Lost	Total days lost	Number of FTE	Short Term Days lost per FTE	Long Term Days lost per FTE	Total Days lost per FTE
CX (Excluding Apprentices)	272	328	600	186.93	1.46	1.75	3.21
DCE	177	124	301	140.82	1.26	0.88	2.14
DMD	0	0	0	8.4	0.00	0.00	0.00
DHI	317.5	381.5	699	226.03	1.40	1.69	3.09
TOTAL (Excluding Apprentices)	766.5	833.5	1600	562.18	1.36	1.48	2.85
Apprentice Sickness	39.5	73	112.5	15.5	2.55	4.71	7.26

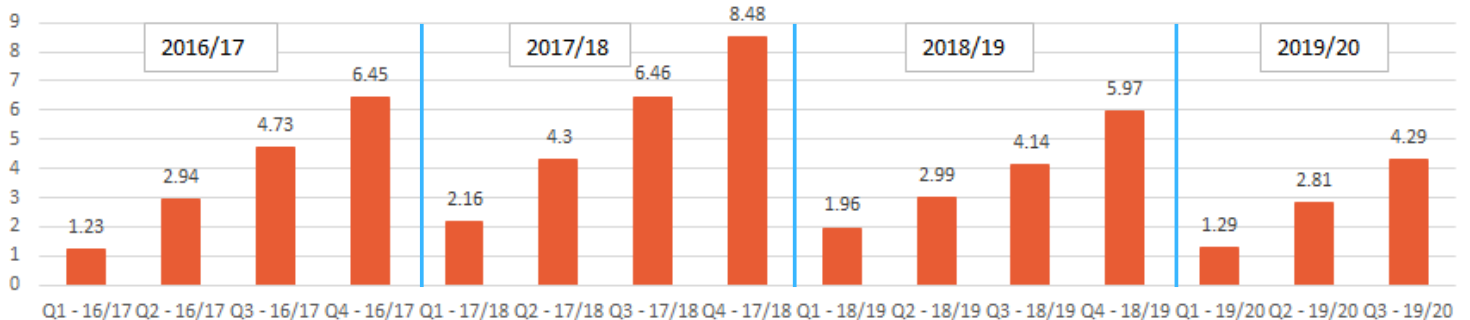
Cumulative Total Sickness Per FTE



Cumulative Short Term Sickness Per FTE



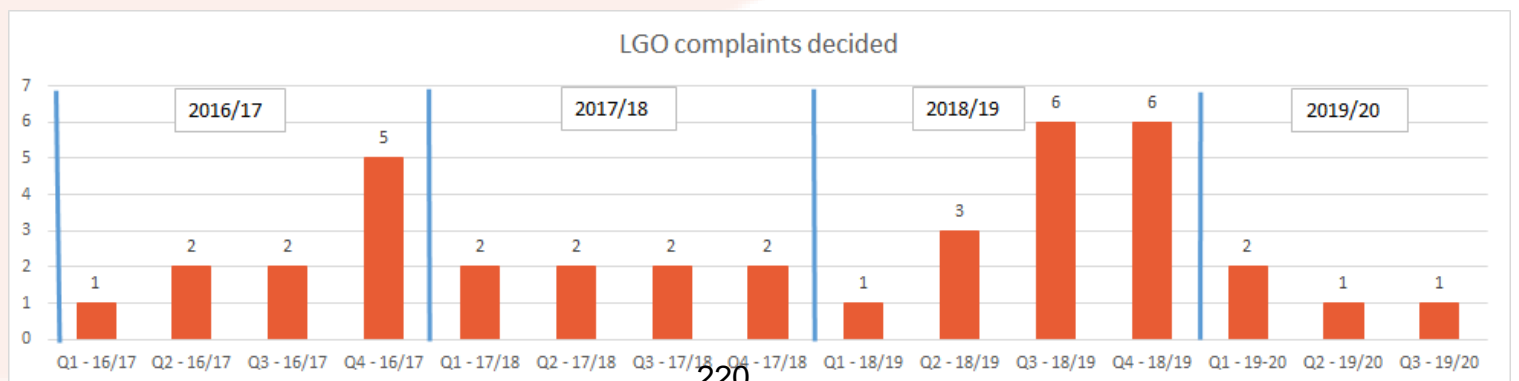
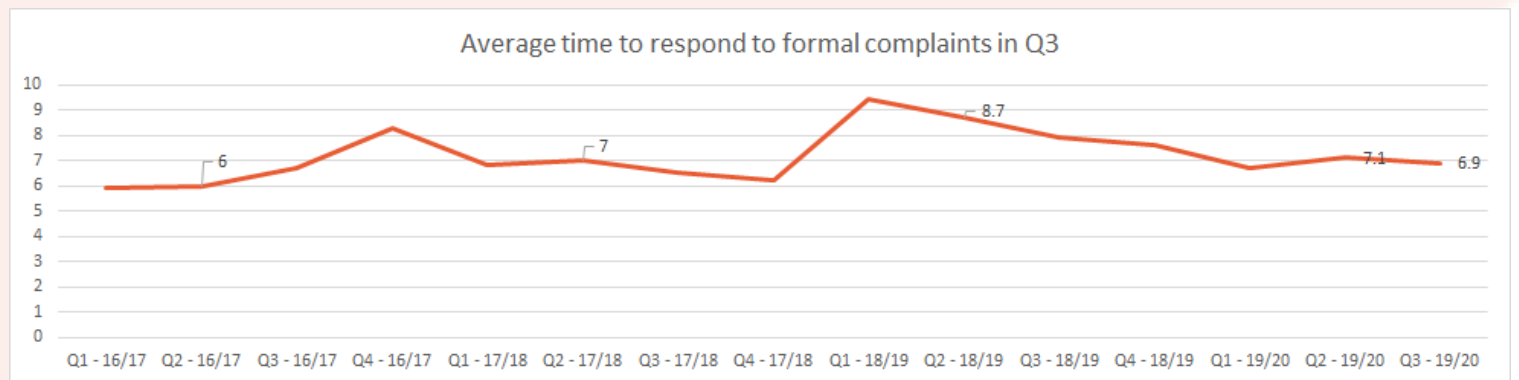
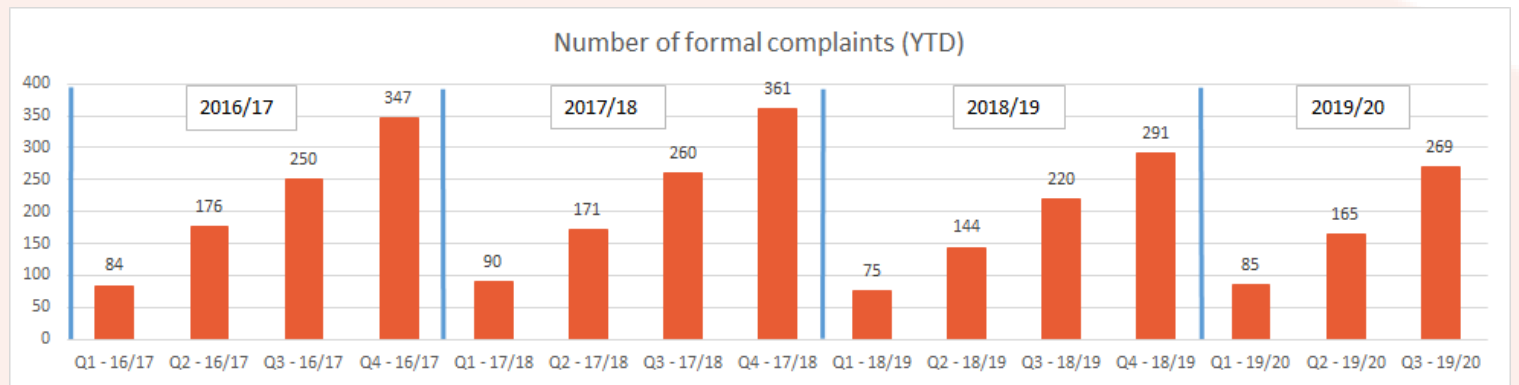
Cumulative Long Term Sickness Per FTE in Days



COMPLAINTS PERFORMANCE

In quarter three there were 104 complaints. The cumulative average time year to date across all directorates to respond to formal complaints was 6.9 days (6.8 in quarter three alone). In quarter three, we had one LGO complaint decided - which wasn't upheld.

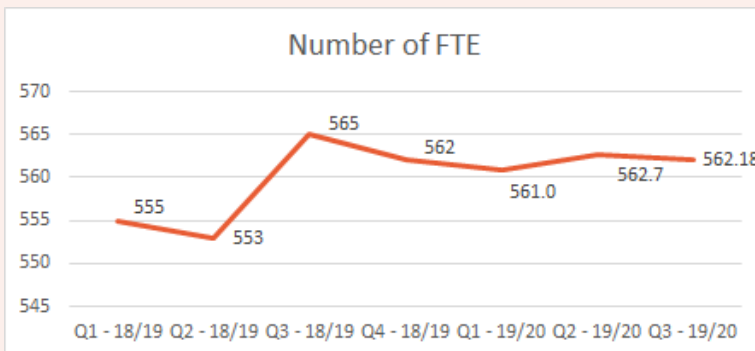
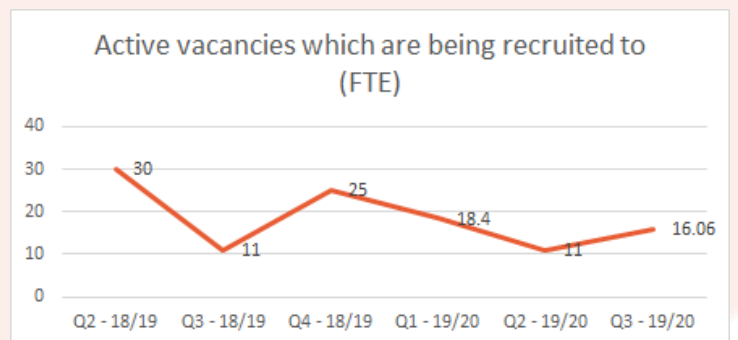
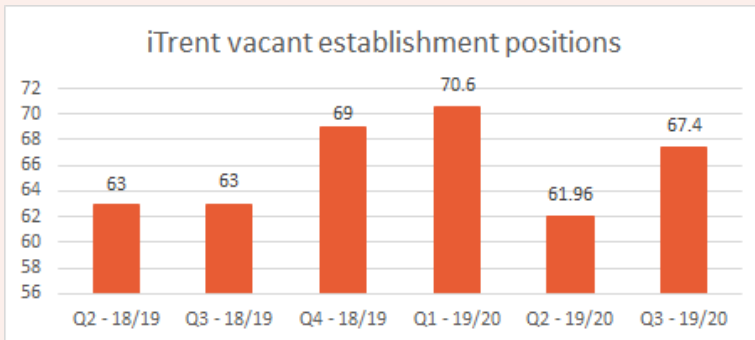
Q3 2019/20								
Directorate	Number of Formal complaints dealt with this quarter	Number of Formal complaints Upheld this quarter	YTD total number of complaints investigated Cumulative (Q1+2+3)	Average response time in days this quarter	LGO complaints decided	Number of ombudsman decisions upheld	YTD Number of Formal complaints Upheld	YTD average response time
CX	20	6	42	11.40	1	0	16	11.10
DCE	20	10	58	4.90	0	0	17	5.50
DMD	0	0	2	0.00	0	0	0	7.50
DHI	64	30	167	6.00	0	0	70	6.30
TOTAL	104	46	269	6.80	1	0	103	6.90



RESOURCE INFORMATION

The total number of FTE employees (excluding apprentices) at the end of quarter three was 562.18 with an average of 15.5 apprentices over the period. In terms of the level of vacancies at quarter three - budgeted establishment unfilled positions (FTE) stood at 67.42. This figure has increased from that reported at quarter two. It should be noted that the Council are actively recruiting 16.06 FTE. The percentage of staff turnover at the end of quarter three was 2.90% (excluding apprentices). Appraisal percentages are low in CX and DMD, and investigation shows that many more appraisals have been completed but have not yet been recorded on the iTrent HR system which calculates the below percentages.

Q3 2019/20					
Directorate	Number of FTE employees	Average number of apprentices across the board	Percentage of staff turnover	I-Trent budgeted establishment positions (FTE)	Active vacancies which are being recruited (FTE)
CX (Excluding Apprentices)	186.93	Authority Wide	Authority Wide	Authority Wide	Authority Wide
DCE	140.82				
DMD	8.4				
DHI	226.03				
TOTAL (Excluding Apprentices)	562.18	15.5	2.90%	67.42	16.06



Directorate	% of appraisals completed*
CX (Excluding Apprentices)	66%
DCE	88%
DMD	25%
DHI	83%
OVERALL	77%

*See commentary above re completion of appraisals

Directorate	On hold for a defined period	Elements of posts previously held but reduced	Posts that are currently or will be recruited to	Total for directorate
CX (Excluding Apprentices)	14.9	1.98	5.54	22.42
DCE	5.2	2.7	3.67	11.57
DMD	0.4	0	0	0.4
DHI	25.5	0.68	6.85	33.03
TOTAL (Excluding Apprentices)	46	5.36	16.06	67.42

OUR ACHIEVEMENTS DURING QUARTER THREE

We believe our success is down to our staff – below explores some of the compliments received and achievements over the last three months.

Lincolnshire Public Service Apprentice of the Year Awards 2019

The Lincolnshire Public Service Apprentice of the Year Awards 2019 took place on Friday 6th December at Bishop Grosseteste University. Following invitation to nominate, a number of City of Lincoln Council apprentices were put forward by their department managers for shortlisting. We are extremely proud to announce that one of our shortlisted apprentices was shortlisted, and attended the event.

It is a great achievement to be nominated, and although not shortlisted on this occasion, our other apprentices deserve every recognition for their outstanding achievements and for their contributions within our organisation. Their successes have been recognised by the Chair of the Compact Steering Group and each have received a certificate of nomination.

Some of the compliments we have received this quarter

I want to thank X for her help with my complex benefits issue. She was very helpful.

I would just like to put on record what a pleasure it is to deal with X on your Customer Service team. I have, by coincidence, spoken with her 3 or 4 times recently on two different matters. She is clear, courteous, extremely pleasant and genuinely helpful. All in all, she is everything that any customer would hope that they are going to get when ringing a helpline number.

Best Innovative Environmental Health Solution

In November 2019, the Chartered Institute of Environmental Health awarded the City of Lincoln Council the Best Innovative Environmental Health Solution for its multi agency approach to tackling Anti-Social Behavior holistically, focusing on the root cause rather than just dealing with the symptoms.

H&V News Awards Collaboration of the Year

Aaron Services and City of Lincoln Council have been shortlisted for the Collaboration of the Year Award at the H&V News Awards (Heating and Ventilation), for their work as true collaborative partnership.

Having had a long and complicated discussion with X, she was very helpful and was very professional and compassionate and I wanted to thank her for listening and being so understanding. She is a credit to the Council.

QUARTERLY MEASURES

G At or above target **A** Acceptable performance - results are within target boundaries **R** Below target **V** Volumetric/contextual measures that support targeted measures

▲ Performance has improved since last quarter ■ Performance has stayed the same since last quarter ▼ Performance has deteriorated since last quarter

Strategic Measures

Service Area	Measure ID	Measure	High Or Low	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Unit	Status	Commentary
CX	Communications	COM 1	Percentage of media enquiries responded to within four working hours	High is good	70.00	85.00	Q2 - 19/20	72.00	Q3 - 19/20	54.00	%	R ▼ Times have been impacted due to the team working at a significantly reduced capacity during quarter three due to two staff having left the organisation. New staff are joining the team in Q4 so this 'below target' should be viewed as a 'blip' and is not an ongoing concern.
	Communications	COM 2	Number of proactive communications issued that help maintain or enhance our reputation	High is good	25	40	Q2 - 19/20	38	Q3 - 19/20	21	Number	R ▼ With a similar explanation, the team's ability to issue proactive communications was impacted on due to the team working at a significantly reduced capacity throughout quarter three. New staff are joining the team in Q4 so this should be viewed as a 'blip' and not an ongoing concern.
	Work Based Learning	WBL 1	Percentage of apprentices completing their qualification on time	High is good	92.00	95.00	Q2 - 19/20	100.00	Q3 - 19/20	100.00	%	G ■ 9/9 apprentices within Q3 completed their framework on time
	Work Based Learning	WBL 2	Number of new starters on the apprenticeship scheme	High is good	13	15	Q2 - 19/20	13	Q3 - 19/20	19	Number	G ▲ We had 6 new starts within Q3 - a combination of progressions and new apprentices. The cumulative figure up to Q3 is 19
	Work Based Learning	WBL 3	Percentage of apprentices moving into Education, Employment or Training	High is good	92.00	95.00	Q2 - 19/20	100.00	Q3 - 19/20	100.00	%	G ■ Within Q3 100% of apprentices on programme moved into EET
	Customer Services	CS 1	Number of face to face enquiries in customer services	N/A	Volumetric	Volumetric	Q2 - 19/20	4,226	Q3 - 19/20	3,534	Number	V The number of face to face visits has dropped again, more customers are providing their information via email
	Customer Services	CS 2	Number of telephone enquiries answered in Channel Shift Areas (Rev & Bens, Housing & Env. Services)	N/A	Volumetric	Volumetric	Q2 - 19/20	28,477	Q3 - 19/20	26,989	Number	V Lower than the two previous quarters but Q3 often shows a drop in calls. The number of calls in each core area has dropped with the exception of repair calls which has increased
	Customer Services	CS 3	Average time taken to answer a call to customer services	Low is good	120	90	Q2 - 19/20	197	Q3 - 19/20	159	Seconds	R ▲ Lower than previous quarter this has shown an improvement, we are continuing to cross train staff to add resilience
	Customer Services	CS 4	Average customer feedback score (face to face enquiries - score out of 10)	High is good	8	10	Q2 - 19/20	10	Q3 - 19/20	10	Number	G ▲ The average customer feedback score for face to face contact remains positively consistent, improving by 0.1 from Q2.
	Customer Services	CS 5	Customer satisfaction with their phone call to Customer Services	High is good	80.00	95.00	Q2 - 19/20	98.00	Q3 - 19/20	96.05	%	G ▼ This is slightly lower than previous scores but is still a very high mark. We will as always review the feedback from the customers who were unhappy with our service delivery and make changes where we see fit.
	Accountancy	ACC 1	Average return on investment portfolio	High is good	0.75	0.85	Q2 - 19/20	0.86	Q3 - 19/20	0.85	%	G ▼ The amount shown is the weighted average rate of return across the period April to December - for the period October to December the return was 0.85% also.
	Accountancy	ACC 2	Average interest rate on external borrowing	Low is good	4.75	3.75	Q2 - 19/20	3.38	Q3 - 19/20	3.60	%	G ▼ New long term borrowing taken replacing short term borrowing
	Revenues Administration	REV 1	Council Tax - in year collection rate for Lincoln	High is good	78.56	79.47	Q2 - 19/20	52.87	Q3 - 19/20	79.03	%	A ▲ Collection is below 18/19 by 0.44% - this equates to £196,266. The net collectable debit (amount of money to collect) has increased by £2.82m, of which £2,054.522 has been collected.
	Revenues Administration	REV 2	Business Rates - in year collection rate for Lincoln	High is good	85.00	86.23	Q2 - 19/20	59.58	Q3 - 19/20	83.39	%	R ▲ As at the end of Quarter 3 2019/20, in-year collection of Business Rates is 2.84% lower than at the end of Quarter 3 2018/19. A reduction in 2.84% equates to £1,276,089. A key reason for the reduction compared to 2018/19 performance is due to a business who overpaid their account by more than £450k last year, which was refunded in February 2019. Therefore, until the end of February 2020, it is difficult to compare 'like with like'. Officers have undertaken an analysis of a number of businesses whom it would be anticipated will fully pay their business rates in 2019/20, who currently have a level of arrears. Officers will continue to seek collection and recovery within the current financial year, wherever possible.
	Revenues Administration	REV 3	Number of outstanding customer changes in the Revenues team	Low is good	500	350	Q2 - 19/20	1,177	Q3 - 19/20	550	Number	R ▲ This is a reduction of 627 since Q2. This is as a result of 4 new starters within the team - being recruited and trained. Student review work has been completed 4 months earlier due to the introduction of the new e-verification process and as a result has allowed the team to 'catch up' on outstanding work earlier than in previous years
	Housing Benefit Administration	BE 1	Average (YTD) days to process new housing benefit claims from date received	Low is good	28.00	25.00	Q2 - 19/20	23.42	Q3 - 19/20	21.73	Days	G ▲ Weekly monitoring of new claims continues to ensure prompt processing
	Housing Benefit Administration	BE 2	Average (YTD) days to process housing benefit claim changes of circumstances from date received	Low is good	8.00	6.50	Q2 - 19/20	4.88	Q3 - 19/20	5.84	Days	G ▼ Ongoing weekly monitoring of performance to ensure prompt decision making
	Housing Benefit Administration	BE 3	Number of Housing Benefits / Council Tax support customers awaiting assessment	Low is good	1,250	1,050	Q2 - 19/20	939	Q3 - 19/20	1,025	Number	G ▼ of the 1025 customers, 670 are waiting a first contact from us.
	Housing Benefit Administration	BE 4	Percentage of risk-based quality checks made where Benefit entitlement is correct	High is good	86.00	89.00	Q2 - 19/20	95.57	Q3 - 19/20	95.72	%	G ▲ There has been a slight increase in financial accuracy. The 100% checking has ended for 2 of our new starters & 2 new starter Benefit officers, continue to be 100% checked.
	Housing Benefit Administration	BE 5	The number of new benefit claims year to date (Housing Benefits/Council Tax Support)	N/A	Volumetric	Volumetric	Q2 - 19/20	96	Q3 - 19/20	2,290	Number	V 586 for HB and 1,704 for CTS
DCE	Food and Health & Safety Enforcement	FHS 1	Percentage of premises fully or broadly compliant with Food Health & Safety inspection	High is good	95.00	97.00	Q2 - 19/20	98.20	Q3 - 19/20	98.40	%	G ▲ There are 1043 registered food business, 17 are non compliant of which 4 are new businesses.
	Food and Health & Safety Enforcement	FHS 2	Average time from actual date of inspection to achieving compliance	Low is good	13.00	8.00	Q2 - 19/20	15.90	Q3 - 19/20	17.50	Days	R ▼ This measure has increased due to the completion of some complex cases and evening economy businesses.

DCE	Food and Health & Safety Enforcement	FHS 3	Percentage of food inspections that should have been completed and have been in that time period	High is good	85.00	97.00	Q2 - 19/20	88.00	Q3 - 19/20	93.80	%	A	▲	There was a significant increase in this measure and this was the first quarter where the team had been fully staffed for approximately 2 years. There were 33 businesses not inspected of which 15 were evening economy businesses, 4 were new businesses. The remaining business were fully compliant except for 1 business that was broadly compliant.
	Development Management (Planning)	DM 1	Number of applications in the quarter	N/A	Volumetric	Volumetric	Q2 - 19/20	249	Q3 - 19/20	209	Number	V	▲	This number reflects the Christmas period generally being slower for the construction industry.
	Development Management (Planning)	DM 2	End to end time to determine a planning application (Days)	Low is good	85.00	65.00	Q2 - 19/20	55.01	Q3 - 19/20	67.25	Days	A	▼	This average has gone up due to a historic application from 2016 being determined in this quarter which has bumped up the average.
	Development Management (Planning)	DM 3	Number of live planning applications open	Low is good	180	120	Q2 - 19/20	84	Q3 - 19/20	95	Number	G	▼	This change reflects a temporary reduction in resource within the team but is currently not causing undue concern
	Development Management (Planning)	DM 4	Percentage of applications approved	High is good	85.00	97.00	Q2 - 19/20	98.00	Q3 - 19/20	95.00	%	A	▼	This remains high to reflect the approach of the service
	Development Management (Planning)	DM 5	Percentage of decisions on planning applications that are subsequently overturned on appeal	Low is good	10.00	5.00	Q2 - 19/20	0.00	Q3 - 19/20	1.85	%	G	▼	This figure remains very low indicating the quality of decisions made
	Development Management (Planning)	DM 6	Percentage of Non-Major Planning Applications determined within the government target (70% in 8 weeks) measured on a 2 year rolling basis	High is good	70.00	90.00	Q2 - 19/20	94.65	Q3 - 19/20	93.67	%	G	▼	We maintain this high level performance consistently which is key to ensure our national performance measures are met.
	Development Management (Planning)	DM 7	Percentage of Major Planning Applications determined within the government target (60% in 13 weeks) measured on a 2 year rolling basis	High is good	60.00	90.00	Q2 - 19/20	95.45	Q3 - 19/20	93.02	%	G	▼	This figures remains high but has dipped due to the determination of a historic application from 2016 which has reduced the average.
	Private Housing	PH 1	Average time in weeks from occupational therapy notification to completion of works on site for a DFG grant (all DFG's exc. extensions)	Low is good	26.00	19.00	Q2 - 19/20	21.00	Q3 - 19/20	28.00	Weeks	R	▼	During the 3rd Quarter we introduced a new processing system which meant that a number of adaptations had to be held back until the Procurement Framework was in place and active.
	Private Housing	PH 2	Average time from date of inspection of accommodation to removing a severe hazard to an acceptable level	N/A	Volumetric	Volumetric	Q2 - 19/20	16.00	Q3 - 19/20	6.00	Weeks	V	▲	There has been a considerable improvement in performance in Quarter 3 and this is largely down to the Private Sector Housing Team being fully staffed and trained to undertake the complaint investigations.
	Private Housing	PH 3	Number of empty homes brought back into use	High is good	18	37	Q2 - 19/20	17	Q3 - 19/20	37	Number	G	▲	<ul style="list-style-type: none"> LTE Properties (more than 6 months empty) - 426 LTE Properties over 2 years up to 4 years empty - 48 LTE Properties empty for more than 4 years - 57 2nd Homes/furnished empties more than 6 months (exempt from Empty Homes legislation but we still report them) -315
	Public Protection and Anti-Social Behaviour Team	ASB 1	Number of cases received in the quarter (ASB)	N/A	Volumetric	Volumetric	Q2 - 19/20	89	Q3 - 19/20	51	Number	V	▲	We often see a decrease in ASB reports over the autumn and winter months however some of this drop may be due to reduced staffing levels, we also see all of the on street ASB being picked up by the intervention team so that is not reflected in these figures.
	Public Protection and Anti-Social Behaviour Team	ASB 2	Number of cases closed in the quarter	High is good	Volumetric	Volumetric	Q2 - 19/20	676	Q3 - 19/20	592	Number	V	▼	this is reflective of the lower service requests received within the quarter
	Public Protection and Anti-Social Behaviour Team	ASB 3	Number of live cases open at the end of the quarter	Low is good	780	660	Q2 - 19/20	778	Q3 - 19/20	610	Number	G	▲	we often see a reduction in service requests over the autumn and winter months however staffing levels may have also contributed to less service requests being recorded
	Public Protection and Anti-Social Behaviour Team	ASB 4	Satisfaction of complainants relating to how the complaint was handled	High is good	75.00	85.00	Q2 - 19/20	83.30	Q3 - 19/20	98.00	%	G	▲	this is a really high customer satisfaction rate for the service area which demonstrates the teams determination to continue to deliver excellent service despite low staffing levels
	Sport & Leisure	SP 1	Quarterly visitor numbers to Birchwood and Yarborough Leisure Centres	High is good	213,355	213,991	Q2 - 19/20	247,189	Q3 - 19/20	231,576	Number	G	▼	Q3 Yarborough 174,255 Up nearly 7% or 12,053 visits on 2018 Q3. Q3 Birchwood 57,321 is up over 15% or 7,651 visits on 2018 Q3. The growth at Birchwood is continuing to rise following the refurbishment.
	Sport & Leisure	SP 2	Artificial Grass Pitch usage at Yarborough Leisure Centre (exp. to open July 19) & Birchwood Leisure Centre (exp. to open June 19)	High is good	520.00	650.00	Q2 - 19/20	555.00	Q3 - 19/20	612.00	Hours	A	▲	Yarborough 321 up 27 slots on Q2, Birchwood 291 up 30 slots on Q2
	CCTV	CCTV 1	Total number of incidents handled by CCTV operators	N/A	Volumetric	Volumetric	Q2 - 19/20	3,373	Q3 - 19/20	3,797	Number	V	▲	Total for QTR 3 2019/20 is 3797 incidents. This compares to 3327 incidents for the same period last year. Year to date total incident figure is 10,721 compared to 10,585 for the same period last year
	Waste & Recycling	WM 1	Percentage of waste recycled or composted	High is good	35.00	38.00	Q2 - 19/20	37.13	Q3 - 19/20	37.75	%	A	▲	This figure relates to data from quarter 2. 20.97% of waste was composted, and 16.78% of waste was recycled, equating to 37.75% of waste being composted or recycled.
	Waste & Recycling	WM 2	Contractor points achieved against target standards specified in contract - Waste Management	Low is good	150	50	Q2 - 19/20	55	Q3 - 19/20	120	Number	A	▼	Contractor points have been recorded as 120 collectively. This has broken down to 50 in October, 35 in November, and 35 in December.
	Street Cleansing	SC 1	Contractor points achieved against target standards specified in contract - Street Cleansing	Low is good	150	50	Q2 - 19/20	85	Q3 - 19/20	50	Number	G	▲	The contractor has collected 50 points collectively overall in quarter 3. It has broken down to 20 points in October, 30 in November, and no points in December.
	Grounds Maintenance	GM 1	Contractor points achieved against target standards specified in contract - Grounds Maintenance	Low is good	150	50	Q2 - 19/20	5	Q3 - 19/20	15	Number	G	▼	Contractor points have been recorded as 15 collectively. 5 points were recorded in each month of the quarter.
	Allotments	AM 1	Percentage occupancy of allotment plots	High is good	80.00	88.00	Q2 - 19/20	89.00	Q3 - 19/20	87.00	%	A	▼	As at the end of December 2019, 909 plots of a total of 1096 plots were let (82.8%). Of the 1096 total plots, 1048 of the plots are currently lettable. 909 occupied plots equates to 86.7%.
	Parking Services	PS 1	Overall percentage utilisation of all car parks	High is good	45.00	50.00	Q2 - 19/20	46.00	Q3 - 19/20	51.00	%	G	▲	As expected an increase on previous quarter due to Christmas shoppers

DCE	Parking Services	PS 2	Number of off street charged parking spaces	N/A	Volumetric	Volumetric	Q2 - 19/20	3,750	Q3 - 19/20	3,750	Number	V	As expected figure is up on last quarter due to Christmas shoppers.
	Licensing	LIC 1	Total number of committee referrals (for all licensing functions)	N/A	Volumetric	Volumetric	Q2 - 19/20	4	Q3 - 19/20	2	Number	V	1 licence suspension for non payment of fee 1 PH driver suspension
	Licensing	LIC 2	Total number of enforcement actions (revocations, suspensions and prosecutions)	N/A	Volumetric	Volumetric	Q2 - 19/20	2	Q3 - 19/20	5	Number	V	1 premises licence review 4 Private Hire drivers committees
DHI	Housing Investment	HI 1	Percentage of council properties that are not at the 'Decent Homes' standard (excluding refusals)	Low is good	0.20	0.00	Q2 - 19/20	0.84	Q3 - 19/20	0.55	%	R	The percentage of properties not at the decent homes standard has decreased by 0.29% since last quarter, resulting in 0.55% of our housing stock being below our standards as a Council in Q3. Replacement doors continue to be the primary cause of outstanding non-decency. The programme in place should address this position once complete. In November Kier employed a qualified labourer to complete the programme of outstanding fire doors from December onward. Limited progress was made in December as progress slowed on door and window installations. Recent stock condition surveys have identified further DH failures.
	Housing Investment	HI 2	Number of properties 'not decent' as a result of tenants refusal to allow work (excluding referrals)	N/A	Volumetric	Volumetric	Q2 - 19/20	206	Q3 - 19/20	184	Number	V	This figure has dropped since last quarter by 22 properties, showing that during Q3 more tenants were making sure they were available for works to their home. A number of factors contributed to the change in the number of tenant refusals, these include changes of tenancy, engagement of tenants to deliver works and data reviews.
	Housing Investment	HI 3	Percentage of dwellings with a valid gas safety certificate	High is good	99.80	99.96	Q2 - 19/20	99.89	Q3 - 19/20	99.86	%	A	98.6% of properties have a valid gas certificate
	Control Centre	CC 2	Percentage of Lincare Housing Assistance calls answered within 60 seconds	High is good	97.50	98.75	Q2 - 19/20	98.71	Q3 - 19/20	98.63	%	A	Although the % has dropped slightly since last quarter, this measure continues to be above the target of 97.5%. Every month the Service manager displays the Control Centre's performance, this is to ensure key TSA targets are met which the team are accredited to.
	Rent Collection	RC 1	Rent collected as a proportion of rent owed	High is good	96.50	98.00	Q2 - 19/20	98.04	Q3 - 19/20	100.30	%	G	Current rent collection is 100.3%. This is a significantly increase from the previous quarter. During December we had the two rent free weeks in which we were able to collect £195,281 in rent. The team have been set targets for rent visits and calls, and management are continually monitoring performance in this area in order to further increase our income collection and reduce tenant arrears.
	Rent Collection	RC 2	Current tenant arrears as a percentage of the annual rent debit	Low is good	4.00	3.00	Q2 - 19/20	3.72	Q3 - 19/20	2.82	%	G	Current tenant arrears are 2.82% or £789,473. This is a significantly reduction from the previous quarter. During December we had the two rent free weeks in which we were able to collect £195,281 in rent. The team have been set targets for rent visits and calls, and management are continually monitoring performance in this area in order to further increase our income collection and reduce tenant arrears.
	Housing Solutions	HS 1	The number of people currently on the housing list	N/A	Volumetric	Volumetric	Q2 - 19/20	1,342	Q3 - 19/20	1,477	Number	V	This figure has increased by 135 since last quarter. The changes in figures relating to this measure cannot be predicted as it varies month by month, which is why there is no target in place.
	Housing Solutions	HS 2	The number of people approaching the council as homeless	N/A	Volumetric	Volumetric	Q2 - 19/20	356	Q3 - 19/20	457	Number	V	This number has increased by 99 since Q2. This is due to the continued work from the Rough Sleeper Team and also Housing Solutions to find those on the streets accommodation. Also when the harsher weather conditions begin, more homeless people are willing to accept help due to the additional risks that come with being street homeless during winter.
	Housing Solutions	HS 3	Successful preventions against total number of homelessness approaches	High is good	150.00	300.00	Q2 - 19/20	290.00	Q3 - 19/20	338.00	%	G	The number of homeless approaches received includes everything from triage, advice, under prevention, under relief, successfully prevented and successfully relieved. Q3 shows that 191 people approached the council as homeless. We have successfully prevented 87 homelessness situations in Q3. These figures continue to be above target. 11.5% of homelessness applications in the quarter have been successfully prevented, however that figure is just based on those applications that have been recorded through Abritas.
	Housing Voids	HV 1	Percentage of rent lost through dwelling being vacant	Low is good	0.90	0.80	Q2 - 19/20	1.06	Q3 - 19/20	0.89	%	A	Void times have decreased on a monthly basis so this has in turn reduced void loss, the status of this measure also shows that its performance is being maintained at an acceptable level within the target boundary.
	Housing Voids	HV 2	Average re-let time calendar days for all dwellings - standard re-lets	Low is good	26.00	23.00	Q2 - 19/20	35.71	Q3 - 19/20	31.52	Days	R	Void times continue to remain above target, however there has been a vast improvement in average re-let time in standard re-lets since last quarter. Ready to let to sign up was over target due to there only being one Void Support Officer from November - January meaning we were only able to offer 5 appointments a day rather than the usual 10. We have employed the previous Officer on a part time temporary basis 3 days a week until a decision has been made to replace with another full time officer.
	Housing Voids	HV 3	Average re-let time calendar days for all dwellings (including major works)	Low is good	31.00	28.00	Q2 - 19/20	44.06	Q3 - 19/20	39.65	Days	R	Void times continue to remain above target, however there has been a vast improvement in average re-let time for all dwellings since last quarter. Asbestos was over target for major works by 1.67 days which was down to 3 properties needing notifiable asbestos removed and the contractors experiencing staffing issues causing a delay. Arrangements have been for the contractors to attend the weekly update meetings to hopefully prevent further delays.
	Housing Maintenance	HM 1	Percentage of reactive repairs completed within target time	High is good	96.00	98.00	Q2 - 19/20	98.26	Q3 - 19/20	97.67	%	A	Although performance has had a slight dip in the last few months we are still performing above target. We continue to analyse all areas of our repairs service in order to find ways to further improve our performance.
	Housing Maintenance	HM 2	Percentage of repairs fixed first time	High is good	90.00	93.00	Q2 - 19/20	95.04	Q3 - 19/20	94.67	%	G	With the new repair task codes implemented, along with making sure the team are identifying the repairs correctly at the first point of contact, it is allowing repairs to be completed in a more efficient time frame. The contracts team within HRS (Housing Repairs Service) are also concentrating on longer/planned repairs, allowing the reactive side of the service to solely focus on common short term repairs.
	Housing Maintenance	HM 3	Percentage of tenants satisfied with repairs and maintenance	High is good	94.00	96.00	Q2 - 19/20	98.72	Q3 - 19/20	97.41	%	G	Similar to HM2, with the new repair task codes implemented, along with making sure the team are identifying the repairs correctly at the first point of contact, it is allowing repairs to be completed in a more efficient time frame. The contracts team within HRS (Housing Repairs Service) are also concentrating on longer/planned repairs, allowing the reactive side of the service to solely focus on common short term repairs.
	Housing Maintenance	HM 4	Appointments kept as a percentage of appointments made	High is good	94.00	96.00	Q2 - 19/20	97.73	Q3 - 19/20	97.82	%	G	Similar to HM2 and HM3, with the new repair task codes implemented, along with making sure the team are identifying the repairs correctly at the first point of contact, it is allowing repairs to be completed in a more efficient time frame. The contracts team within HRS (Housing Repairs Service) are also concentrating on longer/planned repairs, allowing the reactive side of the service to solely focus on common short term repairs.

DHI	Business Development	BD 1	Number of users logged into the on-line self service system this quarter	High is good	8,084	8,321	Q2 - 19/20	8,427	Q3 - 19/20	8,409	Number	G	Small fluctuation in quarter 3 due to customers moving
	IT	ICT 1	Number of calls logged to IT helpdesk	N/A	Volumetric	Volumetric	Q2 - 19/20	1,087	Q3 - 19/20	770	Number	V	Decrease for quarter - potentially due to less issues with services reported in quarter
	IT	ICT 2	Percentage of first time fixes	High is good	Volumetric	Volumetric	Q2 - 19/20	52.50	Q3 - 19/20	51.60	%	V	No significant change on previous quarters, reflecting consistency in service requests

Operational Measures

Service Area	Measure ID	Measure	High Or Low	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Unit	Status	Commentary
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SUBJECT:	STRATEGIC RISK REGISTER - QUARTERLY REVIEW
REPORT BY:	CHIEF EXECUTIVE AND TOWN CLERK
LEAD OFFICER:	JACLYN GIBSON, CHIEF FINANCE OFFICER

1. Purpose of Report

1.1 To provide the Executive with a status report of the revised Strategic Risk Register as at the end of the third quarter 2019/20.

2. Executive Summary

2.1 An update of the Strategic Risk Register, developed under the risk management approach of 'risk appetite', was last presented to this Committee in November 2019 and contained ten strategic risks.

2.2 Since reporting in November 2019, the Strategic Risk Register has been reviewed and updated by the Corporate Leadership Team and has identified that there have been some positive movement in the Risk Register, as well as changes in the assessed level of x of the risks.

2.3 The updated Register is contained with Part B of this agenda, it contains ten strategic risks which are listed below, along with details of relevant mitigations.

3. Movements in the Strategic Risk Register

3.1 The Strategic Risk Register currently contains 10 risks, as follows:

- 1) Failure to engage & influence effectively the Council's strategic partners, council staff and all stakeholders to deliver against e.g. Council's Vision 2020/2025.
- 2) Failure to deliver a sustainable Medium term Financial Strategy (that supports delivery of Vision 2020).
- 3) Failure to deliver the Towards Financial Sustainability Programme whilst ensuring the resilience of the Council.
- 4) Failure to ensure compliance with statutory duties/functions and appropriate governance arrangements are in place,
- 5) Failure to protect the local authority's vision 2020/2025 due to changing structures and relationships in local government and impact on size, scale and scope of the Council.

- 6) Unable to meet the emerging changes required in the Council's culture, behaviour and skills to support the delivery of the council's Vision 2020/2025 and the transformational journey to one Council approach.
- 7) Insufficient levels of resilience and capacity exist in order to deliver key strategic projects & services within the Council.
- 8) Decline in the economic prosperity within the City Centre.
- 9) Failure to mitigate against the implications for the Council following the outcome of Brexit.
- 10) Failure to deliver key strategic projects.

3.2 A number of control actions have now been progressed or completed and the key movements are outlined as follows:

- Risk 1 - Failure to engage & influence effectively the Council's strategic partners, council staff and all stakeholders to deliver against e.g. Council's Vision 2020/2025. The Council's draft Vision 2025 has been developed, with a new 5th strategic priority, and has been subject to both internal and external consultation. The final document will be presented to Council for approval on 3rd March 2020.
- Risk 2 - Failure to deliver a sustainable Medium Term Financial Strategy (that supports delivery of Vision 2020 (Council plan). The draft MTFS has prepared, based on revised financial planning assumptions (and with a new savings target) and is subject to public consultation and Member scrutiny during February. The MTFS will be approved in March 2020.
- Risk 6 - Unable to meet the emerging changes required in the Council's culture, behavior and skills to support the delivery of the council's future Vision and the transformational journey to one Council approach. Staff Charter "The Lincoln Way" has been developed with staff consultation to commence in February 2020.
- Risk 7 – Insufficient levels of resilience and capacity exist in order to deliver key strategic projects and services. As part of the development of Vision 2025 timelines for existing, legacy projects have been undertaken along with scheduling of new projects to allow capacity to deliver.

3.3 Whilst positive progress has been made in relation to control actions, and these continue to be implemented and risks managed accordingly, there is one risk were the assessed levels of likelihood and impact has increased, that being:

- Risk 5 – has been increased from Amber: Probable/Major to Red: Almost Certain/Major.

3.4 The levels of assessed risks are summarised as follows:

Risk No.	Risk Rating	Likelihood	Impact
2	Red/High	Probable	Critical
5 & 7	Red/High	Almost Certain	Major
3, 6, 8 & 10	Amber/Medium	Probable	Major
1, 4, & 9	Amber/Medium	Possible	Major

4. Strategic Priorities

4.1 Sound risk management is one way in which the Council ensures that it discharges its functions in accordance with its expressed priorities, as set out in the Vision 2020, and the new Vision 2025, and that it does so in accordance with statutory requirements.

5. Organisational Impacts

5.1 Finance – There are no direct financial implications arising as a result of this report. The Council’s Strategic Risk Register contains two specific risks in relation to the Medium Term Financial Strategy and the Towards Financial Sustainability Programme.

5.2 Legal Implications including Procurement Rules – The Council is required under the Accounts and Audit Regulations 2011 to have a sound system of Internal Control which facilitates the effective exercise of the Council’s functions and which includes arrangements for the management of risk. The maintenance of a Strategic Risk Register and the control actions which the Council undertakes are part of the way in which the Council fulfils this duty.

6. Risk Implications

6.1 The Strategic Risk Register contains the key strategic risks to the delivery of the Council’s medium and longer term priorities. A failure to monitor the action that is being taken to manage these risks would undermine the Council’s governance arrangements.

7. Recommendations

7.1 The Executive are asked to note and comment on the Strategic Risk Register as at the end of the third quarter 19/20.

Key Decision No

Do the Exempt Information Categories Apply? No

Call in and Urgency: Is the decision one to which Rule 15 of the No

**Scrutiny Procedure
Rules apply?**

**How many appendices
does the report contain?**

None

**List of Background
Papers:**

N/A

Lead Officer:

Jaclyn Gibson, Chief Finance Officer
Telephone 01522 873258

EXECUTIVE

24 FEBRUARY 2020

SUBJECT:	PRUDENTIAL INDICATORS 2019/20 – 2022/23 AND TREASURY MANAGEMENT STRATEGY 2020/21
DIRECTORATE:	CHIEF EXECUTIVE AND TOWN CLERK
REPORT AUTHOR:	SARAH HARDY, PRINCIPAL FINANCE BUSINESS PARTNER

1. Purpose of Report

- 1.1 The purpose of the report is for Executive to review and recommend to Council for approval the adoption of the 15 statutory prudential indicators and 8 local indicators for the period 2019/20 to 2022/23 together with the 2020/21 Treasury Management Strategy.

2. Executive Summary

- 2.1 The table below summarises the key prudential indicators that have been incorporated into the 2020/21 strategy. The projected capital expenditure will determine the capital financing or borrowing requirement, which will in turn determine the actual level of external borrowing taken and hence, cash balances available for investment.

Key Prudential Indicators	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
Capital Expenditure				
• General Fund	12,510	15,586	2,847	703
• HRA	14,906	25,640	16,608	13,761
• Total	27,416	41,226	19,455	14,464
Capital Financing Requirement				
• Non HRA	69,385	78,739	77,335	75,923
• HRA	62,404	68,807	70,558	73,058
• Total	131,789	147,546	147,893	148,981
Net Borrowing	96,400	108,500	109,500	106,500
External debt (borrowing only)	120,500	127,000	128,000	125,000
Investments				
• Under one year	24,100	18,500	18,500	18,500

- 2.2 The methodology employed for selecting investment counterparties is a multi-stage formula based creditworthiness methodology provided by the Council's treasury management advisors, Link Asset Services. The aim of the investment strategy is to generate a list of highly creditworthy counterparties, allowing the Council to maintain a diversified portfolio of investments that safeguards the cash balances whilst generating a reasonable rate of return. The Link methodology, which incorporates credit ratings, credit outlooks and watches and overlays credit default swaps as a measure of market risk, fully meets the aim of the strategy.
- 2.3 The Strategy for 2020/21 has been prepared taking into account changes in the Prudential Code and Treasury Management Code.

3. Background

- 3.1 This report covers the operation of the Council's prudential indicators, its treasury function and its likely activities for the forthcoming year. It incorporates four key Council reporting requirements:
- **Prudential and Treasury Indicators** – the reporting of the statutory prudential indicators together with local indicators, in accordance with the requirements of the CIPFA Prudential Code for Capital Finance in Local Authorities and the CIPFA Treasury Management Code of Practice.
 - **Minimum Revenue Provision (MRP) Statement** – the reporting of the MRP policy which sets out how the Council will pay for capital assets through revenue each year (as required by regulation under the Local Government 2003)
 - **Treasury Management Strategy** – which sets out how the Council's treasury activity will support capital decisions, the day-to-day treasury management and the limitations on activity through treasury prudential indicators. The key indicator is the **Authorised Limit**, the maximum amount of debt the Council could afford in the short term, but which would not be sustainable in the longer term. This is the Authorised Borrowing Limit required by s3 of the Local Government Act 2003 and is in accordance with the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code.
 - **Investment Strategy** – this is included within the Treasury Management Strategy and sets out the criteria for choosing investment counterparties and limiting exposure to the risk of loss. It is reported annually (in accordance with Ministry of Housing, Communities and Local Government (MHCLG) Investment Guidance).

4. Treasury Management Requirements 2020/21

4.1 The Capital Prudential Indicators 2019/20 – 2022/23

4.1.1 The Council's capital expenditure plans are one of the key drivers of treasury management activity. The outputs of the capital expenditure plans are reflected in prudential indicators, which are designed to assist members to overview and confirm capital expenditure plans. The Local Government Act 2003 requires the Council to adopt the CIPFA Prudential Code and to produce prudential indicators. The Prudential Code requires the Council to approve as a minimum the statutory indicators and limits. This report revises the indicators for 2019/20 and details them for 2020/21 to 2022/23. An explanation and calculation of each Prudential Indicator is provided in **Appendix 1** and the key messages summarised in section 4.1.3.

4.1.2 Capital Expenditure and Financing

The Council's capital expenditure plans (as detailed in the Draft MTFs 2020-25) are summarised below. Capital expenditure can be paid for immediately (by resources such as capital receipts, capital grants or revenue resources) but if these resources are insufficient, any residual capital expenditure will form a borrowing need. This can be supported by government grant for the repayment of debt (very limited support available) or can be unsupported (prudential borrowing) where the Council needs to identify the resources to finance and repay debt through its own budget.

Indicators 1&2	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
Capital Expenditure				
General Fund	12,510	15,586	2,847	703
HRA (including New Build)	14,906	25,640	16,608	13,761
Total Expenditure	27,416	41,226	19,455	14,464
Financed by (General Fund):				
Capital receipts	392	16	2339	195
Capital grants & contributions	2,539	4,372	300	300
Revenue/Reserve Contributions	734	167	8	8
Borrowing need	8,845	11,031	200	200
Financed by (HRA):				
Capital receipts	1,376	2,328	1,991	1,179
Capital grants & contributions	968	2,042	3010	0
Depreciation (HRA only)	6,761	10,673	6,520	6,099
Revenue/Reserve Contributions	1,725	4,194	3,336	3,983
Borrowing need	4,076	6,403	1,751	2,500

4.1.3 The Council's Borrowing Need - the Capital Financing Requirement (CFR)

The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either capital or revenue resources. It is essentially a measure of the Council's underlying borrowing need. Based on the capital expenditure plans in paragraph 4.1.2 the CFR for 2019/20 to 2022/23 is projected to be:

Indicators 3&4	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
Capital Financing Requirement				
General Fund	69,385	78,739	77,335	75,923
HRA	62,404	68,807	70,558	73,058
Total CFR @ 31 March	131,789	147,546	147,893	148,981
Net movement in CFR	11,659	15,757	347	1,088
Actual debt (borrowing & other liabilities)	120,605	127,000	128,000	125,000
Net borrowing need for the year	12,921	17,434	1,951	2,700
Minimum Revenue Provision (MRP)	(1,112)	(1,527)	(1,454)	(1,612)
Application of Capital Receipts to reduce CFR	(150)	(150)	(150)	
Movement in CFR	11,659	15,757	347	1,088

The CFR also includes any other long term liabilities (e.g. finance and embedded leases) brought onto the balance sheet. Whilst this increases the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility, so the Council is not required to separately borrow for them. The Council has £0.105m of such leases within the CFR in 2019/20 reducing to Nil by the end of 2020/21. The CFR does not yet include any allowance for the planned replacement of the majority of the vehicle fleet under leasing. If following a full financing options appraisal the most cost effective funding method is identified as either borrowing or finance lease then the CFR will be increased to reflect a borrowing requirement for the replacement fleet.

In future years all lease liabilities, including some of those currently treated as operating leases and expensed through revenue, will be 'on balance sheet' which will increase the CFR. At this point the Treasury Management Strategy does not reflect the effect of the change in accounting treatment and further updates will be presented to committee at the mid-year update, when the liabilities have been established.

4.1.4 **Limits on Borrowing** – In order to ensure that borrowing decisions are based on consideration of affordability, prudence and sustainability and that treasury management decisions are taken in accordance with good professional practice, in full understanding of the risks involved and how these risks will be managed to levels that are acceptable to City of Lincoln Council, the Prudential Code requires that Council's set limits on borrowing activity.

Limiting Borrowing for Capital Purposes - the Council needs to ensure that its total borrowing net of any investments, does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for the current and next two financial years. The Chief Finance Officer reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future.

Operational Boundary for External Debt – boundary based on the expected maximum external debt during the course of the year.

Authorised Limit for External Debt - represents the limit beyond which external debt is prohibited. It represents the level of debt, which while not desired, could be afforded in the short term, but is unsustainable in the long term. This limit needs to be set or revised by full Council.

The level of the proposed operational and authorised limits is based on an assessment of the level of borrowing required to meet the Capital Financing Requirement (CFR) and also an allowance for temporary borrowing for working capital and also in lieu of other capital financing sources (e.g. capital receipts). Financial modelling has been carried out for both and the affordability and sustainability of the potential borrowing requirement has been assessed and can be contained within the Draft MTFS 2020-25. This is reflected in the table below and in the Prudential Indicators 7 and 8 tables in Appendix 1.

Indicator 7	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
Authorised limit				
Borrowing	149,050	156,855	157,605	154,890
Other long term liabilities	1,200	1,200	1,200	1,200
Total Authorised limit	150,250	158,055	158,805	156,090

4.2 **Minimum Revenue Provision (MRP) Policy**

4.2.1 The Council is required to pay off an element of the accumulated General Fund borrowing each year (the CFR) through a revenue charge - the Minimum Revenue Provision (MRP), and is also allowed to undertake additional voluntary payments (VRP). No revenue charge is currently required for the HRA. However, under self-financing, the HRA is now required to charge depreciation on its assets, which has been built into the revenue charges in the HRA 30 year Business Plan.

The Department of Homes, Communities and Local Government have issued statutory guidance on the options available for making prudent provision for the repayment of debt. The Council must have regard to this guidance. The guidance is

not prescriptive and makes it clear that councils can follow an alternative approach, provided they still make a prudent provision. The broad aim of a 'prudent provision' is to ensure that debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits to service delivery.

Guidance issued by the Secretary of State requires that before the start of each financial year the Council prepares a statement of its policy on making MRP in respect of the forthcoming financial year and submits it to Full Council for approval. There has been no amendment to the proposed MRP policy for 2020/21.

The MRP policy statement is set out in **Appendix 2**.

4.3 The Treasury Management Strategy 2020/21

4.3.1 Treasury Management is an important part of the overall financial management of the Council's affairs. The treasury management service performs the borrowing and investment activities of the Council and effectively manages the associated risks. Its activities are strictly regulated by statutory requirements and a professional code of practice (the CIPFA Code of Practice on Treasury Management). The Treasury Management Policy and Practices and the annual Treasury Management Strategy provides the operational rules and limits by which day to day treasury management decisions are made.

4.3.2 The Treasury Management Strategy for 2020/21 is attached at **Appendix 3**. The strategy outlines expected treasury activity for the coming year and expected prudential indicators relating the treasury management for the next three years. The key principals in the strategy are summarised below.

- **Debt and Investment Projections (Treasury Management Strategy section 2)** – based on the budgeted borrowing requirements, estimated balances and cash flow, year-end debt and investment projections are:

	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
External Debt				
Debt at 31 March (including other long term liabilities)	120,500	127,000	128,000	125,000
Investments				
Total Investments at 31 March	24,100	18,500	18,500	18,500

- **Expected Movement in Interest Rates (Treasury Management Strategy section 3)** - short term interest rates are not expected to rise until June 2021 and then will rise slowly in future years. Long term rates for external borrowing are expected to rise during 2020 and after this they will continue to rise slowly in future years.
- **Borrowing & Debt Strategy (Treasury Management Strategy section 4)** - The main aims are:

- To reduce the revenue costs of debt
 - To manage the Council's debt maturity profile
 - To effect funding at the cheapest cost commensurate with future risk.
 - To forecast average future interest rates and borrow accordingly
 - To proactively reschedule debt in order to take advantage of potential savings as interest rates change.
 - To manage the day-to-day cash flow of the Authority in order to, where possible, negate the need for short-term borrowing.
- **Investment Strategy (Treasury Management Strategy section 5)** - The Council's investment strategy primary objectives are safeguarding the repayment of the principal and interest of its investments on time, then ensuring adequate liquidity, with investment return being the final objective.

The current investment climate continues to present one over-riding risk consideration, that of counterparty security risk. In order to fully consider counterparty risk factors when selecting investment counterparties, the Council employs the multi-stage formula based creditworthiness methodology provided by the Council's treasury management advisors, Link Asset Services. This methodology, developed by Link, uses credit ratings as the core criteria but also incorporates other market information on a mathematical basis. The methodology is continuously reviewed and changes are made in response to changes made by the credit rating agencies. There haven't been any major changes made to the credit rating methodology since last year's change when any reference to the implied levels of sovereign support (which were phased out last year) were taken out. The current methodology is explained in detail in the Council's Investment Strategy 2020/21 in **Section 5 of Appendix 3**.

The aim of the investment strategy is to generate a list of highly creditworthy counterparties which will also enable diversification and thus avoidance of concentration risk (i.e. placing a large proportion of investments with a small number of counterparties). The intention of the strategy is to provide security of investment and minimisation of risk.

Investment instruments identified for use are listed in **Appendix 3** under the specified and non-specified investments categories. Counterparty limits will be as shown in **Appendix 3**. Examples of institutions which currently fall under the various colour coded categories are as follows:

- Blue (part-government owned - 1 year)
- Orange (1 year)
- Green (100 days)
- Yellow (5 years) – Local Authorities.

Sole reliance will not be placed on the use of this external service. In addition, officers will also use market data and market information, information on government support for banks and the credit ratings of that supporting government.

The criteria to be used to select investment counterparties are set out in Appendix 3. These include:-

- Maintenance of a counterparty list with approved credit ratings and time and principal limits
- Regular monitoring of counterparties with the help of the Council's treasury management advisors
- Limits on the amounts on non-specified investments (e.g. over 1 year investments)
- Limits on non-UK counterparties

Risk Benchmarking – The revised CIPFA Code and the CLG Investment Guidance adopted 2nd March 2010 introduced the consideration and approval of security and liquidity benchmarks. The Investment Strategy for 2019/20 includes the following benchmarks for liquidity and security:-

Liquidity – The Council's bank overdraft limit is nil. The Council will seek to maintain liquid short-term deposits of at least £5,000,000 available with a week's notice. The weighted average life (WAL) of investments is expected to be 0.25 years.

Security – the Council's expected security risk benchmark from its budgeted investment strategy is 0.009% historic risk of default when compared to the whole portfolio. This means that the risk amounts to approximately £0.002m on the expected investment portfolio of £24.1 million.

- **Treasury Limits on Activity (Treasury Management Strategy section 6)** – This section includes statutory and local indicators covering treasury management activity. These include limits on fixed and variable interest rate exposure, maturity structure of debt and performance targets for interest rates on new investments and loans.
- **Breakdown of Investment Categories (Treasury Management Strategy section 7)** – covers authorised posts for treasury management activities

The need to limit the risk to the Council of loss from counterparty failure results in a restricted range of counterparties available for investment.

4.4 Treasury Management Practices

The Council adopted the CIPFA Code of Practice on Treasury Management (revised December 2017) on 2nd March 2010. The Treasury Management Policy Statement was also adopted at this time. The Treasury Management Policy and Practices (TMP's) are updated annually to reflect the Treasury Management Strategy approved by Council and to reflect any changes in staffing structures or working practices of the treasury function and are attached as Appendix 4.

5. Organisational Impacts

5.1 Finance

Financial implications are contained in the main body of the report.

5.2 Legal Implications

The Treasury Management Strategy and Prudential Indicators meet the requirements under legislation and code of practice.

6. Risk Implications

The risk implications are contained within the body of the report.

7. Recommendations

7.1 The Executive are recommended to:

7.2 Review and recommend for approval by Council the prudential indicators detailed in section 4.1 and appendix 1 of the report.

7.3 Review and recommend for approval by Council the Treasury Management Strategy (including the treasury management prudential indicators and the Investment Strategy) set out section 4 and appendix 3 of the report.

7.4 Review and recommend for approval by Council the revised MRP policy in appendix 2 of the report.

7.5 Review and recommend for approval by Council the revised Treasury Management Practices and Schedules in Appendix 4 of the report.

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? 4

List of Background Papers: Medium Term Financial Strategy 2020-25
CIPFA Code of Practice
CIPFA Prudential Code
Treasury Management Practices

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Prudential Indicators 2019/20 – 2022/23

1.0 Introduction

- 1.1 The Local Government Act 2003 requires the Council to adopt the CIPFA Prudential Code and to produce prudential indicators. The Code sets out a framework for self-regulation of capital spending, in effect allowing councils to invest in capital projects without any limit as long as they are affordable, prudent and sustainable. The Prudential Code operates by the provision of prudential indicators, which highlight particular aspects of the capital expenditure planning. This report revises the indicators for 2019/20 and details them for 2020/21-2022/23. Each indicator either summarises the expected capital activity or introduces limits upon the activity, and reflects the outcomes of the Council's underlying capital appraisal systems.
- 1.2 The Prudential Code requires the Executive and full Council to approve as a minimum the 15 statutory indicators. The Chief Finance Officer has added 8 local indicators that are believed to add value and assist understanding of the main indicators.
- 1.3 The purpose of the indicators is to provide a framework for capital expenditure decision-making. It highlights, through the prudential indicators, the level of capital expenditure, the impact on borrowing and investment levels and the overall controls in place to ensure the activity remains affordable, prudent and sustainable.
- 1.4 Within this overall capital expenditure framework there is a clear impact on the Council's treasury management activity, either through increased borrowing levels or the investment of surplus balances. As a consequence the treasury management strategy for 2020/21 (see Appendix 3) includes the expected treasury management activity, together with the 5 specific Prudential indicators and 8 local indicators, which relate to treasury management.
- 1.5 The 15 statutory prudential indicators can be categorised under the following four headings:
- Capital Expenditure and External Debt (numbers 1, 2, 3, 4, 5, 7, 8)
 - Prudence (number 6)
 - Affordability (numbers 9,10)
 - Treasury Management limits (numbers 11, 12, 13, 14, 15)
- (The numbers above relate to the reference given to each indicator).
- 1.6 The paragraphs 2 to 4 below detail the 10 statutory indicators under the headings of Capital Expenditure/External Debt, Prudence and Affordability. The remaining 5 statutory and 8 local indicators relating to the treasury management strategy are set out in appendix 3.

2.0 Capital Expenditure Prudential Indicators

- 2.1 The Council's capital expenditure plans are summarised below and this forms the first of the prudential indicators. This expenditure can be paid for immediately (by resources such as capital receipts, capital grants etc.), but if

resources are insufficient any residual expenditure will form a borrowing need.

2.2 A certain level of capital expenditure may be supported by government grant; any decisions by Council to spend above this level will be unsupported and will need to be paid for from the Council's own resources. This unsupported capital expenditure needs to have regard to:

- Service objectives e.g. strategic planning
- Stewardship of assets e.g. asset management planning
- Value for money
- Prudence and sustainability e.g. implications for external borrowing and whole life costing
- Affordability
- Practicality e.g. achievability of plan

The revenue consequences of capital expenditure, particularly the unsupported expenditure, will need to be paid for from the Council's own resources.

The Government retains an option to control either the total of all councils' plans, or those of a specific council, although no control has yet been required.

2.3 The key risks to the plans are that some estimates for sources of funding, such as capital receipts, may be subject to change over this timescale. For instance, anticipated asset sales may be postponed due to the impact of the recession on the property market.

2.4 The summary capital expenditure and financing projections are shown in the table below.

Indicators 1&2	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
Capital Expenditure				
General Fund	12,510	15,586	2,847	703
HRA (including New Build)	14,906	25,640	16,608	13,761
Total Expenditure	27,416	41,226	19,455	14,464
Financed by:				
Capital receipts	1,768	2,344	4,330	1,374
Capital grants & contributions	3,507	6,414	3,310	300
Depreciation (HRA only)	6,761	10,673	6,520	6,099
Revenue/Reserve Contributions	2,459	4,361	3,344	3,991
Borrowing need	12,921	17,434	1,951	2,700

3.0 External Debt and Prudence Prudential Indicators

- 3.1 **Borrowing Need** - The Council's Capital Financing Requirement (CFR) represents the Council's borrowing need. The CFR is simply the total outstanding capital expenditure, which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. The capital expenditure above which has not immediately been paid for will increase the CFR.
- 3.2 The CFR also includes any other long term liabilities (e.g. finance and embedded leases) brought on to the balance sheet. Whilst this increases the CFR, and therefore the Council's borrowing requirement, they are purely accounting adjustments and include a borrowing facility, so the Council is not required to separately borrow for them. The Council has £0.105m of such leases within the CFR in 2019/20 reducing to Nil by the end of 2020/21. The CFR does not yet include any allowance for the planned replacement of the majority of the vehicle fleet under leasing arrangements.
- 3.3 Capital Financing Requirement projections are detailed below:

Indicators 3&4	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
Capital Financing Requirement				
General Fund	69,385	78,739	77,335	75,923
HRA	62,404	68,807	70,558	73,058
Total CFR @ 31 March	131,789	147,546	147,893	148,981
Net movement in CFR	11,659	15,757	347	1,088
Actual debt (borrowing & other liabilities)	120,605	127,000	128,000	125,000
Net borrowing need for the year	12,921	17,434	1,951	2,700
Minimum Revenue Provision (MRP)	(1,112)	(1,527)	(1,454)	(1,612)
Application of Capital Receipts to reduce CFR	(150)	(150)	(150)	
Movement in CFR	11,659	14,903	(507)	1,088

* MRP = Minimum Revenue Provision – Statutory requirement to annually fund the repayment of General Fund borrowing.

- 3.4 **Estimates of External Debt** - The expected impact of the capital expenditure decisions on the Council's net debt position is shown below:

Indicator 5	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
External Debt				
Gross Borrowing	120,500	127,000	128,000	125,000
Other Long Term Liabilities*	105			
Total Debt at 31 March	120,605	127,000	128,000	125,000

*Other Long Term liabilities include finance leases

- 3.5 The expected movement in the CFR over the next three years is dependent on the level of capital borrowing taken during the budget cycle. Such borrowing is the capital expenditure freedom allowed under the Prudential Code i.e. prudential borrowing which allows the freedom to enter into projects such as spend to save schemes, or decisions to allocate additional resources from revenue to capital to enable service enhancements (subject to affordability).
- 3.6 There are two limiting factors on the Council's ability to undertake prudential borrowing:
1. Whether the revenue resource is available to support in full the implications of capital expenditure, both borrowing costs and running costs. Can the Council afford the implications of the capital expenditure?
 2. The Government may use a long stop control to ensure that either the total of all the Councils' plans do not jeopardise national economic policies, or in the event of an assessment by Central Government that local plans are unaffordable at a council, it may implement a specific control to limit its capital expenditure plans. No such control has been implemented during 2019/20.
- 3.7 **Limits to Borrowing Activity** - Within the prudential indicators there are a number of key indicators to ensure the Council operates its activities within well-defined limits.
- 3.8 For the first of these the Council needs to ensure that its total borrowing net of any investments, does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2020/21 and next two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue purposes.

Indicator 6	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
Gross Borrowing	120,500	127,000	128,000	125,000
Investments	(24,100)	(18,500)	(18,500)	(18,500)
Net Borrowing	96,400	108,500	109,500	106,500
CFR	131,789	147,546	147,893	148,981
Net Borrowing is below CFR	35,389	38,192	36,685	40,773

The Chief Finance Officer reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

3.9 A further two key prudential indicators control or anticipate the overall level of borrowing, these are:

- **The Authorised Limit for External Debt** – This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by full Council. It reflects the level of external debt, which while not desired, could be afforded in the short term, but is not sustainable in the longer term. This is the statutory limit determined under section 3(1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although no control has yet been exercised.
- **The Operational Boundary for External Debt** – This indicator is based on the expected maximum external debt during the course of one year; it is not a limit and actual borrowing could vary around the boundary for short times during the year.

The level of the proposed operational and authorised limits is based on an assessment of the level of borrowing required to meet the Capital Financing Requirement (CFR) and also an allowance for temporary borrowing for working capital and also in lieu of other capital financing sources (e.g. capital receipts). The affordability and sustainability of the borrowing requirement for both have been assessed and can be contained within the Draft MTFs 2020-25. The operational and authorised limits for 2020/21 have been set to allow these.

Indicator 7	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
Authorised Limit				
Borrowing	149,050	156,855	157,605	154,890
Other long term liabilities*	1,200	1,200	1,200	1,200
Total Authorised Limit	150,250	158,055	158,805	156,090

Indicator 8	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
Operational Boundary				
Borrowing	135,145	141,855	142,605	139,890
Other long term liabilities*	105	1,200	1,200	1,200
Total Operational Boundary	135,250	143,055	143,805	141,090

*Other Long Term liabilities include finance leases

3.10 **Borrowing in advance of need** – The Council has some flexibility to borrow funds this year for use in future years. The Chief Finance Officer may do this under delegated power where, for instance, a sharp rise in interest rates is expected, and so borrowing early at fixed interest rates will be economically beneficial or meet budgetary constraints. Whilst the Chief Finance Officer will adopt a cautious approach to any such borrowing, where there is a clear business case for doing so borrowing may be undertaken to fund the approved capital programme or to fund future debt maturities. Borrowing in advance will be made within the constraints that:

- It will be limited to no more than 75% of the expected increase in borrowing need (CFR) over the three year planning period; and
- Would not look to borrow more than 36 months in advance of need

3.11 Risks associated with any advance borrowing activity will be subject to appraisal in advance and subsequent reporting through the mid-year or annual reporting mechanism.

4.0 Affordability Prudential Indicators

4.1 The 8 statutory indicators above cover the overall capital and control of borrowing, but in addition, within this framework, there are further indicators that assess the affordability of the capital investment plans. These indicators provide an indication of the impact of the capital investment plans on the Council's overall finances and these are shown below:

Indicators 9 & 10	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
General Fund	19.8%	24.3%	26.3%	23.5%
HRA	31.6%	31.0%	30.6%	30.9%

Minimum Revenue Provision (MRP) Policy

1.0 The Council is required to pay off an element of the accumulated General Fund borrowing each year through a revenue charge (the Minimum Revenue Provision), and is also allowed to undertake additional voluntary payments (VRP).

1.1 MHCLG Regulations have been issued which require full Council to approve an MRP Statement in advance of each year. A variety of options are provided so long as there is a prudent provision. The MRP policy takes into account recent changes to guidance issued by MHCLG.

1.2 Members are recommended to approve the following MRP Statement:

For capital expenditure incurred:

(A) Before 1st April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be:

Existing practice - MRP will follow the existing practice outline in former CLG Regulations, but on a 2% straight-line basis, i.e. provision for the full repayment of debt over 50 years;

(B) From 1st April 2008 for all unsupported borrowing (including finance leases) the MRP policy will be:

Asset Life Method – MRP will be based on the estimated life of the assets on either a straight line or annuity basis (as deemed most appropriate for capital expenditure being financed through borrowing). Asset life is deemed to begin once the asset becomes operational. MRP will commence from the financial year following the one in which the asset becomes operational.

MRP in respect of unsupported borrowing taken to meet expenditure, which is treated as capital expenditure by virtue of either a capitalisation direction or regulations, will be determined in accordance with the asset life method as recommended by the statutory guidance.

(C) The Council has set aside £750k of capital receipts to the Capital Adjustment Account instead of applying these receipts to new expenditure in order to reduce the total debt liability (£150k per annum over the period 2017/18 to 2021/22). The Council will reduce the MRP provision for the year by the same amount.

Treasury Management Strategy 2019/20

1.0 Introduction

- 1.1 Treasury Management is an important part of the overall financial management of the Council's affairs. Its importance has increased as a result of the freedoms provided by the Prudential Code. The prudential indicators in Appendix 1 cover the affordability and impact of capital expenditure decisions and set out the Council's overall capital framework. The treasury service considers the effective funding of these decisions. Together they form part of the process which ensures the Council meets its balanced budget requirement under the Local Government Finance Act 1992. There are 5 specific statutory treasury management prudential indicators and 8 local indicators.
- 1.2 The treasury management service performs the borrowing and investment activities of the Council and effectively manages the associated risks. Its activities are strictly regulated by statutory requirements and a professional code of practice (the CIPFA Code of Practice on Treasury Management - Revised December 2017). The adoption of the Code is one of the 12 statutory Prudential Indicators. This Council adopted the Code of Practice on Treasury Management on 2nd March 2010. As a result of adopting the Code, the Council also adopted a Treasury Management Policy Statement on 2nd March 2010.
- 1.3 The policy requires an annual strategy to be reported to Council outlining the expected treasury activity for the forthcoming year and includes prudential indicators relating specifically to Treasury Management for the next three years. Further reports are produced; a mid-year monitoring report and a year-end report on actual activity for the year (Annual Treasury Management Stewardship Report). In addition, Treasury Management Practice (TMPs) documents are also maintained by the Chief Finance Officer. The TMPs have been reviewed and updated to reflect any changes in the Treasury Management Strategy and are attached as appendix 4.
- 1.4 A key requirement of this report is to explain both the risks, and the management of the risks, associated with the treasury service. This strategy covers:
- The Council's debt and investment projections;
 - The expected movement in interest rates;
 - The Council's borrowing strategy;
 - The Council's investment strategy;
 - Treasury Management prudential indicators and limits on activity;
 - Local Treasury issues

2.0 Debt and Investment Projections 2019/20 – 2022/23

- 2.1 The borrowing requirement comprises the expected movement in the Capital Financing Requirement (CFR) and any maturing debt that will need to be re-financed. The table below shows the anticipated effect on the treasury position over the current and next three years based on the current capital programme. The expected maximum debt position during each year represents the Operational Boundary prudential indicator (for borrowing only) and so may be

different from the year-end position. It also highlights the expected change in investment balances.

	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
External Debt				
Debt at 1 April	115,354	120,153	126,948	127,633
Expected change in debt	4,799	6,795	685	(2,715)
Debt at 31 March	120,153	126,948	127,633	124,918
Operational Boundary (debt only)	135,145	141,855	142,605	139,890
Investments				
Total Investments at 31 March	24,100	18,500	18,500	18,500
Investment change	(5,100)	(5,600)	0	0

Expected borrowing has been profiled to take out loans before current low borrowing interest rates are forecast to rise significantly.

2.2 The related impact of the above movements on the revenue budgets are:

	2019/20 Revised £'000	2020/21 Estimated £'000	2021/22 Estimated £'000	2022/23 Estimated £'000
Revenue Budgets				
Total interest payable on borrowing	3,925	3,986	4,181	4,256
Related HRA charge	(2,424)	(2,495)	(2,573)	(2,653)
Net General Fund interest payable	1,501	1,491	1,608	1,603
Total investment income	163	151	169	169
Related HRA income share	(45)	(43)	(39)	(43)
Related to other commitments	(18)	(20)	(20)	(20)
Net General Fund income	100	88	110	106

3.0 Prospects for Interest Rates

The Council has appointed Link Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives the Link central view and paragraph 3.1 gives Link's view on economic prospects.

Annual Average %	Bank Rate	PWLB Rates*		
		5 year	25 year	50 year
March 2020	0.75	2.30	3.00	2.90
March 2021	0.75	2.50	3.30	3.20
March 2022	1.00	2.90	3.70	3.60
March 2023	1.25	3.10	3.90	3.80

* Borrowing Rates

The above forecasts are based on an assumption that there is an agreed deal on Brexit, including agreement on the terms of trade between the UK and EU, at some point in time. The result of the general election has removed much uncertainty around this major assumption. However, it does not remove

uncertainty around whether agreement can be reached with the EU on a comprehensive trade deal, as the prime minister has pledged.

2019 was a year of weak UK economic growth as political and Brexit uncertainty depressed confidence. It was therefore little surprise that the Monetary Policy Committee (MPC) left Bank Rate unchanged at 0.75% during the year. However, during January 2020, financial markets were predicting a 50:50 chance of a cut in Bank Rate at the time of the 30 January MPC meeting. Admittedly, there had been plenty of downbeat UK economic news in December and January which showed that all the political uncertainty leading up to the general election, together with uncertainty over where Brexit would be going after that election, had depressed economic growth in quarter 4 of 2019. However, that downbeat news was backward looking; more recent economic statistics and forward-looking business surveys, all pointed in the direction of a robust bounce in economic activity and a recovery of confidence after the decisive result of the general election removed political and Brexit uncertainty. The MPC clearly decided to focus on the more recent forward-looking news, rather than the earlier downbeat news, and so left Bank Rate unchanged. Provided that the forward-looking surveys are borne out in practice in the coming months, and the March Budget delivers with a fiscal boost, then it is expected that Bank Rate will be left unchanged until after the December trade deal deadline. However, the MPC is on alert that if the surveys prove optimistic and/or the Budget disappoints, then they may still take action and cut Bank Rate in order to stimulate growth.

- 3.1 **UK. Brexit.** 2019 was a year of upheaval on the political front as Theresa May resigned as Prime Minister to be replaced by Boris Johnson on a platform of the UK leaving the EU on 31 October 2019, with or without a deal. However, MPs blocked leaving on that date and the EU agreed an extension to 31 January 2020. In late October, MPs approved an outline of a Brexit deal to enable the UK to leave the EU on 31 January. The Conservative Government gained a large overall majority in the **general election** on 12 December; this ensured that the UK left the EU on 31 January. However, there will still be much uncertainty as the detail of a comprehensive trade deal will need to be negotiated by the current end of the transition period in December 2020, which the Prime Minister has pledged he will not extend. This could prove to be an unrealistically short timetable for such major negotiations that leaves open three possibilities; a partial agreement on many areas of agreement and then continuing negotiations to deal with the residual areas, the need for the target date to be put back, probably two years, or, a no deal Brexit in December 2020.

GDP growth took a big hit from both political and Brexit uncertainty during 2019; quarter three 2019 surprised on the upside by coming in at +0.4% q/q, +1.1% y/y. However, the peak of Brexit uncertainty during the final quarter appears to have suppressed quarterly growth to probably around zero. The forward-looking surveys in January have indicated that there could be a significant recovery of growth now that much uncertainty has gone. Nevertheless, economic growth may only come in at about 1% in 2020, pending the outcome of negotiations on a trade deal. Provided there is a satisfactory resolution of those negotiations, which are in both the EU's and UK's interest, then growth should strengthen further in 2021.

At its 30 January meeting, the Monetary Policy Committee held Bank Rate unchanged at 0.75%. The vote was again split 7-2, with two votes for a cut to 0.50%. The financial markets had been predicting a 50:50 chance of a rate cut at the time of the meeting. Admittedly, there had been plenty of downbeat UK economic news in December and January which showed that all the political uncertainty leading up to the general election, together with uncertainty over where Brexit would be going after the election, had depressed economic growth in quarter 4. In addition, three members of the MPC had made speeches in January which were distinctly on the dovish side, flagging up their concerns over weak growth and low inflation; as there were two other members of the MPC who voted for a rate cut in November, five would be a majority at the January MPC meeting if those three followed through on their concerns.

However, that downbeat news was backward looking; more recent economic statistics and forward-looking business surveys, have all pointed in the direction of a robust bounce in economic activity and a recovery of confidence after the decisive result of the general election removed political and immediate Brexit uncertainty. In addition, the September spending round increases in expenditure will start kicking in from April 2020, while the Budget in March is widely expected to include a substantial fiscal boost by further increases in expenditure, especially on infrastructure. The Bank of England cut its forecasts for growth from 1.2% to 0.8% for 2020, and from 1.8% to 1.4% for 2021. However, these forecasts could not include any allowance for the predicted fiscal boost in the March Budget. Overall, the MPC clearly decided to focus on the more recent forward-looking news than the earlier downbeat news.

The quarterly Monetary Policy Report did, though, flag up that there was still a risk of a Bank Rate cut; "Policy may need to reinforce the expected recovery in UK GDP growth should the more positive signals from recent indicators of global and domestic activity not be sustained or should indicators of domestic prices remain relatively weak." Obviously, if trade negotiations with the EU failed to make satisfactory progress, this could dampen confidence and growth. On the other hand, there was also a warning in the other direction, that if growth were to pick up strongly, as suggested by recent business surveys, then "some modest tightening" of policy might be needed further ahead. It was therefore notable that the Bank had dropped its phrase that tightening would be "limited and gradual", a long-standing piece of forward guidance; this gives the MPC more room to raise Bank Rate more quickly if growth was to surge and, in turn, lead to a surge in inflation above the 2% target rate.

As for **inflation** itself, CPI has been hovering around the Bank of England's target of 2% during 2019, but fell again in both October and November to a three-year low of 1.5% and then even further to 1.3% in December. It is likely to remain close to or under 2% over the next two years and so, it does not pose any immediate concern to the MPC at the current time. However, if there was a hard or no deal Brexit, inflation could rise towards 4%, primarily because of imported inflation on the back of a weakening pound.

With regard to the **labour market**, growth in numbers employed has been quite resilient through 2019 until the three months to September, where it fell by 58,000. However, there was an encouraging pick up again in the three months to October to growth of 24,000 and then a stunning increase of 208,000 in the three

months to November. The unemployment rate held steady at a 44-year low of 3.8% on the Independent Labour Organisation measure. Wage inflation has been steadily falling from a high point of 3.9% in July to 3.4% in November (3-month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates higher than CPI inflation), earnings grew by about 2.1%. As the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. The other message from the fall in wage growth is that employers are beginning to find it easier to hire suitable staff, indicating that supply pressure in the labour market is easing.

Coronavirus. The recent Coronavirus outbreak could cause disruption to the economies of affected nations. The Chinese economy is now very much bigger than it was at the time of the SARS outbreak in 2003 and far more integrated into world supply chains. However, a temporary dip in Chinese growth could lead to a catch up of lost production in following quarters with minimal net overall effect over a period of a year. However, no one knows quite how big an impact this virus will have around the world; hopefully, the efforts of the WHO and the Chinese authorities will ensure that the current level of infection does not multiply greatly.

USA. After growth of 2.9% y/y in 2018 fuelled by President Trump's massive easing of fiscal policy, growth has weakened in 2019. After a strong start in quarter 1 at 3.1%, (annualised rate), it fell to 2.0% in quarter 2 and then 2.1% in quarters 3 and 4. This left the rate for 2019 as a whole at 2.3%, a slowdown from 2018 but not the precursor of a recession which financial markets had been fearing earlier in the year. Forward indicators are currently indicating that growth is likely to strengthen somewhat moving forward into 2020.

The Fed finished its series of increases in rates to 2.25 – 2.50% in December 2018. In July 2019, it cut rates by 0.25% as a 'midterm adjustment'. It also ended its programme of quantitative tightening in August 2019, (reducing its holdings of treasuries etc.). It then cut rates by 0.25% again in September and by another 0.25% in its October meeting to 1.50 – 1.75%. It left rates unchanged at its December meeting. Rates were again left unchanged at its end of January meeting although it had been thought that as the yield curve on Treasuries had been close to inverting again, (with 10 year yields nearly falling below 2 year yields - this is often viewed as being a potential indicator of impending recession), that the Fed could have cut rates, especially in view of the threat posed by the coronavirus. However, it acknowledged that coronavirus was a threat of economic disruption but was not serious at the current time for the USA. In addition, the phase 1 trade deal with China is supportive of growth. The Fed though, does have an issue that despite reasonably strong growth rates, its inflation rate has stubbornly refused to rise to its preferred core inflation target of 2%; it came in at 1.6% in December. It is therefore unlikely to be raising rates in the near term. It is also committed to reviewing its approach to monetary policy by midyear 2020; this may include a move to inflation targeting becoming an average figure of 2% so as to allow more flexibility for inflation to under and over shoot.

“The new normal.” The Fed chairman has given an overview of the current big picture of the economy by summing it up as **a new normal of low interest rates, low inflation and probably lower growth.** This is indeed an affliction that has mired Japan for the last two decades despite strenuous efforts to stimulate growth and inflation by copious amounts of fiscal stimulus and cutting rates to zero. China and the EU are currently facing the same difficulty to trying to get inflation and growth up. Our own MPC may well have growing concerns and one MPC member specifically warned on the potential for a low inflation trap in January.

It is also worth noting that no less than a quarter of total world sovereign debt is now yielding negative returns.

Eurozone. Growth has been slowing from +1.8 % during 2018 to nearly half of that in 2019. Growth was +0.4% q/q in quarter 1, +0.2% q/q in quarters 2 and 3; it then fell to +0.1% in quarter 4 for a total overall growth rate of only 1.0% in 2019. Recovery from quarter 4 is expected to be slow and gradual. German GDP growth has been struggling to stay in positive territory in 2019 and grew by only 0.6% in 2019, with quarter 4 potentially being a negative number. Germany would be particularly vulnerable to a no deal Brexit depressing exports further and if President Trump imposes tariffs on EU produced cars.

The European Central Bank (ECB) ended its programme of quantitative easing purchases of debt in December 2018, which then meant that the central banks in the US, UK and EU had all ended the phase of post financial crisis expansion of liquidity supporting world financial markets by quantitative easing purchases of debt. However, the downturn in EZ growth in the second half of 2018 and in 2019, together with inflation falling well under the upper limit of its target range of 0 to 2%, (but it aims to keep it near to 2%), has prompted the ECB to take new measures to stimulate growth. At its March 2019 meeting, it said that it expected to leave interest rates at their present levels “at least through to the end of 2019”, but that was of little help to boosting growth in the near term. Consequently, it announced a **third round of TLTROs**; this provides banks with cheap borrowing every three months from September 2019 until March 2021 that means that, although they would have only a two-year maturity, the Bank was making funds available until 2023, two years later than under its previous policy. As with the last round, the new TLTROs will include an incentive to encourage bank lending, and they will be capped at 30% of a bank’s eligible loans. However, since then, the downturn in EZ and world growth has gathered momentum; at its meeting on 12 September, it cut its deposit rate further into negative territory, from -0.4% to -0.5%, and announced a **resumption of quantitative easing purchases of debt for an unlimited period.** At its October meeting it said these purchases would start in November at €20bn per month - a relatively small amount compared to the previous buying programme. It also increased the maturity of the third round of TLTROs from two to three years. However, it is doubtful whether this loosening of monetary policy will have much impact on growth and, unsurprisingly, the ECB stated that governments would need to help stimulate growth by ‘growth friendly’ fiscal policy. There have been no changes in rates or monetary policy since October. In January, the ECB warned that the economic outlook was ‘tilted to the downside’ and repeated previous requests for governments to do more to stimulate growth by increasing national spending. The new President of the ECB, Christine Lagarde who took over in December, also stated that a year long review

of monetary policy, including the price stability target, would be conducted by the ECB.

On the political front, Austria, Spain and Italy have been in the throes of **forming coalition governments** with some unlikely combinations of parties i.e. this raises questions around their likely endurance. The most recent results of German state elections has put further pressure on the frail German CDU/SDP coalition government and on the current leadership of the CDU.

China. Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and shadow banking systems. In addition, there still needs to be a greater switch from investment in industrial capacity, property construction and infrastructure to consumer goods production.

Japan - has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy.

World growth. Until recent years, world growth has been boosted by increasing **globalisation** i.e. countries specialising in producing goods and commodities in which they have an economic advantage and which they then trade with the rest of the world. This has boosted worldwide productivity and growth, and, by lowering costs, has also depressed inflation. However, the rise of China as an economic superpower over the last thirty years, which now accounts for nearly 20% of total world GDP, has unbalanced the world economy. The Chinese government has targeted achieving major world positions in specific key sectors and products, especially high tech areas and production of rare earth minerals used in high tech products. It is achieving this by massive financial support, (i.e. subsidies), to state owned firms, government directions to other firms, technology theft, restrictions on market access by foreign firms and informal targets for the domestic market share of Chinese producers in the selected sectors. This is regarded as being unfair competition that is putting western firms at an unfair disadvantage or even putting some out of business. It is also regarded with suspicion on the political front as China is an authoritarian country that is not averse to using economic and military power for political advantage. The current trade war between the US and China therefore needs to be seen against that backdrop. It is, therefore, likely that we are heading into a period where there will be a **reversal of world globalisation and a decoupling of western countries** from dependence on China to supply products. This is likely to produce a backdrop in the coming years of weak global growth and so weak inflation. **Central banks are, therefore, likely to come under more pressure to support growth by looser monetary policy measures and this will militate against central banks increasing interest rates.**

The trade war between the US and China is a major concern to **financial markets** due to the synchronised general weakening of growth in the major economies of the world, compounded by fears that there could even be a recession looming up in the US, though this is probably overblown. These concerns resulted in **government bond yields** in the developed world falling

significantly during 2019. If there were a major worldwide downturn in growth, central banks in most of the major economies will have limited ammunition available, in terms of monetary policy measures, when rates are already very low in most countries, (apart from the US). There are also concerns about how much distortion of financial markets has already occurred with the current levels of quantitative easing purchases of debt by central banks and the use of negative central bank rates in some countries.

4.0 The Council's Borrowing and Debt Strategy 2020/21

4.1 The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the CFR), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is high and will be maintained for the borrowing.

4.2 Against this background and the risks within the economic forecast, caution will be adopted with the 2020/21 treasury operations. The Chief Finance Officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances as follows.

4.3 If it was felt that there was a significant risk of a sharp fall in long term rates e.g. due to a marked increase of risks around a relapse into recession or of risks of deflation, then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.

4.4 If it was felt that there was a significant risk of a much sharper rise in long and short term rates than that currently forecast, perhaps arising from a greater than expected increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates are still relatively cheap

4.5 The Council's overall core borrowing objectives will remain uniform and follow a similar pattern to previous years as follows:

- To reduce the revenue costs of debt in line with the targets set for the Chief Finance officer (see local indicators).
- To manage the Council's debt maturity profile, leaving no one future year with a high level of repayments that might cause problems in re-borrowing.
- To effect funding at the cheapest cost commensurate with future risk.
- To forecast average future interest rates and borrow accordingly i.e. short term/variable when rates are 'high', long term/fixed when rates are 'low'.
- To monitor and review the level of variable rate loans in order to take greater advantage of interest rate movements.
- To proactively reschedule debt in order to take advantage of potential savings as interest rates change. Each rescheduling exercise will be considered in terms of the effect of premiums and discounts on the General Fund and the Housing Revenue Account.
- To manage the day-to-day cash flow of the Council in order to, where possible, negate the need for short-term borrowing. However, short-term borrowing will be incurred, if it is deemed prudent to take advantage of good investment rates.

- 4.7 There is unsupported borrowing in the General Fund Investment Programme (GIP) as detailed in the Capital Strategy – the requirement to produce a Capital Strategy was introduced in 2018. The Council expects to take out loans for the General Fund however, will continue to use internal balances whilst interest rates on investments remain low. Officers are continually evaluating the cost effectiveness of borrowing as opposed to selling capital assets. Proposals are presented to Members when borrowing becomes more cost effective.
- 4.8 During the next MTFs period borrowing is planned for the HRA investment programme.
- 4.9 The strategy allows for additional borrowing in line with the expected movement in the Capital Financing Requirement (CFR), should it become necessary for cash flow requirements. The Council will consider PWLB loans, Market loans, the Municipal Bond Agency and other financial institutions, if attractive rates are offered. In addition, should schemes be identified that benefit the Council's strategic aims and be deemed cost effective, i.e. Invest to Save schemes where the income streams more than pay for the borrowing costs, unsupported borrowing will be considered.

5.0 The Council's Investment Strategy 2020/21

- 5.1 The Council's investment strategy's primary objectives are safeguarding the repayment of the principal and interest of its investments on time, ensuring adequate liquidity, with the investment return being the final objective.

The intention of the strategy is to provide security of investment and minimisation of risk.

The aim of the strategy is to generate a list of highly creditworthy counterparties which will also enable diversification and thus avoidance of concentration risk.

In line with this aim, the Council will ensure:

- It maintains a policy covering the types of specified and unspecified investments it will invest in, criteria for choosing investment counterparties with adequate security and monitoring their security. This is set out in the paragraphs below.
 - Specified Investments – these are high security investments (i.e. high credit quality) and high liquidity investments in sterling with a maturity of no more than one year.
 - Non-specified Investments – investments that do not fall into the category of Specified Investments, representing a potential greater risk (e.g. over one year).
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

5.2 Risk benchmarking

Yield benchmarks are widely used to assess investment performance. Discrete security and liquidity benchmarks are also requirements to Treasury Management

reporting, although the application of these is more subjective in nature. Additional background in the approach taken is shown at the end of this appendix.

5.3 These benchmarks are simple guides to maximum risk and so may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the Mid-Year or Annual Report.

5.4 Security

The Council's expected security risk benchmark for the current portfolio, when compared to these historic default tables, is:

- 0.009% historic risk of default when compared to the whole portfolio.

5.5 Liquidity

In respect of this area the Council seeks to maintain:

- Bank overdraft - £nil.
- Liquid short term deposits of at least £5 million available with a week's notice.
- Weighted Average Life benchmark is expected to be 0.25 years.

5.6 Yield

Local measure of yield benchmark employed is:

- Investments – return above the 7 day LIBID rate

5.7 Investment Counterparty Selection Criteria

The primary principle governing the Council's investment criteria is the security of its investments although the yield or return on the investment is also a key consideration. After this main principle the Council will ensure:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the Specified and Non-Specified investment sections below.

It has sufficient liquidity in its investments. For the purpose it will set out procedures for determining the maximum periods for which funds may be prudently committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

5.8 The Chief Finance Officer will maintain a counterparty list in compliance with the criteria set out in the table contained within this appendix and will revise the criteria and submit them to Council for approval as necessary. These criteria are separate to that which chooses Specified and Non-Specified investments as they provide an overall pool of counterparties considered high-quality which the Council may use rather than defining what its investments are.

5.9 Following the reductions to the Council's grant funding settlement and ongoing financial pressures, the identification of savings and income generation are

critical to the delivery of the Medium Term Financial Strategy. Treasury Management is an important area for further income generation and therefore, the main theme of the Council's investment strategy must continue to be to maximise interest from investments, after ensuring adequate security and liquidity. The Investment Strategy 2019-20 seeks to achieve this objective by establishing a pool of counterparties available for investment whilst still containing overall risk within acceptable levels.

5.10 The Council uses Link Asset Services' creditworthiness service. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies – Fitch, Moody's and Standard and Poor's.

In accordance with the guidance from the MHCLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.

As with previous practice, ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets, engaging with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings. This is fully integrated into the creditworthiness methodology provided by Link Asset Services. The result is a colour coding system, which shows the varying degrees of suggested creditworthiness.

Alongside the credit ratings other information sources are used and include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process with regard to the suitability of potential investment counterparties.

The credit ratings of counterparties are supplemented with the following overlays:

- Credit watches and credit outlooks from credit rating agencies;
- Credit Default Swaps (CDS) spreads to give early warning of likely changes in credit ratings;
- Sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads resulting in a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands:

Yellow	5 years
Purple	2 years
Blue	1 year (only applies to part-government owned UK banks)
Orange	1 year

Red	6 months
Green	100 days
No colour	Not to be used

The Link Asset Services creditworthiness service uses a wider array of information than primary ratings alone and by using a risk weighted scoring system, does not give undue preponderance to just one agency's ratings.

- 5.11 Typically, the minimum credit ratings criteria the Council use will be a Short Term rating (Fitch or equivalents) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

The credit ratings specified above are defined as follows:-

F1 (short term rating) – Highest credit quality

A- (long term rating) – High credit quality, denoting a very strong bank

- 5.12 All credit ratings will be monitored regularly. The Council is alerted to changes to ratings of all three agencies through its use of Link's creditworthiness service.

- If a downgrade results in the counterparty no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- In addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's counterparty list.

Sole reliance will not be placed on the use of this external service. In addition the Council will also use market data and market information, information on sovereign support for banks and the credit ratings of that supporting government.

- 5.13 Country and sector considerations

Due care will be taken to consider the country, group and sector exposure of the Council's investments. In part the country selection will be chosen by the credit rating of the Sovereign state. In addition:

- No more than 50% will be placed with any non-UK country at any time (see below).
- Group limits have been set to ensure that the Council is not exposed to excessive risk due to concentration of investments within any one institution or group. These are detailed in the Investment Counterparty Limits table contained within this appendix.

Although the strategy sets a limit for investment in non-UK countries at no more than 50%, the Council has been operating a tighter operational strategy in the light of the Eurozone difficulties and has not been investing outside the UK. This operational restriction will continue until the problems in the Eurozone economy

have been sufficiently resolved.

- 5.14 In the normal course of the Council's cash flow operations it is expected that both Specified and Non-specified investments will be used for the control of liquidity as both categories allow for short-term investments. The Chief Finance Officer will strive to keep investments within the Non-specified category to a prudent level (having regard to security and liquidity before yield). To these ends the Council will maintain a maximum of 75% of investments in Non-specified investments.
- 5.15 The use of longer-term instruments (greater than one year from inception to repayment) will fall in the Non-specified investment category. These instruments will only be used where the Council's liquidity requirements are safeguarded. The investment in longer-term instruments is also limited by the prudential indicator 14 shown in paragraph 6.3, which gives the maximum amount to be invested over 1 year, as well as the limits on the amounts that can be placed with the categories within the non-specified range of investments (see above paragraph 5.14).
- 5.16 Expectations on shorter-term interest rates, on which investment decisions are based, reflect the fact that an increase in the current 0.75% Bank Rate is unlikely until March 2021. The Council's investment decisions are based on comparisons between the rises priced into market rates against the Council's and advisers own forecasts.
- 5.17 There are operational challenges arising from the ongoing economic conditions. Ideally investments would be invested longer to secure better returns, however shorter dated investments provide better security.
- 5.18 The criteria for choosing counterparties set out above provide a sound approach to investment in difficult market circumstances.

5.19 Sensitivity to Interest Rate Movements

The Council's Statement of Accounts is required to disclose the impact of risks on the Council's treasury management activity. Whilst most of the risks facing the treasury management service are addressed elsewhere in this report (credit risk, liquidity risk, market risk, maturity profile risk), the impact of interest rate risk is discussed but not quantified. The table below highlights the estimated impact of a 0.5% increase/decrease in the average interest rates for investments for next year. That element of the debt and investment portfolios, which are of a longer term, fixed interest rate nature, will not be affected by interest rate changes. There will be no effect on borrowing costs as all the Council's existing debt is fixed rate and the additional borrowing planned will also be fixed rate and has been included within the budget figures in this report at the forecast rate for 2020/21.

£000	2020/21 Estimated + 0.5%*	2020/21 Estimated - 0.5%
Revenue Budgets		
Investment income	86	(86)
Related HRA Income	28	(28)
Net General Fund/Other Income	58	(58)

*This assumes that the rise of 0.50% would be reflected in the rates available to invest– in practice a rate rise of 0.50% would not equal an increase in the rates available.

6.0 Treasury Management Limits on Activity

6.1 There are four further treasury activity limits, which were previously prudential indicators. The purpose of these is to contain the activity of the treasury function within certain limits, thereby managing the risk and reducing the impact of an adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunity to reduce costs. The indicators are:

- **Upper limit on variable rate exposure** – this identifies a maximum limit for variable interest rates based upon the debt position net of investments.
- **Upper limit on fixed rate exposure** – Similar to the previous indicator this covers a maximum limit on fixed interest rates.
- **Maturity structures of borrowing** – These gross limits are set to reduce the Council’s exposure to large fixed rate sums falling due for refinancing at the same time and are required for upper and lower limits.
- **Total principal sums invested for periods longer than 1 year** – These limits are set with regard to the Council’s liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

6.2 In addition the Chief Finance Officer has set eight additional local indicators. The aim of these indicators is to increase the understanding of the treasury management indicators.

6.3 The 4 treasury limits above together with the adoption of the Code of Practice indicators are shown below:

Indicator 11	2020/21 Target £m	2021/22 Target £m	2022/23 Target £m
Upper Limit on variable interest rate exposure	50.8	51.1	49.9

Indicator 12	2020/21 Target £m	2021/22 Target £m	2022/23 Target £m
Upper Limit on fixed interest rate exposure	122.3	123.0	120.2

Indicator 13	2020/21		2021/22		2022/23	
Maturity Structure of fixed borrowing	Lower	Upper	Lower	Upper	Lower	Upper
Under 12 months	0%	40%	0%	40%	0%	40%
12 months to 2 years	0%	40%	0%	40%	0%	40%
2 years to 5 years	0%	60%	0%	60%	0%	60%
5 years to 10 years	0%	80%	0%	80%	0%	80%
10 years and above	10%	100%	10%	100%	10%	100%

Indicator 14	2020/21 £m	2021/22 £m	2022/23 £m
Maximum principal sums invested for longer than 1 year	5	5	5

Indicator 15
CIPFA Code of Practice for Treasury Management in the Public Services (Revised December 2017) adopted by Council on 2nd March 2010.

6.4 The Code of Practice on Treasury Management requires the Council to set performance indicators to assess the adequacy of the treasury management function over the year. The Chief Finance Officer has therefore set 8 local indicators, which are believed to add value and assist the understanding of the main prudential indicators. These indicators are:

- Debt – Borrowing rate achieved against average 7 day LIBOR.
- Investments – Investment rate achieved against average 7 day LIBID.
- Average rate of interest paid on the Councils Debt – this will evaluate performance in managing the debt portfolio to release revenue savings.
- Amount of interest on debt as a percentage of gross revenue expenditure.
- Limit on fixed interest rate investments
- Limit on fixed interest rate debt
- Limit on variable rate investments
- Limit on variable rate debt

6.5 The 8 indicators are shown below:

	2020/21 Target	2021/22 Target	2022/23 Target
Debt - Borrowing rate achieved i.e. temporary borrowing (loans of less than 1 year)	Less than 7 day LIBOR	Less than 7 day LIBOR	Less than 7 day LIBOR

	2020/21 Target	2021/22 Target	2022/23 Target
Investment rate achieved	Greater than 7 day LIBID	Greater than 7 day LIBID	Greater than 7 day LIBID

	2020/21 Target	2021/22 Target	2022/23 Target
Average rate of Interest Paid on Council Debt (%)	4.75%	4.75%	4.75%

	2020/21 Target	2021/22 Target	2022/23 Target
Interest on Debt as a % of Gross Revenue Expenditure	4.4%	4.6%	4.6%

	2020/21 Target	2021/22 Target	2022/23 Target
Upper Limit on fixed interest rate Investments	100%	100%	100%

	2020/21 Target	2021/22 Target	2022/23 Target
Upper Limit on fixed interest rate debt	100%	100%	100%

	2020/21 Target	2021/22 Target	2022/23 Target
Upper Limit on variable interest rate investments	75%	75%	75%

	2020/21 Target	2021/22 Target	2022/23 Target
Upper Limit on variable interest rate debt	40%	40%	40%

6.6 Treasury Management Advisers

The Council has engaged the services of Link Asset Services as its treasury management consultants. The company provides a range of services which include:

- Technical support on treasury matters, capital finance issues and the drafting of Member reports;
- Economic and interest rate analysis;
- Debt rescheduling advice surrounding the existing portfolio;
- Credit ratings/market information service comprising the three main credit rating agencies.

Whilst the advisers provide support to the internal treasury function, under current market rules and the CIPFA Code of Practice the final decision on treasury matters remains with the Council. This service is subject to regular review.

6.7 Member and Officer Training

The increased Member consideration of treasury management matters and the need to ensure officers dealing with treasury management are trained and kept up to date requires a suitable training process for Members and officers.

This Council has addressed this important issue by:

- Member Training – Our treasury management advisers provided training to the Audit Committee prior to the consideration of this year's strategy. They also provided training to the Performance Scrutiny Committee to support their consideration of the mid-year report. The training needs will be regularly reviewed and updated as necessary in 2020/21.
- Staff Training – training needs for staff engaged in treasury management are addressed through the appraisal process. Training is provided both by the Council's treasury management advisers, other external providers and internally. In addition, the Council encourages staff engaged in treasury to undertake a professional accountancy qualification and ensures that the day-to-day trading is overseen by a professionally qualified accountant following the CIPFA Code of Practice.

7.0 Breakdown of Investment Categories with Maximum Amounts and Periods

The Chief Finance Officer, in accordance with TMP 1 (1) within the Council's Code of Practice, is authorised to invest funds surplus to immediate requirements with the following types of institutions subject to the minimum ratings produced by the three credit rating agencies Fitch, Moody's and Standard & Poor's. The Link Asset Services creditworthiness service is applied to determine a list of suitable counterparties available for investment. The minimum ratings applied by Link Asset Services in compiling their recommended counterparty list are set out in section 5.11 of the investment strategy.

All counterparty ratings are updated on a regular basis on the advice of the Council's Treasury Consultants. Notifications of rating changes are received as they happen.

Investment Counterparty Limits

Institution	Minimum credit criteria/colour band	Maximum limit per group or institution £ million	Maximum maturity period
SPECIFIED INVESTMENTS			
UK Bank ^{*1}	Orange/Blue Red Green	£5 million	1 year 6 months 100 days
Non-UK Banks ^{*1} Sovereign rating AA	Orange Red Green	£5 million	1 year 6 months 100 days
Building Society ^{*2}	Orange Red Green	£5 million	1 year 6 months 100 days
Money Market Fund ^{*3}	Yellow	£5 million	Liquid
UK Government ^{*4}	Yellow	unlimited	6 months
UK Local Authority ^{*4}	Yellow	£2 million	1 year
NON-SPECIFIED INVESTMENTS			
UK Bank ^{*1}	Purple	£5 million	2 years
Non-UK Banks ^{*1} Sovereign rating AA	Purple	£3 million	2 years
Building Society ^{*2}	Purple Yellow	£2 million	2 years 5 years
UK Local Authority ^{*4}	Yellow	£2 million	5 years
Lincoln Credit Union	N/A	£10K	N/A
Council's own bank ^{*5} (operational cash limit in addition to the investment group limit)	N/A	£500K	Overnight

***1** Where the term 'Bank' is used, this denotes a UK or European Bank authorised to accept deposits through a bank account incorporated within the UK banking sector. The maximum amount indicated is the 'Group total' and covers the total amount that can be invested when spread over any number of subsidiaries within that group.

***2** Where the term Building Society is used, this denotes a UK Building Society.

***3** Money market funds (MMF) are mutual funds that invest in short-term high quality debt instruments. The assets are actively managed within very specific guidelines to offer liquidity and competitive returns. Recently MMFs have changed from a constant net asset value basis to a low volatility net asset value. Although money funds are regarded as short-term investments the rating agencies use a classification system based on long-term debt ratings.

***4** The UK Government (i.e. HM Treasury and its Executive Agency, the Debt Management Office) and Local Authorities, although not rated as such, are classified as having the equivalent of the highest possible credit rating.

***5**This limit covers normal treasury management activities but excludes any deposits received after money market trading has closed.

It allows up to £500K of operational cash to be held in the Council's main bank account in addition to the group investment limit for the bank, if the bank is included on the Council's counterparty list.

Approved Investment Instruments

In addition to determining the rating and limits of authorised counterparties TMP 4 "Approved instruments, methods and techniques" within the Council's Code of Practice requires the Council to define the instruments that the Authority will use in undertaking its Treasury Management activities. In accordance with this, and the investment regime issued as part of the prudential capital finance system, the Instruments that the Chief Finance Officer will consider investing surplus funds in are shown below:

Instruments of Specified Investments *1

1. Gilt-edged securities issued by the United Kingdom Debt Management Office (UK DMO), an Executive Agency of HM Treasury.
2. Treasury Bills issued by the UK DMO.
3. Deposits with the Debt Management Office Debt Management Account Deposit Facility (DMADF).
4. Deposits with a Local Authority, Parish Council or Community Council.
5. Deposits with Banks and Building Societies (Including opening Business Accounts).
6. Certificates of deposit issued by Banks and Building societies.
7. Pooled investment vehicles (e.g. money market funds)

***1** To be defined as a Specified Investment the above instruments will have these features common to all:

- Be denominated in Sterling,
- Of not more than 1 year maturity,
- Of longer than 1 year maturity but the Council has the right to be repaid within 12 months,
- For instruments numbered 5 to 7 these must be with institutions of high credit quality.

Instruments of Non-Specified Investments *2

1. Deposits with Banks, Building Societies and their subsidiaries.
2. The Council's own banker if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as is possible.
3. Certificates of deposit issued by Banks and Building Societies.

***2** To be defined as a Non-Specified Investment the above instruments will have these features common to all:

- Denominated in Sterling,
- Of more than 1 year maturity,

- Of less than 1 year maturity with an institution that does not meet the basic security requirements under Specified Investments e.g. a deposit with a non-credit rated Bank or Building Society

Security, Liquidity and Yield benchmarking

Benchmarking and Monitoring Security, Liquidity and Yield in the Investment Service

A requirement for Treasury Management reporting is the consideration and approval of security and liquidity benchmarks.

These benchmarks are targets and so may be breached from time to time. Any breach will be reported, with supporting reasons in the Annual Treasury Report.

Yield – These benchmarks are widely used to assess investment performance. Local measures of yield benchmarks are:

- Investments – Internal returns above the 7 day LIBID rate

Security and liquidity benchmarks are already intrinsic to the approved treasury strategy through the counterparty selection criteria and some of the prudential indicators. Benchmarks for the cash type investments are set out below and these will form the basis of reporting in this area. In other investment categories appropriate benchmarks will be used where available.

Liquidity – This is defined as “having adequate, though not excessive cash resources, borrowing arrangements, overdrafts or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives” (CIPFA Treasury Management Code of Practice). In respect of this area the Council seeks to maintain:

- Bank overdraft - nil
- Liquid short term deposits of at least £5m available with a week’s notice.

The availability of liquidity and the term risk in the portfolio can be benchmarked by the monitoring of the Weighted Average Life (WAL) of the portfolio – a shorter WAL would generally embody less risk. In this respect the proposed benchmark to be used is:

- WAL benchmark is expected to be 0.25 years.
- Security of the investments – In context of benchmarking, assessing security is a much more subjective area to assess. Security is currently evidenced by the application of minimum credit quality criteria to investment counterparties, primarily through the use of credit ratings supplied by the three main credit rating agencies (Fitch, Moody’s and Standard and Poor’s). Whilst this approach embodies security considerations, benchmarking levels of risk is more problematic. One method to benchmark security risk is to assess the historic level of default against the minimum criteria used in the Council’s investment strategy.

The Council’s expected security risk benchmark from its budgeted investment strategy is:

- 0.009% historic risk of default when compared to the whole portfolio which equates to a potential loss of £2,169 on an investment portfolio of £21.4m. In addition that the security benchmark for each individual year is:

	1 year	2 year	3 year	4 year	5 year
Maximum	0.30%	0.30%	0.30%	0.30%	0.30%

These benchmarks are embodied in the criteria for selecting cash investment counterparties and these will be monitored and reported to Members in the Investment Annual Report. As this data is collated, trends and analysis will be collected and reported

SUBJECT:	CELEBRATING VISION 2020
DIRECTORATE:	CHIEF EXECUTIVE'S
REPORT AUTHOR:	ANGELA ANDREWS, CHIEF EXECUTIVE AND TOWN CLERK

1. Purpose of Report

- 1.1 Vision 2020 is the council's strategic plan covering the period April 2017 to March 2020. It is a vision for the city shared with key stakeholders and partners, encapsulated in the key vision statement:

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

This report highlights the excellent progress made in this first stage of the council's longer vision to 2030.

2. Background

- 2.1 Vision 2020 was published in January 2017 and formed the first three-year phase of a wider plan for the city to be delivered by 2030. This vision brought what we wanted to achieve over the longer term, and how we were going to start achieving it, together into the same document

- 2.2 Progress has been monitored throughout the three years through a series of Strategic Priority Groups aligned to the four priorities identified within the vision.

Performance on the projects that we have commenced has then been reported annually to Performance Scrutiny and to Executive, aligned with the Portfolio Holders reports to committee.

- 2.3 This report (**Appendix A**) brings together and celebrates the extensive work completed by our own service teams and also the work we have completed with our partners.

3. Celebrating Vision 2020

- 3.1 Throughout the life of the plan we have worked with partners across the city to deliver economic growth, reduce inequality, increase the supply of quality housing and celebrate our remarkable city.
- 3.2 The report (**Appendix A**) is structured to reflect the original vision – it shows each of the four priorities separately and those projects undertaken within each of the aspirations within them.

In addition, the Celebration contains under each Priority a section showing the importance of the service teams every day work which play a vital role in keeping our services running.

- 3.3 The report also covers the important work completed under the heading High Performing Services. The council has continued to face unprecedented financial challenges, which are coupled with rising demand for services from residents who rely on the safety net provided by the council.

We will continue to do all we can to minimise the effects of these challenges on our residents and will prioritise services that are needed the most.

- 3.4 Note that this version is the draft version structured in a way that helps the designers to deliver the final version easily. A fully designed pictorial/colour version will be available from the 4th March and launched to the public in advance of the Lincoln 'Delivering a Sustainable and Inclusive Future' Growth Conference on March 11th, 2020, where our new strategic plan Vision 2025 will be launched.
- 3.5 There will also be a small number of hard copy reports printed for the Growth conference, but the primary route for sending the final report will be electronically, via email to key stakeholders or through our website.

4. Strategic Priorities

- 4.1 Let's drive economic growth Significant positive impacts on this priority through project and business as usual activity
- 4.2 Let's reduce inequality Significant positive impacts on this priority through project and business as usual activity
- 4.3 Let's deliver quality housing Significant positive impacts on this priority through project and business as usual activity
- 4.4 Let's enhance our remarkable place Significant positive impacts on this priority through project and business as usual activity
- 4.5 High performing services Significant positive impacts on this priorities' aims

5. Organisational Impacts

- 5.1 Finance (including whole life costs where applicable) – no direct impact
- 5.2 Legal Implications including Procurement Rules – no direct impact
- 5.3 Equality, Diversity and Human Rights – no direct impact

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

All aspects of equality are a focus in the Reducing Inequality Priority but are an embedded part of the requirements for projects within all other priorities too.

6. Risk Implications

6.1 (i) Options Explored – n/a

6.2 (ii) Key risks associated with the preferred approach – n/a

7. Recommendation

7.1 Executive are asked to approve the Celebrating Vision 2020 summary and recommend it for publication

Is this a key decision? No

Do the exempt information categories apply? No

Does Rule 15 of the Scrutiny Procedure Rules apply? No

How many appendices does the report contain? One – Celebrating Vision 2020

List of Background Papers: None

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CELEBRATING VISION 2020

Together, let's deliver Lincoln's ambitious future

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Contents

Foreword
An introduction to our great city
Performance to be proud of
Local democracy that works
Vision 2020
Let's drive economic growth
Let's reduce inequality
Let's deliver quality housing
Let's enhance our remarkable place
High performing services
Awards
Corporate social responsibility
Our annual governance statement 2018/19
Our finances
Other formats
Proud to be Lincoln logo



In 2017 we launched our vision for the future for Lincoln. This document celebrates the work we have done, and projects delivered, under our strategic plan - Vision 2020. Throughout the life of the plan we have worked with partners across the city to deliver economic growth, reduce inequality, increase the supply of quality housing and celebrate our remarkable city.

Year one saw the development of Lincoln's new bus station and adjacent 1000 space multi-storey car park, the catalyst for regeneration and redevelopment in Sincil Street and the Cornhill Quarter. Years two and three saw the bus station and car park opened, much of the work in Sincil Street completed and new retail and commercial floor space on the south side of the Cornhill all but complete.

We want to ensure Lincoln continues to be a great place to live and therefore embarked on a house building programme to develop high quality, energy efficient affordable homes. Our parks and gardens continue to provide excellent spaces for people to enjoy, including the extensive renovations already completed in Boultham Park. Funding to restore the lake in Boultham Park has also been secured, which will make it an even better place for families to enjoy activities together.

Projects to support rough sleepers in the city, tackle rogue landlords and revitalise Sincil Bank have all helped in reducing inequality. The rough sleepers project has helped many people find accommodation, rogue landlords have received significant fines for sub-standard homes and the Sincil Bank Community Hub in Portland Street has opened its doors to local residents.

The long-term aspirations within Vision 2020 are beginning to be realised, and this document provides a snapshot of some of the key achievements. However, our work is ongoing, and we plan to maintain the momentum generated through Vision 2020, with our ambitions for the next five years are set out in Vision 2025.



Councillor Ric Metcalfe
Leader



Angela Andrews
Chief Executive

Introducing our city

Lincoln is our county's urban hub, an international tourist destination and home to two universities. A dynamic and contemporary cathedral city, Lincoln has developed at pace into a thriving place to live, work and visit, acting as a driver for the Greater Lincolnshire area. The city continues to embrace change, responding to the needs of its increasing population, but retaining and respecting its heritage, culture and identity.

Steeped in heritage, Lincoln's history goes back 2,000 years. The magnificent cathedral, the restored Norman castle holding Lincoln's 800-year-old Magna Carta, and a host of other historic attractions bring visitors from across the globe. Events such as the Lincoln Christmas Market and Steampunk Festival add to the city's offer, together boosting visitor numbers by more than 350,000.

Lincoln has since the mid-1990s been recognised as an important seat of learning with its two universities in the heart of the city and more than 17,000 students. This has increased the diversity of the city with the University of Lincoln having around 100 different nationalities represented among its student population.

Covering just 13.78 square miles the city's boundaries are tightly drawn with a population of just over 99,000 people who have made Lincoln their home. There are almost 46,000 homes in the city, of which around 8,000 are owned by the council. Although principally urban, the city has two grade II listed historic parks, a country park and extensive common land, providing high quality green spaces. The new east-west link road, the pedestrian footbridge across the railway, and introduction of direct rail services to and from London have made Lincoln easier to get to and get around.

Together with the universities and tourism, Lincoln has a strong service industry and is renowned for its engineering excellence, with Lincoln Science and Innovation Park acting as a centre for new and existing businesses to grow and thrive. As the dominant retail centre in the county, Lincoln has a wide range of 'big name' stores and specialist independent shops lining the High Street, in the Bailgate area, as well as in other locations in the city.

Lincoln, like any modern-day city, is not without its challenges, but as an inclusive city considerable work is being done to regenerate some of the most deprived communities in the city, to address homelessness and to improve the lives of all residents. Vision 2020 has been the vehicle for channelling the work of the council and its partners to ensure economic growth can be realised, inequalities reduced, high quality places to call home are provided, and the built and natural environments of the city are of enviable quality making us 'Proud to be Lincoln'.

PROUD
TO BE
LINCOLN

Vision 2020

City of Lincoln Council is committed to Lincoln's future and, in its role as community leader, is best placed to spearhead delivery for the city. Our residents are at the heart of what we do, and in 2017, after significant consultation with residents, businesses and other partners, we published Vision 2020.

Vision 2020 was the city council's strategic plan for the period 2017-20, being the first phase of our long-term vision up to 2030. It set out, in broad terms, our longer-term vision for the city, with a focus on what the council planned to do up to 2020.

This celebration document highlights what has been delivered during the lifetime of the plan towards achieving our vision:

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

A key part of achieving this vision is working closely with our partners. By ensuring a joined-up approach, the council has accomplished much more for Lincoln.

Co-ordinating resources with other organisations has been key to working towards making Lincoln's ambitious future a reality.

The strategic priorities supporting our vision to 2020 were:

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

These were underpinned by a commitment to professional, high performing service delivery, and supported by three core values that guided the city council's approach:

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

Let's drive economic growth

What does Vision 2020 tell us about this priority?

Economic growth, in particular the provision of a diverse range of employment opportunities, a skilled local workforce, and innovative and effective infrastructure has long been recognised as key to tackling poverty and creating wealth. Lincoln has some unique and special assets particularly around heritage, cultural offerings and overall quality of life that means it is well positioned to attract further investment. Over the period of Vision 2020 we have worked to maximise the benefits of growth to ensure a sustainable, diverse, strong and prosperous future for Lincoln.

Aspiration: Let's build a strong, viable and prosperous future for Lincoln

Western Growth Corridor

Work has been progressing throughout Vision 2020 on the delivery of this important site for the city's future growth, beginning with an initial period of consultation in 2017. Proposals include housing, community facilities, transport infrastructure and flood defence improvements.

The need for more housing to support economic and population growth is a key factor in building a strong, viable and prosperous future. The delivery of the Western Growth Corridor sustainable urban extension by 2036 includes plans for 3,200 new homes, new employment opportunities and community facilities including a new school, and sport and leisure complex. In 2019 Homes England awarded £1.8 m of grant funding towards initial infrastructure costs required to access the site.

A planning application was submitted in spring 2019, following extensive public consultation and included plans and comprehensive assessment of flood risk, traffic impact, landscape and ecology. Given the size and complexity of the project, consideration of the evidence and consultation representation is being undertaken and a planning decision expected in 2020.

Civic and international partnerships

Our Civic and International Partnerships have remained strong and help in raising the profile of the city. Lincoln has twinning arrangements with Neustadt an der Weinstrasse in Germany, Port Lincoln in South Australia, Radomsko in Poland and Tangshan and Nanchang in China.

Annual exchange visits between Lincoln and Neustadt take place and a delegation from Neustadt is welcomed each year to open the Lincoln Christmas Market. In 2017 the annual invitation for a delegation to visit Neustadt was as 'special guests' to mark the retirement of the Oberbürgermeister who was retiring after 16 years. In his speech the Oberbürgermeister spoke fondly of Lincoln and how the twinning had played a large part in education, tourism and economic development e.g. the Lincoln Christmas Market. This twinning arrangement is one of Europe's long lasting partnerships, celebrating its 50th anniversary in 2020.

In 2019 a delegation from Nanchang came to Lincoln, visiting the new transport hub and regeneration works underway in the Cornhill Quarter, and guests from Port Lincoln were welcomed to the Guildhall.

Aspiration: Let's help businesses prosper

Public Realm Strategy

The city council's Public Realm Strategy was published in November 2017 and was developed with local partners including the county council and landscape architects. The purpose of this strategy is to provide a vision and set of principles to steer future public realm activities and ensure the quality of the city centre is maintained.

During the course of Vision 2020 public realm works had been completed outside the bus station and are nearing completion in Exchange Square.

Lincoln Central Market

The council continues to support businesses through the operation of a Central Market. A Market Strategy has been developed which promotes the development of city square as an outdoor market space and the development of Cornhill as an event space. The outside market was established in 2018 with several stalls now trading regularly on City Square, and a daily lets system is operating inside the Central Market for pop up traders. Occupancy in the market in 2018/19 was averaging around 70%.

Working with educational establishments

The council has continued to work with the city's two Universities and Lincoln College to grow the education and research and development strengths within the city. The University of Lincoln's new Medical School had its first intake of students in the 2019/20 academic year. The new Medical School building is scheduled for completion in 2021 and aims to deliver medical training to around 400 students per year, providing a ready pool of staff to address shortages at the city's hospital and elsewhere in the country.

Aspiration: Let's create a culture of innovation

Lincoln Science and Innovation Park

Since opening, Lincoln Science & Innovation Park has become home to a thriving science and technology community in the city. The initial development created 12,000m² of renovated and purpose-built space. Phase Two, is a joint venture between Lincolnshire Co-op and the University of Lincoln and has outline planning consent for eight new buildings, offering a further 12,000m² of new development.

The new buildings are available on a design and build basis and will offer grow-on space for existing businesses on site and elsewhere in the city, some standalone units, including those for larger businesses, as well as space for industry-led research and development institutions alongside the University of Lincoln. Tenants will benefit from the advantages of being part of the science park and able to tap into the facilities and academic expertise at Joseph Banks Laboratories and the business networks and facilities at the Boole Technology Centre.

Aspiration: Let's attract investment

Lincoln Transport Hub and City Centre Development

A key achievement of Vision 2020, Lincoln's new Transport Hub is now complete with the bus station and car park both fully open. The £30m project provides:

- The new 1,000 space Lincoln Central Car Park opened ahead of schedule in November 2017. The car park has LED lighting and includes 11 electric vehicle charging points.
- The new bus station opened in January 2018, handling approximately 650 departures each weekday, with fourteen bus bays, real-time passenger information screens, a café and the city's first public Changing Places facility.
- Road improvements and public realm works along St. Mary's Street which guide pedestrians from the railway station safely to the bus station, Lincoln Central Car Park, and the city centre.
- A new vehicular access into the railway station car park, away from the pedestrian area at the front of the railway station together with a newly configured paved station forecourt.
- New digital signage and maps of the city in the piazza area.
- Relocation of Dial a Ride to the ground floor of the Lincoln Central Car Park multi-storey car park, improving access for disabled visitors to the city.

The scheme was delivered with funding from Department for Transport; Greater Lincolnshire Local Enterprise Partnership; Network Rail and ourselves. Stagecoach has also invested £3m in new buses which boast more comfortable seating and charging points, to attract more bus users.

The development of the Transport Hub has been a catalyst for further regeneration work in Sincil Street and Cornhill Square. This important route, leading directly from the new bus station to the city centre has seen considerable regeneration over the period of Vision 2020, now boasting a range of shops from local retailers to national chains. This includes a new Lincolnshire Co-op store adjacent to the bus station and development of a mixed-use leisure and retail offer in Cornhill Square, together with public realm works. The hub is operating well, feedback has been very positive, and the project has received a significant number of awards.

The awards and publicity following the opening have led to several enquiries from other council's and organisations impressed by the scheme and potentially using it, or elements of the project, as a basis for other schemes of this type elsewhere.

Increasing city centre vibrancy

Maintaining a vibrant city centre is a key to the city's future. We continue to support Lincoln BIG (Business Improvement Group) and work with them to support the promotion of Lincoln as a retail and tourist destination, and improve the experience for those who visit, live and work here. Some core activities are events and promotions, evening economy management, Lincoln in Bloom, street management and access initiatives.

We continue to support local businesses through offering managed workspaces to help new businesses thrive and from time to time offering workshops. For example, in 2017 Lincoln businesses were invited to a free workshop to prepare them for the busy Christmas period. The workshop, organised by Lincoln BIG and ourselves, was led by internationally renowned business adviser Corin Birchall.

We have also continued to facilitate regeneration with city centre partners, including the Lincolnshire Cooperative in the Cornhill Quarter with several prestigious high street brands secured.

Infrastructure provision; Keeping Lincoln moving and improving

Ensuring the necessary infrastructure is in place so that Lincoln remains an attractive place to invest and grow is a critical aspect to driving economic growth. Understanding future travel choice options and infrastructure investment requirements is key to supporting the city's continued growth. Recent initiatives aimed at improving transport include development of the bus station, operation of a park and ride from Waitrose, introduction by Stagecoach of new buses and an increased number of evening services, a cycle storage hub and planned improvements to the train services.

We supported the county council's application for the North Hykeham Relief Road made in 2018/19 which, along with the Lincoln Eastern Bypass, will enable further new homes to be provided, relieve city centre traffic congestion, reduce carbon emissions and improve air and noise quality. Initiatives are in place through 'Access Lincoln', which promotes more sustainable travel choices, including helping businesses develop travel plans, the 'orange' bike hire scheme, and information on walking routes in the city.

Along with Lincolnshire County Council we are working, through the Transport Task Force Group, to bring together a range of organisations including landowners, public transport operators, cycle interest groups, major employers and University of Lincoln to improve transport and infrastructure, contributing to Lincoln Transport Strategy.

Aspiration: Let's make things happen

Growth Conferences

We host a major Growth Conference every two years and have facilitated two conferences over the period of Vision 2020.

The first of these was held in March 2018, with a theme of 'Proud to be Lincoln', and provided 150 delegates from a range of businesses and other partner organisations the opportunity to reflect on progress made in the city over the last 18 months.

The second conference on 11 March 2020 covers the launch of the city's new strategic plan, Vision 2025, the second phase of our vision towards 2030.

A Growth Strategy for Lincoln

Knowing where you want to go and what is needed to get there is the starting point for making things happen. In 2018/19 we engaged with the Greater Lincolnshire Enterprise Partnership and Lincolnshire County Council to develop the Local Industrial Strategy and plans for growth in the area, followed by a review of the Growth Strategy. These documents will help identify key existing and emerging business sectors to deliver growth and the skills and infrastructure required to support success, as well as forming an evidence base for much of our work moving forwards with Vision 2025.

Day to day service delivery

In addition to delivering a broad range of projects, it is important to recognise day-to-day activities that help drive economic growth in the city. Some of the key activities are shown below with a number of the most recent contextual figures to illustrate their contribution.

Promoting Lincoln as a place to invest

- £190m generated from 4m tourist visitors each year
- We are a member of Team Lincolnshire helping to promote Lincoln as a place to do business
- In 2019 we attended the MIPIM, the world's leading property market and investment event with Team Lincolnshire
- We sponsored a drinks reception at the Lincoln Property Awards in 2019
- We supported the Development Economics Conference at University of Lincoln in June 2019 attracting academics from around the world

Support for small businesses

- We awarded small business rates relief to 1,303 businesses in 2019/20
- We recorded 1267 business contact activities in 2019 of which 160 were new business enquiries.
- At the end of January 2020 we had 106 ongoing live enquiries on the system
- We have two managed workspace facilities offering 128 work spaces, currently accommodating 97 businesses

Engaging and supporting with the city's economic partners

- Member of four retail support groups
- We host an Engineering Breakfast every four months, held at a local engineering business
- Attendance at Lincoln Breakfast Club

As an employer, we provide employment and training opportunities

- City of Lincoln Council has 670 employees
- Last year it supported 50 apprenticeships

Let's reduce inequality

What does Vision 2020 tell us about this priority?

With some of the most deprived areas in the country located in Lincoln, addressing the key causes of financial exclusion and deprivation and ensuring immediate support was offered to those suffering financial difficulties, was important throughout the life of Vision 2020. In addition, helping families into well-paid work was vital. We needed to make sure delivery plans were in place to ensure our services are accessible to all our residents.

Over the past few years we have worked hard to develop new partnerships between the public, private and voluntary sectors. During the period of Vision 2020 we have built on these partnerships, delivering more together.

Aspiration: Let's help people succeed

Training and employment opportunities

We secured £98,000 from the Lincoln Health and Wellbeing Board in 2015 to commission employability courses for those who may not be able to afford them. These courses were delivered through Lincoln College, with the four year project ending in September 2019. The key outcomes from this highly successful initiative were that 327 individual learners achieved a training course pass rate of 94% with 134 progressing into employment after their course, and 18 progressing into higher education.

Aspiration: Let's provide help to the most vulnerable in our city

Multi-agency support for rough sleepers

ACTion Lincs is a new countywide partnership set up in September 2017 to provide life-changing support and tackle some of the most complex homelessness cases in Lincolnshire. Once accepted onto the long-term programme, support will be provided to the 120 individuals in any setting whether that is on the street, in prison, or in someone's home. The project is being delivered thanks to a £1.3m Social Impact Bond from government and was one of only eight projects in the country.

Homeless Conference

March 2019 saw Compassionate Lincoln and ourselves host a conference to discuss 'Working together to support those who are street homeless in Lincoln'. Over 100 people attended including the NHS, Lincolnshire County Council, a wide range of voluntary and community sector organisations and individuals with an interest in support for street homeless in the city.

This high profile event had a keynote presentation by the Ministry of Housing, Communities and Local Government on the government's Rough Sleeping Strategy, and was covered in the local media. Case studies were presented, illustrating the wide-ranging circumstances which contribute to people from very different backgrounds becoming homeless. Group discussion focused on ways to tackle the diverse support needs of rough sleepers, developing a collective mission statement and agreeing next steps and a way forward.

Addressing street homelessness in the city through the rough sleeping project

Formed in October 2018 with funding from the Ministry of Housing, Communities and Local Government totalling over £2.5 million, the Rough Sleeping Initiative is being delivered through a small team which has been working to support people who are street homeless in the city.

The team includes a co-ordinator, three Rough Sleeping Officers and a mental health nurse, and provides for 15 bed spaces for those with complex needs, alongside a 'somewhere safe to stay hub' sit up service for eight individuals. The project also funds three workers for P3, which is a charity working to improve the lives of those socially excluded and vulnerable. **In addition it also funded one Addaction worker and extended opening hours at the Nomad Night Shelter.** The team has developed better working relationships with the prison and hospitals to reduce the flow of people sleeping rough after release or discharge by intervening early to address housing and associated issues.

From the start of the project to the end of January 2020 the team has housed **105** people who had been, or would have been, sleeping rough. With a total of **517** enquiries, **97** people have used the 'somewhere safe to stay hub', **171** have been assisted with their mental health and **42** people have been prevented from sleeping rough.

Universal Credit support Please note this section was in twice in the original version sent for design.

The universal credit support team was created in February 2018 in preparation for universal credit full service being introduced to Lincoln from March 2018. The purpose of the team was to deliver our Vision 2020 commitment to help residents respond to welfare reform and Universal Credit in a supportive and customer-focused manner.

During 2018/19 the team provided digital support to 1,743 Lincoln residents, and personal budget support to 822 customers. The success of this team contributed to our Revenues and Benefits Shared Service receiving an award for 'Excellence in Partnership Working' at the Institute of Revenues Rating & Valuation Performance Awards 2018. The team continues to provide support to customers alongside Help to Claim arrangements delivered by Citizens Advice.

Encouraging diverted giving to support homelessness charities

We helped promote a diverted giving campaign led by Lincoln BIG to encourage visitors and residents in Lincoln to donate money to homeless charities in the city. This central fund, managed by Lincolnshire YMCA, provides a safe and effective method for the public to donate financial support for rough sleepers, so that they receive the help they need.

Reducing incidence of suicide

Identified as an issue to be addressed in Vision 2020, training was provided for frontline staff so that they could spot the signs of potential suicidal tendencies and take appropriate action.

Aspiration: Let's help people feel safe and welcome in their communities

Bringing communities together

Throughout the period covered by the life of Vision 2020 the council has supported initiatives aimed at bringing people together and worked closely with partners to ensure a joined-up approach. In 2017 we worked with the Islamic Association to ensure the opening of its new

mosque went smoothly and people living in the area were kept informed and had opportunities to find out more about the mosque. Alongside this we facilitated awareness raising sessions to encourage reporting of hate crime so any issues could be tackled at an early stage.

We continue to support initiatives aimed at bringing communities together, one of which is World Hello Day held on 21 November each year. In 2018 13 events took place across the city, including a two-mile Peace Walk and events in schools, with residents from a wide range of different backgrounds taking part. In Portland Street, the Sincil Bank Community Partnership encouraged people to write 'Hello' in their native language on sheets of paper placed onto empty shop fronts along Portland Street. The group also invited people in to look around the (then) soon to be opened Community Hub and offered refreshments.

In January 2020 we formally adopted the International Holocaust Remembrance Alliance (IHRA) definition of antisemitism, together with the eleven contemporary examples of antisemitism. Supporting this adoption, we also pledged to combat this form of racism wherever it manifests itself within the city, no matter where, how or when, whilst also reaffirmed its condemnation of all forms of racism and discrimination based on religious belief, disability, race, gender or sexual orientation.

Aspiration: Let's empower people

Lincoln Social Responsibility Charter

First promoted at the 2018 Lincoln Growth Conference, there was initial interest from more than 20 businesses for the Lincoln Social Responsibility Charter. The charter was officially launched in October 2018 following a period of promotion and encourages organisations and businesses to go 'above and beyond' in providing support for their employees and the local community. The scheme is free to sign up to, and all an organisation needs to do is to demonstrate a range of socially responsible activities above the statutory minimum that benefit both employees and the wider community.

By early 2020, 70 organisations had signed up to the charter. These organisations come from all sectors and are of all sizes. The Charter and signees are promoted via a range of routes including 'Your Lincoln' magazine, social media, press releases, bus station TV screen and more.

Social Value Policy

We have developed and launched a Social Value Policy. This is a formalisation of the existing approach to ensure we consider the economic, social and environmental wellbeing of the city and its residents when commissioning and procuring contracts. This approach is based on the vision, aspirations and strategic priorities in Vision 2020.

The policy also ensures our employees, contractors and suppliers are aware of the commitment to long term social, ethical, environmental and economic sustainability through our procurement process. Social value is an evolving area where suppliers and officers alike are still developing best practice.

Aspiration: Let's ensure the best quality of life for people living in Lincoln

Lincoln Community Lottery

Lincoln Community Lottery was first launched in August 2018 with 51 local good causes signed up to benefit from ticket sales for the first weekly draw. In its first year the lottery

raised a total of £42,311 for local good causes, including money for our Community Fund and 73 good causes have directly benefited. We asked residents to identify the broad areas where they wanted to see the Community Fund money spent and they chose social isolation and green spaces. The four organisations benefiting from a share of the £10k allocated through the fund were Green Synergy, Lincoln Rugby and Football Club, Acts Trust and Carers First. By early 2020 the number of organisations signed up to directly benefit from the lottery had reached 78.

Sincil Bank revitalisation

The Sincil Bank Revitalisation Programme, with the aim of making the area a better place to live and work, really took off in December 2019 with the opening of Sincil Bank Community Hub in Portland Street. The hub provides a focal point in the area where residents can get information, advice and guidance on a wide range of matters including welfare advice, housing, employment, volunteering opportunities and activities taking place in Sincil Bank, as well as offering an open access computer for use at any time.

The Ministry of Housing, Communities & Local Government awarded Sincil Bank Community Partnership £235,899 to continue bringing the Sincil Bank community together. The money is being used to support a range of activities to help integrate members of the community, as well as providing language support, information services and finding hidden talents in the area.

In addition, Investors in Lincoln, Leap and ourselves invested £50,000 to create a Community Chest aimed at kick starting community activity in the area. This has supported a wide range of projects including several community events, youth groups, a community newsletter and projects such as the art trail of Virgin Media boxes painted by local artists. Other achievements have been the refurbishment of the street name plates and CCTV cameras introduced in Portland Street and Hermit Street to reduce graffiti and fly-tipping and create a sense of safety.

To ensure a grass roots approach is developed a neighbourhood board and supporting theme groups have been set up to involve the local community. This has resulted in, amongst many other things, a Community Land Trust being established.

Severe Disability Premium

A Severe Disability Premium is an extra amount that is included in some means-tested benefits to help with the cost of disability and is paid to people who meet specific eligibility criteria. We were able to identify all customers by working across service areas who met the criteria and found there were 1,123 City of Lincoln Council residents whom should be receiving the Severe Disability Premium. In late summer 2019 we reviewed all of these customers and then contacted 142 directly to offer assistance in making a claim, and of those customers contacted 112 were able to apply. By end of January 2020, 58 customers had successfully received back payments together totalling just under £310k, as well as increasing each customer's yearly income by more than £3,400.

Day-to-day service delivery:

In addition to delivering a broad range of projects, it is important to recognise day-to-day activities that help reduce inequality in the city.

Revenues and Benefits including providing housing benefit and council tax support

- We supported 5,542 Housing Benefit customers and 8,466 Council Tax Support customers in 2019

- In 2019 we processed 3,238 new benefit claims and a further 25,950 changes to benefits and Council Tax Support claims
- We collect council tax from around 46,129 households
- We collect business rates from around 3,601 businesses

Customer Services

- 416 foodbank vouchers issued over the last 9 months
- 113,460 phone calls answered in 12 months
- 17,921 face to face enquiries in 12 months

Welfare Advice

- We provided welfare advice to 5,415 customers during 2019

Community work

- We arranged 10 pop-up events for residents on our council estates, and participated in a further 12 arranged by other organisations during 2019.
- 1,959 people engaged with the Portland Street Community Hub in the first full year of operation to January 2020.
- 60 people attended an event to commemorate the 75th anniversary of the Holocaust in January 2020

Let's deliver quality housing

What does Vision 2020 tell us about this priority?

With a continuing increase in the demand for housing both nationally and locally, it was essential that we worked to address the city's housing shortage by delivering new council housing in the city. It was also important to ensure existing housing stock in Lincoln, both council and privately owned, was of a decent standard. Collectively this has helped ensure the best quality of life for our residents.

Aspiration: Let's provide housing which meets the varied needs of our residents

New housing across the city

As a part of V2020 we committed to meeting the demand for housing in the city, which is why we entered into arrangements with housing providers to not only facilitate at least 400 new homes by 2021, but also take ownership of a number of properties to increase the supply of affordable housing we own and offer.

Since the launch of Vision 2020, a total of 213 new council homes have been built in the city by Waterloo Housing Group and Westleigh Partnerships Ltd. In the main these properties have gone to existing council tenants, which has released existing properties to be let to applicants on the Housing Register. We have also enabled many more affordable homes to be built during the period of the plan. The new properties are located across the city in the areas of Blankney Crescent, Ingleby Crescent, Westwick Drive, Allenby Close and Lytton Street, and have been built to a high standard to raise the quality of housing in Lincoln. They all have high energy efficiency ratings and 139 have electric car charging points.

Additional new affordable homes are being provided across the city by registered housing providers, including 119 properties on sites at Riseholme Road, Thorsway Drive, Boultham Park Road and Gaunt Street. A further 30 properties have been delivered through Section 106 agreements at LN6.

Aspiration: Let's work together to help the homeless in Lincoln

Working with the private sector to increase customer choice

We have been running a scheme for around five years to encourage private landlords to offer their properties for rental to families and individuals on the housing waiting list. This includes offering a cashless bond (to cover e.g. damage, rent arrears, end of tenancy cleaning, etc. up to a specified amount) and one month's rent in advance to make renting to those in receipt of benefits more attractive. The scheme is being revised to make some general improvements and to update it in response to changes in the benefits system and in particular the introduction of Universal Credit.

Aspiration: Let's improve housing conditions for all

Housing improvement programme

Our annual housing improvement programme has included the following works over the last three years. Kitchen and bathroom replacements, the installation of over-bath showers, electrical improvements, roofing works, thermal comfort work, environmental works. Replacement boiler/heating systems, door and window replacements along with fire door set installations and fire compartmentation works. Projects included the provision of mobility scooter storage pods at the Broomhill, Clematis Approach and Sorrel Court grouped housing

scheme and a new communal heating system at Derek Miller Court sheltered housing scheme.

Improvements to service delivery have been an important aspect of our work to provide a better service to the customer, ensure efficient use of funds and reduce our carbon footprint. All our timber is sustainably sourced and FSC accredited, 100 per cent of our waste is recycled and not sent to landfill, and we have an e-Bay account to sell surplus tools and materials instead of disposal in skips. The next step is looking at potential electric and hybrid options within the next fleet provision.

Supported Housing Service review

In 2018 we began a review of Supporting Housing Services with the aim of producing recommendations on the introduction of a modern service delivery model which ensures residents receive a level of service that can increase personal contact and support consistently, based on need. This service delivery model could then be the basis for a service offer to the wider community, regardless of tenure, and could position Lincoln to provide an operational wellbeing service at some point in the future.

Changes proposed included the upgrading of the Lincare technology across our Sheltered Housing Service which would be delivered free as part of this service. This has already commenced, with two of the six schemes completed in the first year of the three-year programme.

The overall aim is to place the service user at the centre of the process of identifying their needs, enabling them to make choices about how they are supported to live their lives. Tailoring service levels around support plans established in conjunction with individual residents will enable us to provide service where it's needed most, and allow residents to make an informed decision on what level of service they need and want to pay for.

Plans for extra care housing in Lincoln

De Wint Court is a fantastic new development which will provide much needed high-quality extra care facilities for residents over 55. Planning permission for the redevelopment of the site on Bowden Drive was granted in 2019, with construction starting in January 2020. The two and three storey building will consist of 50 one bed apartments and 20 two bed apartments. The building will also have additional amenities including a restaurant, hair salon, lounge and a 35-space car park for future residents and their visitors to use. In addition, there will be on-site management staff and a Careline alarm service. The scheme, with a total project cost of circa £14m, is being funded jointly by ourselves, Lincolnshire County Council and Homes England.

Bringing empty homes back into use

Bringing empty properties back into use can be a long and time consuming task. A common issue is the lack of willingness of owners to engage with us. Council approved an acquisition policy at the end of May 2019. In 2018/19 47 properties were brought back into use with council interventions, the focus being on Sincil Bank area, where in October 2018 there were 20 properties empty for two years or more and 42 empty for six months to two years. A year later and this number had reduced to 14 empty for two years or more and 28 empty for between six months and two years, demonstrating the clear success of the project.

Gas Central heating Scheme

This is a scheme to help people in the private sector who do not have, and cannot afford to have, central heating. It has helped 32 households install gas central heating. The scheme targeted those wards with the lowest EPC ratings in the city, which are Abbey, Park and Carholme and those residents on low income. Specific households were identified through leaflets distributed in the areas asking for an expression of interest.

Rogue Landlords Scheme

Following on from an initial government funded project to tackle rogue landlords we made a successful bid for funding of £440,846 from the Controlling Migration Fund and this has enabled us to carry out street surveys in the Sincil Bank area with a view to improving housing stock, prosecuting landlords who have failed to comply with statutory requirements and to work with partner enforcement agencies to target criminal landlords.

The two-year project was started in August 2017 and although initially due for completion in August 2019 was subsequently extended to March 2020. In the first two years of the project 140 streets were surveyed and 1,701 inspections undertaken, of which 380 were houses in multiple occupation. This has resulted in various notices being issued, with 12 prosecutions leading to convictions, three to cautions and six pending. Fines imposed have been significant, one being £84,000, reflecting the seriousness of offences and resulting in a rise in standards of accommodation in the area.

Trusted Landlord Scheme

The purpose of the Trusted Landlord Scheme is to provide standards of accommodation, management of tenants and neighbourhood relations. It also offers public recognition and support to landlords that participate in the scheme. The accreditation scheme works alongside national, regional and local accreditation schemes operating in Lincoln. By early 2020 there were 28 accredited landlords in the city.

Aspiration: Let's build thriving communities

Private Housing Health Assistance Policy

This new policy has been adopted to enable more flexibility in the use of Better Care Funding to help people remain in their own homes. The policy allows for those who are most vulnerable or have health conditions which are made worse by poor housing conditions to access funding for home improvements to enable them to continue to live independently. The grants are discretionary and considered on a case by case basis and while there is no formal means testing, only homeowners with limited savings and income are eligible to apply.

Aspiration: Let's help people have a sense of belonging

Syrian Refugee Resettlement Scheme

In March 2019 two families from Syria arrived in England and were brought to Lincoln to make the city their home. The families, one with three children and the other with two, arrived at short notice. Under the scheme funds are made available to ensure refugees have everything they need to start their new life in the UK, and the Housing team worked closely with Upbeat Communities to ensure the two homes, one north of the city and the other in the south, were ready to welcome the new arrivals. The families have settled in well and been made to feel at home in the city. They began to learn English within a few days of

arrival and attend English lessons and the older children have settled in well at school. Those involved with supporting the refugees reflected on the generosity of local people and said it was one of the most rewarding things they have done.

Day to day service delivery:

In addition to delivering a broad range of projects, it is important to recognise day-to-day activities that help deliver quality housing in the city. Some of the key activities are shown below with a number of the most recent contextual figures to illustrate their contribution.

Maintaining and repairing the council's stock of council housing

- 8,300 council homes maintained
- 32,570 of repairs carried out in 2019
- 98% of tenants were satisfied with their repairs and maintenance

Preparing properties for new tenants

- It takes an average of around 30 days to prepare a house between tenants

Supported Housing

- 99% of Lincare housing assistance calls answered in 60 seconds

Housing Solutions

- 1,477 people currently on the housing register
- 777 successful homeless preventions (in the last 9 months)

Houses in Multiple Occupation (HMO)

- In early 2020 we had 480 licensed HMOs with a further 220 in progress

Let's enhance our remarkable place

What does Vision 2020 tell us about this priority?

The quality of the local environment - what makes a place special - is fundamental to the lives of residents and visitors alike. Getting this right is crucial to delivering Lincoln's ambitious future.

We recognised that, without the city having the right environment, there was a real risk our other achievements wouldn't be fully realised, recognised, and enjoyed.

For this reason, this strategic priority focused on enhancing and preserving the unique environment of the city, creating healthy communities; ensuring opportunities for leisure; making amazing open spaces for everyone to enjoy and experience; ensuring we have interactive and engaging cultural, arts and heritage; promoting and attracting tourism; and lowering both the fear of, and risk of, crime.

Aspiration: Let's show the world what Lincoln has to offer

Transformation of Birchwood Leisure Centre

A major £1.5m project to transform Birchwood Leisure Centre took place during 2018. The renovation work saw changes including the complete refurbishment of the centre, construction of a new children's soft play area, a climbing wall and a modern immersive spin studio which features a cinema-scale screen and sound system. The new facilities also include a toning tables studio for the less physically active, a larger fitness gym, and a large central foyer with café space. Further improvements to the outside of the building were also completed during the 2018/19 period.

Boultham Park and Lake

An opening celebration in May 2018 followed the completion of a multi-million pound restoration and improvements project at the 90-year-old grade II registered historic park. The work took five years from inception, cost £4m including grants from the Heritage Lottery Fund and Big Lottery of £2.7m, and was carried out in partnership with Linkage Community Trust. Residents and visitors can now enjoy the results of the restoration work which include:

- A café with extra toilet facilities for park visitors
- CCTV and lighting near the bowls club and playground
- Improved and new park furniture, bins and signage
- Restoration of the fountain, bandstand, sundial and the park's bridges
- A clear and visible outline of the old hall's footprint
- Improvements to a number of pathways
- Improvement to some of the park boundaries
- Soft landscaping work
- Tree works including selective removals where appropriate
- An education centre and glasshouse for Linkage students

The council received a further £63k of grant funding to produce plans to improve the lake area and in January 2020 was awarded almost £670k grant from National Lottery Heritage Fund. This next phase will focus on improving biodiversity and restoring the lake, with much of the work supported by volunteers, with the council working closely with Lincolnshire Wildlife Trust and Boultham Park Advisory Group.

Lincoln Visitor Information Centre

Lincoln's Visitor Information Centre is located in Leigh-Pemberton House in Castle Square, and provides information and advice for visitors to Lincoln. As the end of the 10 year external contract approached, in February 2019, it was agreed that the centre should be returned to us, enabling better partnership working with Visit Lincoln and Lincoln BIG, and plans are now being developed to ensure a smooth changeover from 1 April 2020.

Aspiration: Let's cherish and enhance our natural environment

New pocket park for Sincil Bank

The **Sincil Community** Land Trust was set up in June 2018 to enable the community to own assets in the area and has recently secured funding for its first project. The money will be used to transform a former play area in St Andrews Close into a 'pocket park'. Led by the community the new area will be used as open social space and includes benches, pathways and a safe place for children to play.

Aspiration: Let's preserve the unique character of our city

Lincoln Intervention Team

The Lincoln Intervention Team was launched in October 2018 following receipt of funding for a one year project, and works in partnership with the police to reduce anti-social behaviour by working with individuals to deal with the root cause of their behaviour. Funding has now been granted for a further year to allow the team to continue operating until autumn 2021. The team comprises an Anti-Social Behaviour outreach officer, mental health nurse outreach officer, Addaction outreach officer and team co-ordinator.

As of November 2019, the team have worked with more than 140 different individuals on the streets and logged in excess of 1,500 actions on the case management system. In addition, 57 people have received in depth support for substance misuse and 12 have entered treatment where previously they were not engaging with services. Support for mental health related issues has been provided to 72 people, with 30 engaging in a support plan or having entered treatment. Additionally, the team has recorded 436 reports of incidents or anti-social behaviour.

While some people will welcome support offered, the majority are initially disengaged with services and often have mistrust of those delivering them. The team's job is to build rapport and make a consistent offer of support for mental health or referral, which they do under some very tough circumstances. The last resort is enforcement action, which could involve serving a Community Protection Notice, Civil Injunction or seeking a Criminal Behaviour Order. However, throughout the enforcement process, the offer of support is always given.

The additional funding offered of £65k by us, together with the National Lottery Community Fund grant, will allow the team to continue to work collaboratively through to Autumn 2021 and ensure we are offering individuals a bespoke service tailored to their individual needs, with the ambition of improving their overall health whilst also ensuring a safer city for all.

Transforming Lincoln Crematorium

Lincoln Crematorium is due to undergo radical external transformation following an extensive programme of improvements inside the chapel area over the first two years of Vision 2020.

The works, which received planning permission in July 2019, cover a range of improvements.

Proposals include significantly increasing the number of car parking spaces, a new larger waiting area with improved facilities next to the book of remembrance room, a suitable location for quiet reflection both at the time of services and at other times, as well as plans for a brand new second chapel on the same site for smaller, more intimate services. In addition, there are also plans to improve equipment and IT software, install two modern cremators and develop a new website. Further proposals for a temporary chapel were being put forward in early 2020 to ensure as little disruption as possible to services provided during the works.

Lincoln High Street Character Appraisal

There are 11 conservation areas within our administrative boundary established to help protect the character and appearance of the city's historic areas. Each area is unique, with differences in the type and style of the streets within it, and a character appraisal helps to define as clearly as possible the historic, architectural and natural features in a conservation area. Change within these areas is inevitable and that is why the council has undertaken a new appraisal for Lincoln High Street. The area of the appraisal covers the principal shopping area from the bottom of The Strait down to Monson Street, and incorporate parts of three current conservation areas.

The document was used as background evidence in support of our successful Heritage Action Zone application and will assist with identifying challenges and opportunities within this area of the High Street and inform what proposals and development should come forward in the interests of the proper planning of the area.

Lincoln 'To Let' board ban approved

In April 2019 we introduced a ban on lettings boards in a number of key areas, making a huge difference to the look of these areas. The ban, which had to be approved by the Secretary of State, has been introduced following concerns about the negative impact a large number of boards can have, not only on the look, but also on the feel of streets. The new regulations on To Let Boards followed a period of extensive consultation with local residents and have seen boards banned in Monks Road, the West End, Sincil Bank, Union Road and Waterloo Street.

New CCTV system and city centre WiFi

We made a £400,000 investment to upgrade the city's CCTV network and introduced free access public WiFi in the city centre. The new cameras were switched on in February 2018 and provide crystal clear images on an array of high definition split screens in the control room in City Hall. The new system provides 360-degree vision, creating a 'safe zone' covering the city centre between the Bailgate, top of the High Street, and St Mary's Street/Wigford Way. Overall the investment has improved footage quality, coverage and evidence collation systems, WiFi, as well as the use of IT software to support and enhance the CCTV operators' work. The upgrade has 'future proofed' the CCTV service to allow for more expansion in the future and has resulted in reduced ongoing maintenance costs.

Aspiration: Let's deliver a rich and varied cultural experience

Farmers' markets

We took over the running of Lincoln Farmers Markets in July 2019. The markets, taking place in Castle Square on the third Saturday of each month offer healthy, fresh and local choices to those who visit. There are around 30 stalls selling local food and much more, and the setting in the heart of Lincoln's historic Bailgate area enhances the offer for local residents and visitors alike.

Forward planning for Lincoln's Christmas Market

Lincoln's Christmas Market continues to support local businesses as one of the premier Christmas markets in Europe and brings around 250,000 visitors to the city each year over the four days. Looking forward to future markets a series of workshops were held with stakeholders to develop a framework and vision for the next 10 years with some fresh new ideas, and the first changes were introduced for the 2019 market. These included a new festive area at St Paul in the Bail, illuminations at the castle, cathedral, water tower and The Lawn, a Victoriana theme for stalls and a thank you event for local residents. In addition, the coach park was in a new location providing better facilities for coach drivers.

Aspiration: Let's provide interesting, exciting and vibrant places to enjoy

New outdoor leisure facilities

Two new full sized floodlit artificial grass pitches have recently been opened by us, one at Birchwood Leisure Centre and the other at Yarborough Leisure Centre. In addition to these two new pitches the council has completely refurbished the existing sand dressed all weather pitch at Yarborough Leisure Centre, with the works including a new football surface, new floodlights and fencing. The athletics track at the Yarborough site has also been subject to a complete facelift, which included a new track surface, throw and jump facilities.

All of these improvements cost around £1.8 million, which includes funding from the Football Association of £0.9m and a further £85k from Sport England, with the remainder funded by ourselves including through Section 106 monies, capital receipts and a loan.

These capital investments in our outside play facilities will enable more people to become physically active. Our partner football clubs, the Castle Academy and athletics club will also gain from the appointment of a football Activator post, (employed by Active Nation our onsite provider) who will work with the local community to get these facilities used to their maximum.

Investing in our allotments

We have undertaken a refresh of our allotment strategy. This included a commitment to a £1m investment in allotments in Lincoln. The investment was across 17 sites and took place over two phases. Phase One was completed in 2017/18, and the majority of Phase Two in 2018/19.

An important part of the strategy, the development of a new allotment site at Melbourne Road open space in the Birchwood area, will be delivered in early 2020. This is in recognition of the insufficient allotment plots in that area of the city and follows a public consultation exercise in January 2019. The land was formally appropriated for allotments in August 2019 and will be ready for cultivation by local residents in spring / summer 2020.

Day-to-day service delivery

In addition to delivering a broad range of projects, it is important to recognise day-to-day activities that help enhance our remarkable place. Some of the key activities are shown below with a number of the most recent contextual figures to illustrate their contribution.

Enforcement, including Licensing, Food Health and Safety, Public Protection and Anti-Social Behaviour, and Animal Welfare

- Almost 500 littering tickets are issued annually
- Over 14,000 CCTV incidents are monitored per year
- Over 1,000 licenses of all types are issued annually
- The council inspects over 1000 registered food businesses annually

Street cleansing and ground maintenance

- We maintain 147ha of open space and parks
- We clean around 200 miles of streets every year

Waste management including recycling and collection

- We collect 35,000 tonnes of refuse annually through three million bin collections

Sport, leisure and recreational facilities including our parks and open spaces

- We had almost one million customers to our leisure centres in 2019
- We have 36 play areas and sport pitches
- We have over 1,000 allotments plots of which over 900 are let

Development Management including Heritage protection

- We received over 900 planning applications in 2019
- Overseeing 400 listed buildings and the maintenance of 7 monuments

Bereavement Services

- Around 2,000 burials and cremations held in 2019

Events and culture

- Each year we welcome around 250,000+ visitors to the Lincoln Christmas Market

High Performing Services

What does Vision 2020 tell us about this important strand of work?

Since 2010 local authorities across the country have experienced unprecedented financial challenges and we are no exception. Central government funding reductions, all time low returns on investments; national economic conditions affecting jobs; and housing and business growth have all created pressure on local income streams.

Coupled with this is rising demand for council services from customers who rely on the safety net provided by local government, and changes to the way local government is funded.

We will continue to do all we can to minimise the effects of these reductions on our residents and will prioritise services that are needed the most. Although transferring significant financial risk and inherent uncertainty, the changes also present opportunities for authorities to end their reliance on central government.

A loyal, motivated and competent workforce

Our workforce is central to delivering services that can be relied on to meet the needs of residents. With that in mind, we are continually finding ways to support an effective and motivated workforce and the following are initiatives which have been achieved during the period of Vision 2020:

- Adoption of the Health and Wellbeing Strategy and underpinning action plan to promote healthier lifestyles
- Creation of a “Your Health Matters” section on the staff intranet site (City People)
- Formation of a health and wellbeing group with representation across the council and Trade Unions, to adopt best practice, and to consider and discuss new initiatives
- Successful sign up to “Mindful Employer” status to provide additional support to our staff when they need it
- Review of the Sickness Absence and Managing Stress policies with training for managers. Additionally, stress risk assessments have been completed and an overview of the mental health first aider training has been delivered.
- Delivery of a staff recognition scheme and staff awards ceremony with awards based on three categories.
- An internal “thank you” card system is in development to encourage staff to actively thank each other

Vision 2020 staff roadshows

Annual staff roadshows in spring of each year provided staff with the opportunity to find out about some of the projects delivered under the priorities in Vision 2020 as well as those planned for the following year. Information was provided on key achievements and in year two it was also an opportunity to celebrate the success of teams and individuals receiving awards for their hard work and dedication to delivering high quality services through the newly launched staff recognition scheme.

Creation of a new High Performing Services Board

To ensure robust oversight and management of this strand of work, a new High Performing Services Board was created. Chaired by the Chief Executive, and supported by key project and programme managers, it worked closely with the Towards Financial Sustainability Board to monitor the ten key performance areas identified through Vision 2020, as well as shorter

term objectives identified as part of our normal performance monitoring activity. This covers many areas from financial sustainability, to customer service and staff needs, as well as ensuring our staff have efficient and effective tools for the job.

Towards Financial Sustainability

Our 'Towards Financial Sustainability' work programme includes innovative ways which allow it to protect and invest in the public services our customers rely on. The savings target for 2017/18 was £3.50m and we achieved 100.9% of our savings target. In 2018/19 our savings target was £3.82m and we achieved 99.6% of our savings target, and in 2019/20 our savings target was £4.65m we achieved 99.6% of our savings target.

As an example of commercial investment, the council invested £13m into developing a brand new hotel building in Tentercroft Street. This is helping to support the city's tourism industry and create jobs, as well as providing a good return to help with continuing to deliver high quality services to our residents despite a reduced government grant.

Customer Experience Strategy

We adopted a Customer Experience Strategy that will transform the way we engage with, and support, our customers. This includes a move towards self-serve, where customers can better access the information they need at any time, allowing the council to focus on helping the most vulnerable members of the community. The online claim for Housing Benefit and Council Tax Support is now completed by claimants, in most cases with no assistance from officers. Online forms that are integrated directly into our systems have replaced emails for a number of high-volume service requests including missed bins and requests for new or replacement wheelie bins. The garden waste system has facilitated the collection of £2.7 million with over 55,000 self-serve transactions, and over four fifths of applications are completed as entirely self-serve.

Proud to be Lincoln – 2019: an Imp-ressive year for Lincoln City Football Club

As the Imps' incredible 2018/19 season came to a close City of Lincoln Council, in partnership with the football club and Lincolnshire Police, organised a city-wide parade to celebrate the club becoming Champions of EFL League Two. The hour-long parade took place on Sunday 5 May 2019, starting at South Park and making its way through the city on an extended route to maximise supporter viewing.

This celebration built on the Imps' recent previous successes in the National League and winning of the EFL Trophy at Wembley the year before, thus gaining promotion to the third tier of English football for the first time in 20 years.

The parade was a fantastic success, praised widely across social media.

The Proud to be Lincoln theme then gave rise to a wider campaign, covering all aspects of life in the city and encouraging people to be 'Proud to be Lincoln'.

Awards

In 2018/19 teams and individuals at City of Lincoln Council were the proud recipients of a wide range of awards covering services across the council, recognising the considerable achievements and dedication of staff.

Name of award	Awarding body	What the award was for	Date (month & year)	Name of recipient
Excellence in Partnership Working – Winner	Institute of Revenues Rating and Valuation (IRRV)	A range of positive and effective partnerships to improve services to our customers, - which included in an innovative and 'flagship' approach to Universal Credit	October 2018	Revenues and Benefits Shared Service
Most Improved Team of the Year – Finalist	Institute of Revenues Rating and Valuation (IRRV)	Improved and maintained performance over a range of KPIs, whilst providing ongoing efficiencies and savings, improved services to customers	October 2018	Revenues and Benefits Shared Service
Benefits and Welfare Reform Team of the Year – Finalist	Institute of Revenues Rating and Valuation (IRRV)	A proactive, innovative and strategic approach to delivering welfare reforms, working with a range of partners to deliver the best possible service to our customers	October 2018	Revenues and Benefits Shared Service
BBC Radio Lincs Make a Difference Awards – Nomination	BBC Radio Lincs	Nomination for proactive work of our Universal Credit Support Team	February 2019	Revenues and Benefits Shared Service
Visit England 'Best Told Story' (only venue in Lincolnshire to receive this award!)	Visit England	Guildhall	2018	Guildhall, Council
Certificate of Excellence for last three years, with five stars consistently	Trip Advisor	Guildhall	Throughout Vision 2020	Guildhall, Council
Best Large Commercial Project for their work on Lincoln Travelodge	LABC Building Excellence Awards	Lincoln Travelodge	2019	Building Control Team

Best Partnership	LABC Building Excellence Awards	Received with local architectural firm Rob Bradley Building Design.	2019	Building Control Team
Project of the year – Civil Engineering	East Midlands Constructing Excellence Awards	The Transport Hub	May 2018	Major Developments
Safer parking scheme <ul style="list-style-type: none"> • Effective surveillance • Quality Management • Clean Environment • Appropriate Lighting 	Park Mark Police Crime Prevention Initiatives	The Transport Hub	November 2017	Major Developments
Safer Bus Station	Safer Bus Station	The Transport Hub	July 2018	Major Developments
Projects over £5m	Greater Lincolnshire Construction and Property Awards	The Transport Hub	February 2019	Major Developments
Best new car park	British Parking Awards 2019	The Transport Hub	March 2019	Major Developments
Tourism and Leisure; Regeneration	RICS East Midlands 2019	The Transport Hub	May 2019	Major Developments
Green Flag Award	Green Flag Award	Lincoln's Arboretum, Boutham Park and Hartsholme Park are all celebrating after they won the Green Flag Award. Sites earn the national status if they are judged to be welcoming, safe and well maintained with strong involvement from the local community.	2019	Communities and Environment
Two platinum and two gold awards	'Loo of the Year' awards	Public Toilets	2018	Communities and Environment

Finalist in four awards (Entrepreneurial Council, 2 Rising Stars, Public/Public Partnership with East Lindsey, West Lindsey and North Kesteven Councils)	National Local Government Chronicle Awards	The awards are the biggest and most prestigious for the local government sector, recognising the best of local government innovation and service delivery, so this is a fantastic achievement.	March 2019	City of Lincoln Council
Finalist in three categories (Innovation in Communication, Innovation in Finance, Innovation in Property)	2019 Municipal Journal awards	Awards celebrating the best in local public services	2019	City of Lincoln Council
Public Engagement for research	University Vice Chancellor's Award	The Lincoln Food Partnership (which CoLC is a partner in) has won the University Vice Chancellor's Award for Public Engagement for research. CoLC's role has been to look into fuel poverty and welfare reform.	2019	City of Lincoln Council
Local Government Challenge Partnership Award	East Midlands Local Government Association	The Local Government Challenge is an inter-council competition to develop management skills – awarded to a member of the team of staff from the council	March 2019	City of Lincoln Council
Local Government Challenge Runner up for Best Chief Executive role	East Midlands Local Government Association	The Local Government Challenge is an inter-council competition to develop management skills. – awarded to a member of the team of staff from the council	March 2019	City of Lincoln Council
Individual finalist for the Lincolnshire Public Service Apprentice of the Year	Lincolnshire Public Compact Steering Group Awards 2019	Awarded for excellence in achievements whilst undertaking any level of apprenticeship course	December 2019	City of Lincoln Council
Accreditation for Anti-Social Behaviour Service	Housemark ASB Accreditation	In September the Council's Tenancy Services Team celebrated news that it had achieved accreditation for its Anti-Social Behaviour	2017	City of Lincoln Council

		service. The accreditation assessment was done by HouseMark who carried out a thorough inspection of the service in July 2017		
Bronze in the Animal Activity Licensing Footprint	RSPCA	The RSPCA recognises the importance of good practice and procedure being developed by local authorities when licensing animal establishments. The licensing of establishments is essential to animal welfare; from service delivery and dealing with complaints to conditions made as part of the licence issued.	2017	City of Lincoln Council
Most Improved Performer in Building Maintenance Finalist	APSE Best and Most Improved Performer Awards	Building Maintenance	December 2019	City of Lincoln Council
Shortlisted for Collaboration of the year	2020 H&V News Awards	Aaron Services/City of Lincoln Council for their work as a true collaborative partnership in the heating and ventilation sector	2020	Aaron Services/City of Lincoln Council
Best Innovative Environmental Health Solution	Chartered Institute of Environmental Health Excellence Awards	The award recognises the team's multi agency approach to tackling ASB holistically looking at the root cause of behaviour rather than just dealing with the symptoms	November 2019	The Intervention Team

Corporate social responsibility at City of Lincoln Council

City of Lincoln Council is a signatory to Lincoln Social Responsibility Charter, demonstrating that as an organisation we go above and beyond in supporting our staff and benefitting the local community. Some highlights of activities undertaken are:

- Real Living Wage: The council continues to pay at least the real Living Wage as opposed to the (lower) National Living Wage.
- Mindful Employer Charter: As a signatory to the charter the council commits to being an employer which is positive about mental health.
- Fairtrade City: The council helps co-ordinate the accreditation of Lincoln as a Fair Trade City
- Global Challenge: Our staff are encouraged to get healthy as part of the Global Corporate Challenge.
- Mayor's Charity: Each year, our newly appointed Mayor nominates the charity or charities they will raise money for. Recently nominated charities have been Lincoln Foodbank, Lincoln Community Larder, Lincoln Sea Cadets, LEAP (providing accommodation and support for homeless young people).
- Christmas Sacks: Staff collection of gifts for the Christmas Sacks project, which collects for those struggling financially at Christmas time.
- Work experience opportunities: The council provides high quality opportunities for school age students, those at university and those seeking employment.
- Staff volunteering and fundraising: Several employees have undertaken volunteering activities during the working day and fundraising activities have included cake sales, raffles, dress down days and charity golf matches, raising money for a wide range of charities.
- Cycle to work scheme: A salary sacrifice scheme to enable people to buy a bike and encourage them to cycle to work
- Dying to Work Charter: The council has pledged its support to the Dying to Work Campaign by signing a charter that protects the rights of terminally ill employees.
- National Citizen Service: Staff from the city council led workshops at a number of National Citizen Service events aimed at encouraging young people to get involved in their community.
- Low Carbon Lincoln Charter: The council is a signatory to the Low Carbon Lincoln Charter.
- L.I.V.E.S.: We have given a L.I.V.E.S volunteer employed in our housing repairs team the freedom to respond to medical emergencies during his working day.

Looking ahead – introducing Vision 2025

When Vision 2020 was launched it redefined how, as a council, we were going to deliver the best possible services to the residents of Lincoln. It was an ambitious and exciting strategic plan, that dared to go places we had not gone before.

We drove economic growth by delivering a modern and futureproof transport hub, delivered quality housing by building new council homes, tackled and reduced inequality with our ongoing work in Sincil Bank and enhanced our remarkable place by delivering improvement to our allotments, Boultham Park and CCTV.

In the development of Vision 2025, we consulted with partners, local residents and stakeholders to understand what their vision for the city was. As a result of this consultation, we have refined our existing four priorities, to see the city through to 2025.

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

However, a new priority has also taken shape. We passed a motion in July 2019, that supported our commitment to declare a Climate and Environmental Emergency for Lincoln. We have titled this priority:

- Let's address the challenge of climate change

We will support the implementation of plastic free initiatives, sustainable transport options and infrastructure strategies that will ready the city for the changes that climate change brings.

We will also develop a new way of working, entitled One Council, as part of Vision 2025. To explore our five-year vision for the city, along with all the innovative and exciting projects that will aim to be completed, please go to [WEBSITE URL ONCE DESIGN HAS BEEN FINALISED BY DESIGNER](#)

Other formats

City of Lincoln Council is passionate about promoting equality and diversity. If you have difficulty in understanding anything in this document, please go to City Hall, Beaumont Fee, Lincoln or any other council office, where we can call an interpreter for you.

Bulgarian:

Общината на град Линкълн горещо насърчава равенството и разнообразието. Ако се затруднявате с разбирането на каквото и да било в този документ, моля, отидете до община Бомонт Фий, Линкълн или до друг неин офис, където можем да се обадим и да Ви подсигуририм преводач чрез услугата „Биг Уърд“ (Big Word).

Polish:

Rada Miasta Lincoln (z ang. City of Lincoln Council) jest w pełni zaangażowana w promowanie równości i różnorodności. W razie jakichkolwiek trudności ze zrozumieniem niniejszego dokumentu, prosimy udać się do ratusza - City Hall, Beaumont Fee w Lincoln lub do innego urzędu rady miasta, gdzie będziemy mogli zorganizować dla Państwa tłumacza z Big Word Services.

Russian:

Городской совет Линкольна является убежденным сторонником в борьбе за равноправие и этнокультурное разнообразие. Если в данном документе вам что-нибудь неясно, пожалуйста, обратитесь в City Hall, Beaumont Fee в Линкольне или в любое другое бюро городского совета, где мы сможем вызвать для вас переводчика, пользуясь услугами агентства Big Word Services.

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City of Lincoln Council, City Hall, Beaumont Fee, Lincoln, LN1 1DD

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SUBJECT: VISION 2025 STRATEGIC PLAN

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

REPORT AUTHOR: ANGELA ANDREWS, CHIEF EXECUTIVE AND TOWN CLERK

1. Purpose of Report

- 1.1 To present to members the final draft Vision 2025 content, which details where the council will focus its resources between now and 2025. **(Appendix A)**

2. Executive Summary

- 2.1 Vision 2025 Strategic Plan outlines the direction for the City of Lincoln Council for the period 2020-2025, forming phase two of the council's wider vision for the city to be delivered by 2030.
- 2.2 With a new strategic priority around addressing climate change added to the priorities from Vision 2020, each strategic priority continues to be underpinned by five aspirations and a range of cross cutting projects which will help the council and partners to deliver our vision for the city.

3. Background

- 3.1 Vision 2020 was published in January 2017 and formed the first three-year phase of a wider plan for the city to be delivered by 2030. This vision brought what we wanted to achieve over the longer term, and how we were going to start achieving it, together into the same document.
- 3.2 As we approach the end of the first phase, working with staff, residents, businesses, elected members and key partners across the city, the council has been developing the second phase of the plan, Vision 2025. The aim is to show the continuation of the long-term vision, by retaining and building on the branding created with Vision 2020.
- 3.3 To ensure the plan is reflective of the requirements of the city, consideration was given to evidence bases showing the needs in the city, followed by formal consultation which was undertaken between October 2019 and January 2020.

Whilst the overall plan is covering a five-year period, it is fully expected that at least one interim review will be conducted part way through this period to ensure that the direction is still as required.

- 3.4 It is proposed that this new plan for the city will be launched in March 2020 at the Lincoln 'Delivering a Sustainable and Inclusive Future' Growth Conference. It will be supported each year by an Annual Delivery Plan which will detail which of the projects will be started/continued in that year.

4. Continuing Priorities

4.1 Building on the success of Vision 2020, during the life of Vision 2025, the council will continue to deliver a range of projects which support the four existing priorities –

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

4.2 In addition as a result of evidence presented and opinions collected, the council has introduced a new priority which focuses on the emerging need to take action to reduce the effects of climate change. This new priority is

- Let's address the challenge of climate change

4.3 A number of projects will be delivered under this new priority to specifically address the challenge of climate change. In addition they will be supported by a range of projects under each of the other four priorities which also contribute to this priority either directly or indirectly.

5. Aspirations

5.1 Supporting each of the priorities above are five aspirations. For the continuing four priorities, the aspirations have remained the same with just minor word changes taking on board feedback from a number of stakeholders.

5.2 The aspirations under each of the continuing priorities are:

Let's reduce all kinds of inequality

- Let's improve the health and quality of life for people living in Lincoln
- Let's help people succeed
- Let's provide help to the most vulnerable in our city
- Let's help people feel safe and welcome in their communities
- Let's help more businesses embrace corporate social responsibility

Let's deliver quality housing

- Let's provide housing which meets the varied needs of our residents
- Let's work together to tackle homeless in Lincoln
- Let's improve housing standards for all
- Let's build thriving communities
- Let's help people have a sense of belonging

Let's enhance our remarkable place

- Let's show the world what Lincoln has to offer
- Let's cherish and enhance our natural environment
- Let's preserve the unique character of our city
- Let's deliver a rich and varied cultural experience
- Let's provide interesting, exciting and vibrant places to enjoy

Let's drive inclusive economic growth

- Let's build a strong, viable and prosperous future for Lincoln
- Let's continue to help businesses prosper
- Let's create a culture of innovation
- Let's attract investment
- Let's continue to make things happen

5.3 To support the new priority focused on climate change, five new aspirations have been developed as outlined below:

Let's address the challenge of climate change

- Let's set the Lincoln standard for sustainable zero carbon development
- Let's ensure our development approach reduces our carbon footprint
- Let's make walking, cycling and the use of public transport the best and favourite way to move around Lincoln
- Let's make our existing housing and business premises energy efficient
- Let's ensure the city's infrastructure is fully adaptable and resilient to the challenges of climate change

5.4 These five strategic priorities will be supported in Vision 2025 by a programme called One Council, which replaces the Professional High Performing Service Delivery section in Vision 2020. One Council is made up of the following pillars:

- Organisational development
- Best use of assets
- Technology
- Create value processes

It aims to put the customer at the heart of everything we do, understanding their needs, wants and preferences. One Council will also define how we will need to work in the future to meet those changing demands and to work in an effective and efficient way.

6. Consultation

6.1 To ensure Vision 2025 captures the views of key stakeholders within the city, consultation was undertaken with the following groups between October 2019 and January 2020.

- Staff
- Elected members
- Residents
- Businesses

6.2 Key highlights from the consultation include:

- 532 stakeholders responded to the consultation.
- 487 (92%) felt the priority of Climate Change was 'Somewhat Important', 'Important' or 'Very Important'.

- 390 (74%) of respondents felt this vision was the right direction for the city.

6.3 As part of the consultation residents were asked to identify the top three projects which were of most important to them. These top projects have been highlighted below under each priority:

Let's reduce all kinds of inequality

- 1) Supporting people who are rough sleeping
- 2) Promotion of our existing investment in health and wellbeing through our parks, green spaces and leisure facilities
- 3) Supporting the third sector to develop innovative solutions to support, train and upskill our communities

Let's deliver quality housing

- 1) Estate improvements
- 2) Continue to increase net council house numbers
- 3) Improve temporary accommodation options across all sectors

Let's enhance our remarkable place

- 1) Increasing recycling of waste, food waste and green waste levels
- 2) Embark on an ambitious tree planting scheme
- 3) Deliver a multi-agency Events and Festivals Strategy

Let's drive inclusive economic growth

- 1) City Centre Vibrancy – Central Market and City Square
- 2) Review of the Central Lincolnshire Local Plan
- 3) Growth Strategy and City Investment Plan

Let's address the challenge of climate change

- 1) Stop using single use plastics and encourage our partners to do the same
- 2) Create a strategy for the city which ensures a joined-up approach to all energy, transport, water and digital projects
- 3) Promote sustainable transport initiatives

This feedback will be built into the annual delivery plans.

7. Strategic Priorities

Vision 2025 identifies the new strategic priorities, setting the vision and direction for the council and the city for the next five years.

8. Organisational Impacts

8.1 Finance

There are no direct financial implications arising from this report. Each of the projects identified will have the financial implications detailed as the project is put forward for formal approval.

8.2 Legal Implications including Procurement Rules

There are no legal implications arising from this report.

8.3 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

There are no direct E&D implications arising from this report, however E&D will be considered during the implementation of projects and throughout the life of Vision 2025.

8.4 Significant Community Impact

Collectively, the priorities, aspirations and projects included within Vision 2025 will have significant impact of improving the day to day lives of our residents.

8.5 Corporate Health and Safety implications

There are no Corporate Health and Safety implications arising from this report.

9. Risk Implications

9.1 (i) Options Explored –

Not applicable, Risk will be explored as part of all project plans

9.2 (ii) Key Risks Associated with the Preferred Approach –

Has been covered through the identification of needs for the city and will be re-assessed in any interim review

10. Recommendation

10.1 Executive approve the final draft contents of Vision 2025 Strategic Plan, which can be found at Appendix A.

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?	One
List of Background Papers:	None

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VISION 2025

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Together, let's deliver Lincoln's ambitious future

City of Lincoln Council Published February 2020
www.lincoln.gov.uk/vision2025

Contents (The designer to add page numbers)

Foreword

Introduction

Our vision

What has already been achieved in Lincoln

- Infrastructure
- Economy
- Retail
- Visitor economy
- Education
- Leisure and culture
- Lincoln's communities
- A socially responsible and sustainable Lincoln

Opportunities and challenges

- Economy
- Financial inclusion
- Crime
- Children and young people
- Housing
- Health
- Environment

Our strategic priorities

Ensuring a strong link between our vision and the projects we will deliver

- Let's drive inclusive economic growth
- Let's reduce all kinds of inequality
- Let's deliver quality housing
- Let's enhance our remarkable place
- Let's address the challenge of climate change

One Council

Core values

Consultation

Vision 2025 Foreword

The Vision for Lincoln set out in this document is intended to match the aspirations of the communities we serve and the ambitions of our many valued partners and organisations that contribute to the great place that Lincoln is.

Looking forward to 2025 we can be certain that rapid growth, social and economic and technological change evident across the world, will continue to offer us both opportunities and challenges as a City.

It is all the more important that we have a strong vision, a strong sense of purpose and some clearly stated values that will guide us in making the choices and decisions we will all face.

This five-year plan, based on many conversations we have had with members of the public and our partners, sets out in some detail what we think needs to be done to deal with the most pressing issues we face in Lincoln.

Our plans aspire to achieve a dynamic, resilient, inclusive and carbon neutral City, but importantly as well, to have Lincoln as a place of advanced social progress, with a high degree of social cohesion, a city of cultural, generational and ethnic diversity.

The City of Lincoln Council has a key role to play in building shared visions and being an approachable, innovative and trusted partner, but it also needs strong partnerships with partner organisations and the communities it serves to succeed.

Wider economic forces, post Brexit, and significant restraint on public expenditure will continue to pose challenges for all of us.

The Council has responded positively to these challenges with greater efficiency, innovation in service delivery, creativity in seeking new sources of income, and seeking to establish a “One Council” philosophy with the customer right at the heart of everything we do.

We hope this Vision for Lincoln for 2025 does reflect your aspirations for the immediate future for Lincoln and look forward to working with you to achieve it.

Angela Andrews CPFA
Chief Executive and Town Clerk

Cllr Ric Metcalfe
Leader

Introduction

Lincoln's Vision 2025 sets out what we want to achieve over the next five years and how we are going to achieve it.

This is the second phase of our long-term vision for Lincoln by 2030 and follows on from the success of Vision 2020. As in phase one, the detailed programme, which includes a significant amount of partnership working, will need to be flexible, with project delivery being aligned to changing local needs. The overall strategy will need to react to the state of the economy, government and other funding, and requirements resulting from changes to legislation. Therefore, we may revise or add projects in response to changing needs in the city. This vision demonstrates the direction forward and some of the known specific projects, but it will be supported each year with a more detailed Annual Delivery Plan, including delivery measures, and monitored through the Annual Report.

Vision 2025 has been developed through internal workshops and discussions with councillors as well as external consultation with residents, businesses and other organisations with a stake in the city. It builds on Vision 2020, and includes longer-term projects which were started, but not yet completed, as well as brand new projects identified through our work with partners, residents and other stakeholders.

The focus of this document is on the key areas we plan to improve during the period of the plan, as well as reflecting briefly on where we stand as a city and what we have achieved during the past three years. A separate document, 'Celebrating Vision 2020', provides full details of our achievements in phase one of our vision.

A robust performance monitoring process will be key to achieving our goals. Each strategic priority chapter includes a section on what our outcomes are, and separate annual reports on each priority will show progress on the measures for that year.

Our vision

Together, let's deliver Lincoln's ambitious future

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What has already been achieved in Lincoln

Lincoln is a growing and forward-looking city built on historic foundations and is the economic driver for the Lincolnshire area. The city's rich mix of new and old has been enhanced over the three years of Vision 2020 with new development in the city centre complementing the existing historic fabric. Further development is planned over the period of Vision 2025 with the city continuing to embrace change and evolve to cater for its growing population, while respecting its strong heritage and diverse cultural identity. The key to achieving this lies not just with us, but with key partners within the city including University of Lincoln, Bishop Grosseteste University, Lincoln College, Lincolnshire County Council, Lincolnshire Co-op, Visit Lincoln, Lincoln BIG, Network Rail, Department for Transport, Ministry for Housing Communities and Local Government, London North Eastern Railway and Lincoln City Football Club to name but a few.

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Infrastructure

The city's east-west link road was first opened to traffic in September 2016 and our new £30m Lincoln Transport Hub scheme is now complete. The hub comprises a modern bus station, new 1,000 space pay on exit multi-storey car park, simplified highway and improved public environment as well as a new cycle storage scheme. It has created a more accessible and attractive gateway to the city and has acted as a catalyst for further investment into the city's retail and cultural offer.

Commuters and visitors have seen a significant increase in the number of direct rail services to and from London, now running every two hours, with further improvements in links to Birmingham and Sheffield also planned. This increase in service is likely to have many benefits for the local economy and help raise the profile of the city further.

Increased rail traffic through the city centre has resulted in longer waiting times for both road and pedestrian traffic at two city centre rail crossings. To help reduce pedestrian waiting times, Network rail have delivered a new £12m fully accessible footbridge opened in June 2016 over the city's High Street level crossing and further pedestrian footbridge over the Brayford Wharf East crossing in May 2019. Further improvements to the road network around these two crossings have also helped improve traffic flow through the city.

Economy

Since 2013 the growth of Lincoln's economy has exceeded forecasts with 9% increase in jobs and 20% increase in business growth. This has been achieved with a diverse range of investment. Foreign direct investment of £50m by Bifrangi in its Lincoln facilities have enabled the firm to expand its production of engine parts and Siemens has also recently reaffirmed its commitment to Lincoln with a £4m investment into its gas turbine manufacturing plant in the heart of the city. This follows the development of a manufacturing and research facility at Teal Park on the outskirts of the city, together with its partnership investment in the University of Lincoln Engineering School.

Local investment has also supported economic growth particularly Lincoln's developing digital business cluster which together with North Hykeham businesses is the location of almost a third of Greater Lincolnshire's digital tech economy jobs, accounting for more than half the total turnover of all digital businesses in Greater Lincolnshire. Lincoln is home to more than 400 digital tech jobs including GCI Telecom Group Ltd, AVG Technologies UK Ltd, Dynex Semi-Conductor Ltd, ScholarPack, Selenity, Distract, Inzpire, Cool DC, KryptoKloud Ltd, and Tended Ltd. Lincoln is also home to a new co-working digital hub, Mosaic, which opened in October 2019. The hub aims to enable the growth and development of the digital sector by providing dedicated space for digital businesses to network and collaborate.

The Lincoln Science and Innovation Park is very successfully supporting the development of technology and knowledge-based businesses, both new start-ups and established small businesses, through provision of office space and business development support. The second phase of the park obtained planning in 2019 and secured full funding in 2020 with development on site following.

The city has a number of managed workspaces; Greetwell Place as a general workspace, The Terrace as a creative industries workspace, The Think Tank Innovation Centre and a wide range of incubation and small office space accommodation at the universities and provided by the County Council. These all continue to operate with full occupancy.

Retail

Lincoln is the dominant retail centre in the county, pulling consumers from across Lincolnshire and the wider area. The city boasts a wide choice of shops, ranging from small independent retailers to national and international brands.

Against a national picture of declining high streets and significant reductions in retail employment, Lincoln whilst suffering some shop closures has also managed to buck the national trend and still secure new retail investment. Investment in the city centre by Lincolnshire Co-op of £12m got under way in 2016 when the Cornhill Quarter redevelopment project was started alongside the council's Transport Hub scheme. The Cornhill Quarter has already brought new international, national and regional retailers and leisure brands to the City with Everyman Cinema due to open alongside other new names to the City throughout 2020.

Visitor economy

Tourism has consistently made a strong contribution to the local economy and supports several thousand jobs in the city. The Cultural Quarter spans the east of the city centre and the south entrance to Lincoln's Cathedral Quarter. In this area, there is a wide variety of attractions including theatre, museums, art, music, cuisine, bars and cafés.

The award-winning redevelopment of Lincoln Castle in 2015 attracted one of the Heritage Lottery Fund's most significant grants to create a high-level walk around the ramparts as well as develop a state-of-the-art facility for holding Lincoln's 800-year-old Magna Carta.

The medieval square between this impressive Norman castle and Lincoln's magnificent gothic cathedral is the perfect backdrop for Lincoln Christmas Market, which has developed dramatically since it began in 1982 with just 11 stalls. The Christmas market now attracts around 250,000 visitors each year, bringing in £13m

to the local economy. Other events such as Lincoln Steampunk Festival, the '1940's weekend', the Frequency festival, the cycle Grand Prix and the Lincoln 10Km race bring in a further significant influx of visitors. We are working with partners to extend the offerings available, one such new event will be the 'Imp's trail' which the council is working with Lincoln BIG and others to deliver in 2020.

Improvements at the Cathedral with the current development of a new visitor centre and dynamic new floodlighting will further strengthen the visitor offer, and there are also plans to improve visitor information facilities in the city.

Education

Probably the most significant change Lincoln has seen in the last 25 years is the development of our educational establishments, the mix of which now rivals many larger cities in the UK.

The University of Lincoln, opened in 1996, was the first new city centre campus to be built in 25 years. The student intake has now increased to around 14,000, and the university employs around 1,600 staff. The University of Lincoln has steadily risen through the rankings, now lying 42nd in the Complete University Guide 2020 league table, making it a destination of choice for many students. The university has already invested £200m into its city centre campus alongside the Brayford Pool and is investing a further £130m, creating around 3,000 jobs for local people, attracting academics and students from around the world, stimulating the local economy by an estimated £300m.

The university's School of Engineering, opened in 2011 in collaboration with Siemens, and became the first engineering school to be created in the UK for more than 20 years. The school is housed in a purpose-built engineering hub, with teaching facilities as well as research laboratories, engine and gas turbine testing facilities and workshops. In 2019 the university welcomed the first cohort of students to the new Medical School, with new purpose-built facilities currently under construction and due to be completed in 2021.

However, Lincoln has not just one but two universities. In 2012 the status of Bishop Grosseteste University was confirmed, creating a second university in the city and currently has 2,250 students. This teaching facility has been in Lincoln for more than 150 years and is committed to being a leader in learning and inspiring excellence. It currently holds the TEF Gold award, given to institutions that consistently deliver outstanding teaching, learning and outcomes for their students.

We are working in partnership with both Lincoln University and Bishop Grosseteste to develop a Civic University Agreement – a pledge by the Universities to support pressing issues in the city, ranging from helping businesses adapt to technical change to boosting the health of local people.

Leisure and culture

Lincoln has a number of award-winning parks and open spaces. Hartsholme Country Park contains Victorian landscaped gardens, a large reservoir, woodlands and grasslands. Many of the park's features survive from the original landscaping that took place in the 1860s. The replacement of the park's popular White Bridge in 2014 has continued to enhance the appeal of the park to residents and visitors from further afield.

Lincoln is also home to the Arboretum, a grade II listed historic park, which in 2003 received £3m of funding to restore and to bring it back to its original beauty. A second, grade II listed park in the city is Boultham Park, which recently received £4.1m funding from the Heritage Lottery for improvements to facilities in the park. This included work on the café, stable block, glasshouse, bandstand, fountain and bridge as well as improvements to the entrance. A further phase of improvements is now planned for the lake which will make it more accessible for leisure activities and a great place for families to enjoy.

With the growth in the city's population, Lincoln's leisure industry has increased and developed. Lincoln now has several entertainment venues including Lincoln Drill Hall, restored in 2004 with a highly flexible state-of-the-art auditorium, the LPAC theatre and Engine Shed on the University of Lincoln campus, as well as the small, but traditional, New Theatre Royal in the city centre. The Lincoln Cultural Arts Partnership (LCAP) is a key partnership, established to support the arts, cultural and visitor sectors – developing strategic approaches to enhance the city's cultural activity.

Additional leisure facilities take the form of the city's two leisure centres. In 2018, Birchwood Leisure Centre received a £1.5m refurbishment and from 2019 the city also boasts new artificial playing pitches and refurbished all-weather athletics track.

Lincoln's communities

For 100 years we have been proud of our focus on supplying good quality, environmentally friendly social housing for those unable to move onto the housing ladder. Over the past five years we have gradually developed a long ranging programme aimed at meeting the housing demand in the city until 2030, which ranges from purchasing off plan, in house building and more recently plans for an extensive revitalisation of the provision of supported housing.

Recognising that Lincoln's communities are the heart of the city, we have made significant investment into a revitalisation programme in the Sincil Bank area of Park

Ward. While there is more to be done, environmental enhancements, establishment of a community land trust and the opening of a community hub have kick started the project to make the area a better place to live and work. The work is overseen by a neighbourhood board and supporting theme groups set up to ensure real community involvement.

In other areas of the city, local forums supported by Voluntary Centre Services, are becoming real community voices for their areas.

A socially responsible and sustainable Lincoln

In 2005, concerned about the implications that climate change has for the environmental, economic and social well-being of the city, we produced a Climate Change Strategy with a view to minimising our impacts on the environment. One of our key objectives is to identify how to substantially reduce greenhouse gas emissions within Lincoln and how we should adapt to deal with predicted changes in climate.

Members of the Low Carbon Lincoln Partnership have made a formal commitment to working together to reduce Lincoln's carbon footprint by signing up to the Low Carbon Lincoln Charter 2012-20. We have steadily reduced our carbon footprint through a range of different initiatives, including installation of electric car charging points, solar panels at City Hall, and extensive investment into Shuttleworth House in Lincoln's Stamp End to provide greener energy for residents along with other major changes. New council homes have also been built to high environmental standards, including installation of electric charging points as standard in some new houses. In June we declared a climate emergency and most recently made a commitment to plastic-free initiatives and reduction in single-use plastics.

The Lincoln Climate Commission emerged from a collaboration with the City of Lincoln Council, Siemens, Transition Lincoln and the University of Lincoln. Since then the group has expanded to include input from a range of businesses and organisations whose aim is to help shape Lincoln's transition to become a resource efficient and climate resilient city.

Opportunities and challenges

This section shows some of the key opportunities and challenges for Lincoln. If you would like to know more about the statistical evidence base on Lincoln please read the Lincoln City Profile available in the corporate publications area of www.lincoln.gov.uk

Economy

Lincoln has fared well through the years of recession and recovery, and recent achievements such as the Lincoln Transport Hub have meant that the city centre is bucking trends for downturn seen elsewhere, and the city has a good mix of retail, cultural and leisure offerings for residents and visitors alike. In addition, the city's reputation as a key location for engineering and scientific development is evidenced by the growth in university opportunities and local business referred to in the previous section.

Lincoln's economy has experienced some welcome improvements that benefit both residents and businesses such as full-time workers seeing increases in their annual salary and 90% of new businesses surviving their first year of trading - but we have still faced challenges. These challenges are not unique to Lincoln and are experienced by other areas across the country. Despite the growth of the Lincoln economy our GVA (a measure of prosperity) has decreased and we continue to have a low paid and predominantly low skilled population.

Financial inclusion

The welfare of a city's residents has a direct effect on their use of crucial services offered by private sector companies and local government. The welfare system is designed for those who need support from central and local government the most. It is designed to protect and promote the economic and social well-being of its residents, based on the principles of equal opportunity, distribution of wealth and above all public responsibility for residents who are unable to provide themselves with a basic quality of life.

Over recent years we have had a strong focus on supporting those needing help and as a result, Lincoln's welfare state has continued to see improvements, including a drop in the number of people in fuel poverty and children living in low income or out of work households.

Crime

Whilst crime overall is the responsibility of the Police, as a key partner we will support projects that deter crime and improve public safety and a number of these form part of this five-year programme. We have recently significantly upgraded the

standard of our CCTV offering for the city to enhance the safety aspects of key areas.

In a similar trend to the rest of the country, the total reported criminal offences in Lincoln have increased and in most crime categories, levels have got worse by a minimum of eight percent. However, Lincoln has seen improvements in four areas - the rates of burglary, weapons possession, vehicle related crimes and theft from the person.

Children and young people

A strong and effective education at a young age helps to develop a child/teenager's own thoughts and perspectives about the world. It also prepares them for work, which in a city such as Lincoln, is a big contribution to the economy and the overall skill levels of our population. Educational development is not just about the academic performance of young people and is just as much related to supporting young people into all forms of personal development, such as apprenticeships and traineeships. Working with partners the council is keen to seek funding and develop specialist opportunities to carry on from the excellent offerings provided in the first three years.

From data produced throughout 2019, Lincoln's schools educational performance has still seen the percentage of foundation students who are achieving a good level of development maintaining at 66%, but the average Attainment 8 score and Progress 8 score have both deteriorated since their introduction in 2017. The percentage of people with an NVQ Level 1 and 2 has increased, whilst those achieving a level 3 and 4 have decreased.

Housing

High quality housing that is affordable and flexible can help people of all situations to grow and achieve their true potential. By having a place to call home, people not only feel that they belong in their community, but they are more likely to look after their surroundings, which raises and maintains the appearance of the city.

Lincoln's housing data has seen some encouraging improvements, a key measure is the housing affordability ratio (the ratio of prices paid to salary earned) which is lower than similar cities to ourselves, in part due to the lower salaries in Lincoln. This effectively means more people can afford to get on the purchasing ladder.

The average price paid for a property in Lincoln has increased for the 6th consecutive year, which is positive for those already owning homes, but could eventually affect the affordability ratio making it harder to get on the housing ladder.

The number of properties sold under Right to Buy has increased recently, although this does mean that it decreases the number of social homes available unless new stock is built or bought. We still face challenges, as every city does, with average

private rental costs in properties of all sizes increasing in line with the East Midlands and England rates.

Health

A 'healthy' city is not an outcome but is instead a process of continuous development to offer residents improved physical and social environments that allows them to support not only their own personal goals, but also community goals of belonging, trust and physical and social safety. Thus, the goal of having a healthy city is more than just about the physical health of its population and is a much broader scope of health-related activities.

We have already invested more than £3m in physical sport activities over the last three years, we have improved our parks, and have further developments to come and with this in mind, one of our goals in this plan is to ensure they have healthy and diverse offerings which will appeal to as many of our residents as possible

Some worrying health changes in the most recent data include the reduction in life expectancy for Lincoln residents and the continuing high mortality rates for cardiovascular and cancer sufferers. Both female and male life expectancy have dropped, and Lincoln suffers from having the second lowest life expectancy for both males and females compared to a comparable group of local authorities. We have seen some improvements though, with the rate of self-harm decreasing along with a decrease in the number of alcohol related conditions.

Environment

Our environment is suffering at the hands of climate change. The air we breathe, the outside spaces we enjoy and the places we call home are being threatened by over consumption of energy, single use materials, as well as rising CO2 levels and global temperatures. Having declared a climate emergency in 2019, the council will place new focus on this priority as a key element of this plan.

Lincoln's environment is continuing to see some very encouraging improvements, such as decreases in energy consumption, more electric vehicles and another year of decreases in CO2 contributions. Gas and electricity consumption have also decreased for the 6th consecutive year and household waste per person has also decreased.

The city has improving air quality with a reduced Air Quality Management area and Lincoln dropped to just 3rd lowest CO2 levels out of a group of comparable local authorities.

Our vision

Together, let's deliver Lincoln's ambitious future

The strategic priorities that underpin our vision:

- Let's drive inclusive economic growth
- Let's reduce all kinds of inequality
- Let's deliver quality housing
- Let's enhance our remarkable place
- Let's address the challenge of climate change

The aspirations that underpin our five strategic priorities

Let's drive inclusive economic growth

- Let's build a strong, viable, inclusive and prosperous future for Lincoln
- Let's continue to help businesses prosper
- Let's support a culture of innovation
- Let's attract investment
- Let's continue to make things happen

Let's reduce all kinds of inequality

- Let's improve the health and quality of life for people living in Lincoln
- Let's help people succeed
- Let's provide help to the most vulnerable in our city
- Let's help people feel safe and welcome in their communities
- Let's help more businesses embrace corporate social responsibility

Let's deliver quality housing

- Let's provide housing which meets the varied needs of our residents
- Let's work together to tackle homelessness in Lincoln
- Let's improve housing standards for all
- Let's build thriving communities
- Let's help people have a sense of belonging

Let's enhance our remarkable place

- Let's show the world what Lincoln has to offer
- Let's cherish and enhance our natural environment
- Let's preserve the unique character of our city
- Let's deliver a rich and varied cultural experience
- Let's provide interesting, exciting and vibrant places to enjoy

Let's address the challenge of climate change

- Let's set the Lincoln standard for sustainable zero carbon development
- Let's ensure our development approach reduces our carbon footprint

- Let's make walking, cycling and the use of public transport the best and favourite way to move around Lincoln
- Let's make our existing housing and business premises energy efficient
- Let's ensure the city's infrastructure is fully adaptable and resilient to the challenges of climate change

Not all the aspirations will be progressed at the same speed or even at the same time. They provide an overview of where effort needs to be placed over time. The separate Annual Delivery Plan will show where the focus is for the current year.

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Ensuring a strong link between our vision and the projects we will deliver

Our Vision 2025 and the five-year activity programme which supports it is designed to have a simple structure. At the top is our long-term vision for the city, as set out in the five strategic priorities each of which will help improve an aspect of life in the city. Each priority is then underpinned by five more detailed aspirations of how we will achieve our overall aim, with all the projects that will help deliver that priority underneath.

The new Climate Change priority has a number of projects of its own but is also supported by projects from within each of the other four priorities.

Surrounding all this work is our commitment to continue delivering professional, high performing services via the One Council programme, reinforced by our core values, which govern our approach to everything we do.



Note 1 – Designers to develop a way of showing the interlinks – decision has been taken to show the new climate change as a NEW PLECTRUM

Let's drive inclusive economic growth

Introduction from the Portfolio Holder Cllr Neil Murray

“Inclusive economic growth is the key to driving forward many of the ambitious projects in this five-year programme. We will be building upon the success of Vision 2020 to ensure we are inclusive and that all our residents and businesses benefit from the economic success of the city and contribute to our exciting future”

What Lincoln will look like beyond 2025

Lincoln has grown into an internationally renowned creative and innovative world class historic city. We are known for our enterprise, engineering, heritage, research and educational excellence while demonstrating that being a competitive city does not mean compromising our people, values or culture. In our continuing role as the growth engine for Lincolnshire, the city has attracted a high level of investment into the economy. The leading Lincoln Science and Innovation Park hosts cutting edge global companies including defence-based technologies, drone technologies and a gold registered data centre. Whether you're a start-up, or global company, Lincoln is a home for business. Our diverse business offering has allowed us to trade on the global market. Lincoln exerts a powerful pull with a strong and loyal workforce that allows it to attract a diverse population of investors and businesses.

Lincoln has a strong city centre with an equally powerful tourism offering. Our vibrant connection between residents, businesses and visitors has enhanced our twilight economy which has a reputation for high quality social experiences and Lincoln's diverse cultural offering has transformed the night-time economy.

Residents of Lincoln have the opportunity to develop their skills and have exciting employment and training opportunities available to them. New people to the city bring fresh talent. We have a high-quality knowledge economy and we are a centre for academic excellence. The regeneration of communities that historically have been some of the most deprived in Lincoln is where the greatest difference has been experienced for residents of the city. Investment in sustainable housing, environmental improvements, creation of employment opportunities, and improved workforce skills through an innovative renewal intervention programme in Sincil Bank and Park Ward has transformed the lives for people in the area, paving the way for similar initiatives across the city.

Lincoln is now a truly multi modal city, with public transport being accessible, efficient and high quality. Cycle paths, walkways and pedestrianised areas have created a harmony between people and businesses. Building on the infrastructure improvements within and around the city, it's now more accessible than ever to travel in or to Lincoln.

Lincoln is a smart place. We have joined up the infrastructure sectors which has provided a resilient economy, better access to healthcare, mobility and accessibility have improved and a mix of new technology and digital opportunities along with more traditional ways of not over complicating simple tasks.

Why this is a priority

For Lincoln to achieve its ambitions, we need a strong, vibrant, successful and diverse economy. This needs to be inclusive so all businesses and residents benefit from it. This means removing the barriers to employment, jobs, business growth, suppliers and clients. By focussing on infrastructure improvements; visitors, businesses and residents can more easily move around the city helping to make the city centre the heart of the economy.

Aspiration: Let's build a strong, viable, inclusive and prosperous future for Lincoln

This aspiration ensures that barriers are removed so that businesses can flourish, residents have new opportunities to develop and so that visitors have the best experience possible. It will balance the needs of all who work, live and visit Lincoln. Western Growth Corridor will provide better transport linkages between different areas of the city not previously available to them.

Delivery of Western Growth Corridor

Western Growth Corridor is a new community, linking adjacent communities into the city centre, supporting the creation of an inclusive and sustainable new community within the heart of Lincoln. This will help reconnect disconnected parts of the city with new "Lifetime", carbon neutral homes set in beautiful green landscaping with views of the hillsides and Cathedral. Subject to planning, the first homes will be available in 2021, with over 300 delivered by 2025. The delivery of Western Growth Corridor will achieve against all the stated priorities of the council.

Transport Task Force and Transport Strategy

Working with partners, including Lincolnshire County Council, we will seek to deliver priority schemes identified within the emerging Lincoln Transport Strategy. The Transport Taskforce looks at all forms of movement in and around the city seeking to improve rail connectivity, especially the links to Nottingham, Sheffield and Manchester. We also need to increase rail passenger numbers, increase bus service frequency and improve the cycle and walking paths across the city. All of this will not just improve the cities look and feel, but will improve the opportunities for the residents, visitors and businesses in the city.

Review our parking strategy in response to the Lincoln Transport Strategy

In the review of our parking strategy, we want to ensure there is enough parking in the right locations to support the economy. We will ensure that businesses, commuters, and visitors will have high quality parking in the right places, while also supporting the needs of the city centre and public transport.

Aspiration: Let's continue to help businesses prosper

To maintain a resilient economy, we need to ensure that businesses are supported. From start-ups to global companies, business needs to be able to flourish. We want young people to be able to live in our city centre, and to do that we need to ensure that the city centre itself offers everything you need to do that.

City Centre Vibrancy - Cornhill Square

The Cornhill is Lincoln's new contemporary space within our city centre. This project is all about us creating a high quality, multi-use space that supports the twilight economy where family centred events and cultural activities can be enjoyed.

City Centre Vibrancy - Central Market & City Square

By restoring the grade II Lincoln Central Market and City Square, we will create a strong, sustainable indoor and outdoor market offer in Lincoln. This will create an anchor destination within the Cornhill Quarter which will support high quality independent trading, promoting local produce and start-up retail and creative businesses.

City Centre Vibrancy - Tentercroft Street

We are transforming this area of the city into a new "city living" concept, which will nurture the development of apartment living, entrepreneurial businesses and job opportunities next to the Transport Hub, Lincoln Central Railway Station and High Street. The development of Tentercroft Street will connect the emerging green corridor in Sincil Bank, along Tentercroft Street, right into the heart of the city.

Aspiration: Let's support a culture of innovation

Lincoln has a rich history of innovation, world leading, pioneering industry. Building on that business excellence and our strong academic reputation, we will further develop the city's knowledge economy creating new businesses at the forefront of energy efficient, creative and digital technologies.

Becoming a Digital City

Lincoln's sustainable and inclusive economic growth is centred on it becoming a smart place that is truly digitally enabled. Having smart digital networks will support business innovation as well as access to transport, healthcare and a range of other services. We will work with partners to implement this digital network to ensure access for all across the city.

Small Business Growth & Support Strategy (Inc. managed workspaces)

Building upon the support we already provide to start up and small businesses, we will continue to develop our workspaces and business premises offer so that

businesses of all sizes and types can make Lincoln their home. Lincoln Science and Innovation Park, alongside BG Futures, Mosaic and Sparkhouse will continue to drive partner collaboration in support of small businesses.

Aspiration: Let's attract investment

Lincoln has a unique, diverse and dynamic offer. For our economy to continue to prosper, we need to attract new business with new investment. This aspiration seeks to promote Lincoln as the place to do business. We will lead on a range of innovative redevelopments and campaigns that will paint a clear picture of what it is like to live work and visit Lincoln.

Growth Strategy and City Investment Plan

For our economy to grow in an inclusive and sustainable way, we need an evidenced based, joined up and partnership owned Growth Strategy that delivers improved productivity and economic growth. We will coordinate Lincolns Investment Plan, with the partnership Town Board to deliver a range of projects and initiatives that will support the delivery of those strategy outcomes.

Waterside East

Currently a forgotten area of the city, Waterside East has brilliant potential to become another type of "city living". We will develop a masterplan that will regenerate the area, by maximising the waterside location and the easy cycle and walking routes.

Be Lincoln

Be Lincoln is a marketing campaign that promotes Lincoln as a visitor, business and educational destination. This partner led campaign will promote the trade, talent and tourism offering of the city, making it clear that Lincoln is proud, welcoming, ambitious and extraordinary.

Aspiration: Let's continue to make things happen

The success of the city is dependent on effective partnership working. We have a strong and successful history of partnership working delivering successful improvements to the city. Our partners are delivering improvements in new businesses, educational and commercial space with our support. This aspiration will ensure we continue to support and work with others in a shared interest in the city.

Review of the Central Lincolnshire Local Plan

The local plan sets out where and how the city is going to develop over the next 20 years. It provides guidance to all developments ensuring it achieves the aspirations of the city, including things like protecting the heritage of the city, the vibrancy of our city centre, where homes are built and how transport will be offered. The review of this plan will ensure the guidance is updated so that ambitions of the city can be delivered.

Heritage Asset Programme - Deliver plans for Heritage Action Zone

The cities heritage is a key part of its identity and supports the investment and attraction to the city. Key to the visitor economy is working with communities and partners across the city. This scheme aims to maintain, protect and restore city centre shop fronts, historical buildings and heritage sites at risk.

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What success will look like

1. Lincoln's economy has grown beyond the expected growth rate, with more jobs, residents in employment, increased wage-levels, start-up businesses and business growth as part of a vibrant and flourishing city.
2. The city centre is vibrant with a flourishing twilight economy focused on the Cornhill Quarter with an increased level of people living and working in the city centre.
3. Digital infrastructure has supported the development of the economy with a growth in digitally enabled businesses and premises.
4. Increased visitor numbers, new homes and new businesses in the city resulting from transport improvements, effective marketing of Lincoln as a place and a great range of investment opportunities.
5. Development of new sustainable communities across the Lincoln area, including Western Growth Corridor, has created job opportunities in innovation related sectors of the economy and provided new infrastructure to support economic growth.

Let's reduce all kinds of inequality

Introduction from Portfolio Holder Cllr Rosanne Kirk

“Inequality is a challenge faced by many in our city, whether it be inequality of income, inequality of health, or inequality of access to services and opportunities. That is why reducing inequality in our city, particularly for those most vulnerable and isolated, is a key focus for us as we deliver our next five-year programme. Continuing from Vision 2020, a key element of this priority will be ensuring effective communication so that our residents know how to access services and where to go if they need help”

What Lincoln will look like beyond 2025

Acting as an advocate for the city and its residents, we have worked with a range of public, private and voluntary sector partners to continue the physical regeneration of some of the most deprived areas of the city. This work has provided decent affordable homes for everyone in areas that have attractive green spaces. Communities have come together to share these spaces, build community bonds, strengthen community cohesion and to reduce social isolation. People feel safe and welcome in their communities.

Lincoln's residents are healthier, thanks to a range of activities and amenities that help them to live an active and healthy lifestyle. Residents have access to health advice and guidance thanks to a wide range of services being easily accessible across of the city. Lincoln's parks, open spaces and health & leisure facilities are accessible by all, well promoted and fully utilised.

Everyone in the city has the opportunity, skills and support they need to obtain new and exciting employment opportunities that provide fulfilment. People appreciate the ease with which they can gain access to the full range of freely available, high quality public services. They can access these in the way and at the times they choose.

Businesses in the city are socially responsible, committed to supporting their employees and the local community to live a good quality of life.

The city has reduced the number of areas recognised as amongst the most deprived in the country and both we and the city are renowned for the life opportunities they provide everyone who comes to live here, regardless of background.

Why this is a priority

With some of the most deprived areas in the country located in Lincoln, addressing the key causes of deprivation and social isolation is important, whilst ensuring immediate 'emergency' help to deal with the effects of these issues is also essential.

Improving access to better skilled employment is a key element of reducing deprivation, especially among younger residents.

We recognise that being a 'healthy' city is a process of continuous development to offer residents improved physical and social environments. It is extremely important that we enable and encourage people to lead a healthy lifestyle and have easy access to the services and facilities they need to enable them to do this.

Partnership working plays a vital role in reducing inequality due to increasing resource pressures, the support of partners and local businesses is vital in helping to reduce inequality in the city, and in enabling our residents to live the best quality of life possible.

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Aspiration: Let's improve the health and quality of life for people living in Lincoln

This aspiration focuses on improving the health of residents of Lincoln and ensuring they have and can live the best quality of life.

Develop our Corporate Social Responsibility through the delivery of our programmes

The council is committed to social responsibility and providing support and opportunities to our staff and the local community above the statutory minimum. We will work to develop our corporate social responsibility further, exploring new opportunities to improve the health of our staff and the local community through activities and initiatives. The council will also continue to deliver the successful Lincoln Social Responsibility Charter.

Promotion of our existing investment in health & wellbeing through our parks; green spaces; leisure facilities

The council has invested a large amount of resource into Lincoln's parks, green spaces and leisure facilities during the life of Vision 2020. The investments have helped to enhance these areas to ensure the facilities are accessible and appealing to all who live, work and visit the city. Moving forward we will further promote these leisure areas, the facilities available and the events taking place, with the aim of inspiring residents to lead a healthy lifestyle. Collectively this activity will help to improve the health and wellbeing of residents in the city and further improve their quality of life.

Assist partners in joining up support to prevent social isolation

The council's Community Leadership Scrutiny Committee undertook a review focused on social isolation, with the aim of identifying how prevalent social isolation is in Lincoln, the reasons for this, what support is currently available and whether this support is sufficient. We will work to deliver the recommendations identified in this review with the aim of reducing social isolation in the city.

Influencing public health and mental health provision

By building strong partnerships with health, third sector and others with shared goals and ambitions, we endeavour to improve health outcomes for our residents.

Championing co-location with health through One Public Estate

Through the Greater Lincolnshire One Public Estate partnership we will seek opportunities to share facilities and assets with the health sector to improve access for our communities.

Explore new health delivery models

Working in partnership with our health colleagues we will seek to explore different models of health delivery relevant to our diverse population and demographics.

Aspiration: Let's help people succeed

This aspiration seeks to develop a wide range of opportunities for residents from all age groups to access either training or quality employment opportunities. Working with a range of partners and maximising the impact of our own training opportunities, we will focus effort on residents in our most deprived communities.

Work with training providers, businesses and partners to increase opportunities for local people to access training and employment

This will help people access training and employment through working with employers to develop training programmes for staff with low pay, targeted training for disadvantaged groups, work with schools for careers advice geared to the local economy and improve community access to education and training providers with a particular focus on supporting adults into work.

Review the support available for young people

We will review the support available for young people in the city. This will focus on ensuring there is advice and support readily available on a range of matters impacting young people, including housing, employment, mental health and training.

Aspiration: Let's provide help to the most vulnerable in our city

We will focus specifically on our most vulnerable residents who need additional support to access services. We will provide advice and support to residents most in need, while working closely with partners to ensure the correct support is in place.

Supporting people who are rough sleeping

Working with partners we will support the delivery of a countywide project, using government grant funding of £1.3 million, to deliver a Housing First solution to assist people with a history of rough sleeping to move into safe sheltered accommodation. Additional projects, totalling around £1 million will see council outreach workers actively engaging with rough sleepers in the city who need support. Mental health support and targeted support to assist former rough sleepers to sustain a tenancy will also be provided and actively promoted to those rough sleeping in the city, together with those moving into safe accommodation.

Supporting the third sector to develop innovative solutions to train and upskill our communities

We will work with third sector organisations to develop new, innovative solutions to support and meet the needs of people affected by poverty in and around Lincoln. This project will have a specific focus on signposting residents to relevant advice and guidance, providing a greater training offer and upskilling our communities. Collectively the support offered will assist residents to move out of poverty and into stable employment, with increased opportunity for career progression.

Aspiration: Let's help people feel safe and welcome in their communities

This aspiration focuses on ensuring everyone who makes Lincoln their home is well integrated into a warm and welcoming culture of tolerance and acceptance in the city.

Sincil Bank Revitalisation Programme – Community Hubs, Skills and Enterprise

We will continue to deliver the Sincil Bank Revitalisation project with the aim of making the area a better place for people to live and work, building on the success to date. Moving forward work will focus on developing services at the Community Hub to address community needs, develop the skills of residents and encourage businesses to locate to the area.

Aspiration: Let's help more businesses embrace corporate social responsibility

This aspiration focuses on empowering people to make a difference in their city and in their own lives. Working with local businesses we will develop ways to ensure our local communities benefit directly from both public and private sector activity in the city.

Develop a corporate social value approach to support delivery of our programmes

We will develop a corporate approach to social value that will ensure our Social Value Policy is embedded within our procurement practices where relevant and proportionate to do so. This will help ensure that, through the delivery of contracts, our contractors deliver added social value towards the priorities and aspirations of Vision 2025.

What success will look like

1. The city's residents have access to good quality training and development opportunities, enabling them to enter into stable employment with opportunities for career progression.
2. Lincoln's most vulnerable residents have access to the specialist support, services and opportunities they need to move out poverty and live an improved quality of life.
3. We have created strong communities where people feel safe and welcome.
4. More of Lincoln's businesses are actively committed to going above and beyond to support both their employees and the local community where they are located.
5. Effective partnership working ensures all Lincoln's residents have improved health, with the services and support needed to enable them to live the best quality of life possible.

Let's deliver quality housing

Introduction from Portfolio Holder Cllr Nannestad

“A quality affordable home in which people can feel safe and thrive is a fundamental element in creating a positive community and enhancing society as whole. We will do everything possible to meet housing demand and improve standards across all tenures in the city.”

What Lincoln will look like beyond 2025

Lincoln is a thriving community and there is sufficient housing across the city to meet all needs. Those who need help to stay at home despite old age or illness or simply require assistance to maintain their tenancies have support from all providers, from health to social care. These services are delivered by an effective partnership and the delivery is seamless to customers.

Homes are sustainable and fuel efficient, fuel poverty is a thing of the past. Communities are safe, green and clean. Community facilities are provided nearby and as a result, traffic is no longer a problem. Standards of living are high; private sector landlords provide high-quality safe homes at an affordable level. We still maintain a large stock of homes, which are easily accessible, the estates are well maintained with plenty of green open spaces, local infrastructure is good and there is easy access to all facilities.

The repairs service remains exemplary, our tenants (through an effective panel) are integral to our service delivery and help make us the landlord of choice. Temporary accommodation is of a high standard. Empty properties are brought back into use within very short time frames and are no longer an impact on communities.

Why this is a priority

Good quality affordable housing can have positive impacts on communities including improvements in people's health (both mental and physical), a reduction in crime, an improvement in school attendance and achievement, less unemployment and a better sense of community belonging.

Pressure on housing numbers in Lincoln has never been higher, the university has brought more students to the city, and people are living longer and staying in their own homes until later in life. The Right to Buy Scheme has reduced local authority stock numbers and affordability has caused tenants to accept much lower standards in the private rented sector in order to achieve affordable rent levels. This linked to the reduction of grant support for private landlords and the withdrawal of tax incentives have driven down standards and the availability of affordable homes. The council understands these pressures and problems and has actively sought, through planning policy and by adding to its own stock, to increase the numbers of affordable

and social rent houses across the city. We continue to work with the private sector to drive up standards and we will enforce against unscrupulous landlords if required.

In our delivery plans we aim to build new communities and enhance existing ones. We aim to build or encourage the building of “Lifetime” and carbon neutral homes. We have too many people spending too much time in temporary accommodation or struggling to maintain a tenancy. One of the key challenges going forward is to provide high quality temporary accommodation, remove the need for B&B stays and provide a range of support across tenures to enable people to have sustainable tenancies. Working with our partners in health and social care will be vital to achieving this.

Aspiration: Let’s provide housing which meets the varied needs of our residents

We will work closely with our partners to ensure housing continues to develop to meet the need in the city. We will ensure a mix of tenures and sizes to ensure that affordable housing is available for those that need it and that adequate housing is available to meet the growth needs of the city. We will undertake our ongoing work to bring long term empty homes back into occupation to help increase the overall provision of available housing in the city.

Continue to increase net council house numbers – retain and develop a new pipeline

We will continue to invest in the growth of our housing stock, between 2018 and 2020 we added 184 new homes across the city. We have developed a range of housing delivery opportunities; this will enable a mixture of tenure including extra care facilities and shared ownership as well as general needs housing. Initially smaller sites, such as the former Markham House, will come forward. This will be followed by larger sites such as Rookery Lane and Queen Elizabeth Road.

Housing Standards in new builds

In addition to standards that meet climate change objectives, new builds will also meet “Lifetime” homes, minimum space standards and health equality objectives and will include the quality of the environment in which new homes are built. Our objective is to set a high-quality standard for new build homes across Lincoln.

Celebrate 100 years of housing

In 2020 it will be 100 years since we first built council homes in Lincoln. This is a huge landmark and we, like most housing stock holding councils, wish to commemorate the anniversary. We will be holding a series of events across the city which, as well as celebrating the continuation of quality housing in the Lincoln, will highlight the historical significance of the anniversary and launch some changes to our housing services.

Supported housing stock review

Following completion of our new extra care accommodation at De Wint Court, we will review our other supported housing stock to assess the ongoing needs of our tenants.

This is a fantastic opportunity to bring housing for our older population up to the standards expected in Vision 2025. We anticipate that these increased standards will have a positive effect on aspirations of our current tenants. With this mind we expect to revisit the rest of our older persons accommodation to ensure standards that we provide across our service meet the expectations of our tenants.

Central Lincolnshire five-year Housing Land Supply

The National Planning Policy Framework requires local planning authorities to identify and update annually a supply of specific deliverable sites sufficient to provide five years' worth of housing against their housing requirements. The most recent five-year Housing Land Supply report (published Nov 2019) shows Central Lincolnshire has 5.3 years' worth of deliverable housing supply.

Aspiration: Let's work together to tackle homelessness in Lincoln

This aspiration will deliver projects which help people who are homeless in Lincoln. It will also seek to explore opportunities with partners to work even closer together so those without a home receive the support they need.

Improve Temporary Accommodation options across all sectors

Prevention of homelessness is a key priority and to meet the needs of people at risk of homelessness we must ensure we have a range of temporary accommodation options and minimise the use of bed and breakfast accommodation. One new option being considered is the use of additional furnished accommodation to raise the standard of homes offered as well as reviewing the quality of private sector housing.

Improve the connectivity between homelessness, un-met housing need and the quality of the private sector stock

To ensure the council maximises the availability of affordable housing across the city and to meet our customers housing needs, we will work closely with the private sector to improve the condition of the stock and maximise the opportunities for access to private rented accommodation for those who have previously been unable to access this.

Aspiration: Let's improve housing standards for all

This aspiration will explore how we can raise the standard and quality of homes in both the social and private rented sectors.

Scheduled repairs programme

This is a new way of carrying out the repairs service by concentrating on emergency and urgent repairs, with the remaining routine repairs scheduled in on a regular basis as the workforce moves from area to area. This allows the repairs service to work more closely with the planned investment, pre order materials, reduce its fleet mileage and provide the customer with a better range of appointments.

Improve the letting and repair standards in our stock

We aim to develop new council homes that provide safe, modern and affordable accommodation that meets the needs of our residents. Our new homes will be built to high standards, looking to reduce the carbon footprint and minimising resident fuel cost. We will introduce a higher specification within our kitchen and bathroom installations to ensure a modern high-quality finish, which offers our customers more choice. The internal layout of our homes will ensure that there is enough space for residents to live comfortably.

Private Sector Housing – roll out of the Houses in Multiple Occupation Licensing scheme

New regulations have been in place from October 2018 requiring landlords who manage an HMO of any number of storeys, occupied by five or more people who are not from the same family, to hold a licence. This increased the number of eligible properties across the city and we now need to ensure we continue working to license all the estimated 600 additional properties.

Aspiration: Let's build thriving communities

Building thriving communities must be done through a shared approach with partners to ensure that a range of community needs are met. Therefore, a key part of this aspiration will involve partnering with others to co-ordinate our resources effectively.

Estate improvements

This project will see a review of how we enhance the environment within our control and the wider community. We aim to see a new approach to communal gardens, green spaces, communal entrances, landscaping and the links between the natural and build environments. At the same time, we will review car parking and traffic management issues within our estates. This will be focussed on a ward-by-ward approach to ensure individuality and enrich the communities we serve.

Respond to regeneration need in Sincil Bank area, including remodelling of existing stock and developing garage sites

This project includes delivering safer and greener streets, via improvements to residents parking, more CCTV as well as a street greening programme. These can generate interest and aspiration to move to and remain in the area by delivering high quality alternatives to existing provision and where required renovating and remodelling existing homes to create a more balanced offer of homes. These include looking at garage sites and communal (potentially green) areas, to address long standing issues of ASB and criminal activity. Examples of such opportunities will centre on proposals for Hermit Street garages and surrounding areas and the Palmer Street garages.

Aspiration: Let's help people have a sense of belonging

All the projects under the housing aspirations will help people have a sense of belonging in their communities, however we want to take that a step further by developing opportunities and environments where our residents can thrive.

World of work programme development

This project initially aimed at council tenants, brings together the council, local businesses, charities and education providers to provide a work experience-based training course for those who are currently out of work but wish to return into employment. The scheme aims to offer a qualification, work experience, help in completing applications, interview practice and financial planning. Focussed initially on our own tenants, if successful, we will hopefully roll out the scheme to those who are being helped out of homelessness and reintegrated into society.

De Wint Court Redevelopment

De Wint Court will provide a new purpose built 70 apartment Extra Care Scheme on the site of a former sheltered scheme. The new homes will be built with the aim of improving standards in wellbeing as well as housing. The new apartments will enable residents to maintain independence in their own homes as their needs change with care providers arranged by the County Council. All apartments will have facilities to support residents with level access showers and provision to aid adaptation if needed.

What success will look like

1. Net number of council homes in the city has increased, as has the development of affordable private housing within the city which are built to an excellent standard.
2. Less people are vulnerable to homelessness, and temporary accommodation options have improved through our effective partnership with the private housing sector.
3. Lincoln has a high standard of social housing with repairs to council homes setting the standard for the private sector where we will use our powers to ensure adherence to these high standards.
4. Our estates and regeneration areas are of a high quality and are appealing, allowing residents to enjoy their home and the surrounding natural environment.
5. Residents can maintain independence in their own home, with the facilities provided to support people as their needs change throughout life.

Let's enhance our remarkable place

Introduction from Portfolio Holder Cllr Bob Bushell

“This theme is about celebrating, protecting and enhancing all that is special about our city. Be it our cultural and heritage assets, our amazing green spaces, our fabulous sporting and leisure facilities or the way we deliver key services such as refuse collection and street cleansing. It's about keeping crime and anti-social behaviour to a minimum, providing vibrant events and festivals for people to enjoy and it's about helping people to stay fit and healthy.

By focussing on these elements, we will together protect the city both now and for the generations that follow us”

What Lincoln will look like beyond 2025

An exciting and modern city, Lincoln has maintained its character and enhanced its heritage, culture and open spaces, making residents proud to call Lincoln home, and a destination of choice for visitors from around the world.

Lincoln's reputation as a great city that is based on the way it is laid out, making it function well for both residents and visitors, with welcoming and lively spaces, protected, preserved and enhanced to retain both their character and appearance.

The city is recognised at a national level for its heritage, art, culture, and events and festivals offer, driving Lincoln as a major tourist attraction both domestically and internationally.

The local environment is maintained and managed in a way that makes residents and visitors, feel welcome and safe. It encourages everyone to get out and about to embrace what the city can offer, interact with other people and so enhance their own mental and physical wellbeing.

Why this is a priority

Developing the right kind of 'place' is increasingly seen as vitally important to underpin a vibrant economy and city, whether seeking to attract tourists or wanting to create somewhere where people want to live and work.

Getting this right is crucial to delivering Lincoln's ambitious future.

The quality of the local environment - what makes a place special - is fundamental to the lives of residents and visitors alike. We recognised that without the city having the right environment, there is a real risk our other achievements won't be fully realised, recognised, and enjoyed.

For this reason, this strategic priority to enhance and preserve the unique environment of the city, focuses on creating healthy communities; ensuring opportunities for leisure; making amazing open spaces for everyone to enjoy and experience; ensuring our cultural, arts and heritage are interactive and engaging; promoting and attracting tourism; and lowering both the fear of, and risk of crime.

Get these right and we will enhance life in the city, be that through the use of our public spaces as informal social gathering places, locations for inspiring art installations, for events and activities, or for use as a part of a healthy lifestyle.

Every city needs wonderful open spaces, a range of cultural and physical activities to enjoy, as sense of protecting the past, present and future, and somewhere we can all feel safe and secure. That is why this priority is important.

Aspiration: Let's show the world what Lincoln has to offer

Lincoln has a lot to offer and this aspiration will focus on ensuring the city is well showcased. Projects include new ideas or enhancements to existing services to ensure they deliver the highest quality services.

Bring the Visitor Information Centre back within the council and maximise the opportunities this delivers

As the contract with our external supplier comes to an end in March 2020, we will take this opportunity to bring the service back in house and work with this excellent team and our partners such as Visit Lincoln, to enhance the marketing of the city and support our important flourishing tourism economy.

We will deliver the planned crematorium refurbishment

A project that will further renovate our existing facility to ensure we can continue to deliver a high-quality service, in an attractive environment where people can say goodbye to loved ones. In addition, we will look to supplement our service offering with the launch of a city council branded funeral service, working with local funeral directors to give people access to "low cost" funerals. We will also seek to deliver a second smaller chapel aimed at those wanting a more intimate service.

Aspiration: Let's cherish and enhance our natural environment

This aspiration will seek to enhance the city's natural environment by further embedding the principles of nature conservation wherever possible, maximising natural credentials and minimising the effects of excessive local traffic.

Commence work on a masterplan for Hartsholme Country Park

With Boultham Park having completed phase one of its restoration and being on track to deliver the lake renovations, we will be able to start the process of developing a vision and masterplan for the future of Hartsholme Country Park.

Embark on an ambitious tree planting scheme

We recognise the importance of trees – not just within our open spaces, but also within an urban context as well. Trees absorb carbon dioxide; help provide shade in summer and provide green benefits to what can be otherwise hard landscaped city streets. We are committed to plant even more trees than we had before in a range of suitable environments across the city over the next five years – not just to help tackle climate change but also to enhance our natural environment. This will be supported by a pilot initiative to introduce native wildlife areas into some of our grass areas on key routes into the city.

Deliver environmental improvement schemes in the Sincil Bank area

This area remains a key focus for the city council and its partners. Within the Remarkable Place theme, we will seek to:

- create green spaces in the area,
- create green corridors through the area,
- plant urban trees,
- introduce resident's parking where it is supported by residents
- alter the traffic flows through the area to remove "rat runs"

Ensure we retain high standards of cleanliness under the council's contracts and seek to increase recycling rates

We will work with our contracted partner to improve cleanliness and action innovative solutions whenever possible to improve effectiveness and efficiency. We will seek to improve recycling rates and respond to government and countywide initiatives to treat waste in new and sustainable ways.

Aspiration: Let's preserve the unique character of our city

There are many unique heritage aspects and locations within Lincoln that need to be preserved so that Lincoln's special character is maintained. Elements of this will include a focus on safety within the city so that all residents and visitors can enjoy what it has to offer.

We have ongoing plans for the Heritage Action Zone - This £1.7m grant funded scheme designed to maintain, protect and restore heritage buildings in the city centre and lower high street areas of Lincoln is being led from the Economic Growth priority, in partnership with the council planning teams.

Heritage Asset Programme – including Greyfriars and the Harlequin

We have entered into a partnership with Heritage Lincolnshire to assist in raising grant funding to enable us to invest in the upkeep of Greyfriars and bring the building back into use. An application was submitted to the National Lottery Heritage Fund in November 2019 as well as other heritage funding bodies. If successful, Heritage Lincolnshire proposes to use Greyfriars as a museum, office & events space.

20-22 Steep Hill and 40-42 Michaelgate – otherwise known as The Harlequin project (after the former bookshop that occupied the Steep Hill element). We have entered into an arrangement with East of England Buildings Preservation Trust and successfully raised funding from the Architectural Heritage Fund to commission a study on works required to protect the condition of the property and advise on options for the building's re-use. An application for heritage funding, similar to Greyfriars, is likely to follow.

Develop a digital heritage trail using ARCADE

Launched in 2018 as part of our Vision 2020 plan, ARCADE is a powerful and publicly accessible system to catalogue, map, describe, and help protect the rich cultural heritage Lincoln. We will now use this data to develop new heritage trails, which will be made available for local schools, residents and tourists alike through an exciting and innovative digital application.

Aspiration: Let's deliver a rich and varied cultural experience

Open spaces offer an all-important opportunity for other 'added value' activities and initiatives such as a bat watch, fungal forays, vintage vehicle rallies, a brass band playing in the band stand or a family fun day, all of these are great ways to add a new dimension to well-known and often much-loved sites. Activities like these are not just great fun but can be educational, stimulating, healthy and inspiring for our community. In addition to delivering fun opportunities, we will continue to facilitate a range of cultural festivals and events such as the widely respected Christmas Market.

Implement the ten-year vision for Lincoln Christmas Market

The 2019 Christmas Market saw the first stage in a 10-year vision to transform it from a primarily retail experience into a major cultural experience. 2019 was an amazing success with over 249,000 visitors experiencing a festival of light ranging from the illuminated castle wall walk, feature-lit water tower and other heritage buildings in the area plus the new lighting scheme at the cathedral. Work will continue to introduce live cultural performances as we enhance the event to create a new ambience and atmosphere.

Develop a new model for supporting our cultural assets

There are a rich and varied array of cultural assets cross the city – many our ownership – such as The Collection, Usher Art Gallery, Greyfriars, Guildhall, our Roman walls and many grade II listed buildings- and many not in our ownership such as the Drill Hall. Working with tenants of these buildings and sourcing available grants, we are committed to helping secure a strong future for these assets and ensure they are preserved for generations to come.

Deliver a multi- agency events and festivals strategy

This will ensure the city becomes recognised for a variety of high-quality festivals throughout the year, bringing trade to the local economy for residents and tourists alike. These events will be developed, and a range of new events and festivals created, to keep the city centre and surrounding areas vibrant and dynamic.

Aspiration: Let's provide interesting, exciting and vibrant places to enjoy

This aspiration aims to bring sites to life and maximise the benefits that vibrant places can have for the communities that use them. It is underpinned by the need for good quality maintenance. It will focus on the opportunities that open spaces can bring and maximise their potential, be that for quiet reflection and contemplation in a beautiful wildlife setting, or as contributors to entertain, help people to get fitter or make people think differently as a part of an existing, stimulating and vibrant life in the city.

The Boultham Park Restoration Project:

This scheme brings forward phase two of our improvement work in this historic Grade II listed urban park. Work will include:

- Improving the water quality of the lake
- Improvements to the biodiversity of the plants and wildlife
- Restoring the lake banks
- Introducing leisure activities on the lake such as boating and fishing
- Supporting an extensive community engagement project to ensure the improvements are sustainable

Commence the specifications for a new leisure village

The Central Lincolnshire Sport and Leisure Strategy identifies a need for more leisure provision in the city. Working with partners we will identify how we can deliver a new Leisure Village of regional significance over the next five to ten years. Within the Local Plan, a site on Western Growth Corridor offers the best opportunity to create a truly inspirational leisure offer with a mix of indoor and outdoor facilities bringing together a range of recreational activities catering for everyone from casual walkers, through to club and elite athletes.

Finalise the play area strategy

We recognise the value of play to children's health and wellbeing and we have provided dedicated play areas. Where and how these are provided is driven by our play area strategy. This important document will be updated in the context of both the difficult financial position and our refreshed commitment to 'place.' The strategy will seek to maintain a suitable network of play areas across the city, based predominantly on existing stock, seeking to make them fun to visit and use, yet affordable and sustainable. We will use the financial contributions from developers arising from new housing schemes to invest in our existing sites such as Whitton's Park on Long Leys Road and on Swift Gardens in St Giles during the early years of this new strategy.

What success will look like

1. Lincoln is recognised as a major tourist destination, with increasing visitor numbers year on year
2. The city's clean and appealing green spaces are enhanced and well used by residents and visitors alike
3. More of Lincoln's heritage is restored and preserved for future generations
4. Lincoln leads the county in offering a range of events and cultural venues designed to appeal to everyone
5. Leisure facilities in the city are inspiring and offer opportunities for all

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Let's address the challenge of Climate Change

Introduction from Portfolio Holder Cllr Bushell and Climate Champion Cllr Preston

“We recognise that working with other organisations and the community is the best way to create a city that is sustainable in its existing developments whilst also increasing the efficiency of our new developments to manage the impact of climate change locally. We will lead by example; supporting, enabling and empowering the local community to implement ways to reduce their own impact on the environment and promote local initiatives within our communities.”

What Lincoln will look like beyond 2025

Lincoln is a city that enables its residents, visitors and businesses to live more sustainably. There has been a significant reduction in the use single use plastic and more positive use of recyclable, reusable materials.

The options for moving around the city effectively and efficiently have increased and improved and have resulted in reduced congestion, improved air quality, reduced journey times, a higher quality city centre and a more active population. Lincoln is more accessible to people across the country through increased train services with better access to Lincoln from the greater Lincoln area.

Our existing housing stock and business premises are more energy efficient and the standard set across our new build homes will be exemplary. Acquiring Environmental Management Accreditation, along with our fully established Lincoln Climate Change Commission has harnessed the collective energy, vision and ambition of key stakeholders across Lincoln to deliver a step-change in our response to the climate emergency.

Why this is a priority

The evidence for rapid climate change is compelling. The global temperature is rising, the oceans are warming, ice sheets are shrinking, and extreme weather events are having effect not just globally, but locally too. The average rainfall in Lincoln has seen a 16.5% increase since 1949, and the average minimum temperature has risen by approximately 2 degrees since 1949. Flooding is now more common than ever, and the effects more devastating as our urban density increases. Lincoln and Lincolnshire have the most engineered flood and water management programmes in the country, which confirms our vulnerability to the impacts of climate change. We need to rethink how we address changing our own perception of our contribution but also how we can adapt to what is already happening.

Aspiration: Let's set the Lincoln standard for sustainable zero carbon developments

We want to see zero carbon developments that not only provide communities our residents are proud to live in, but ones they can live in knowing they haven't impacted negatively on the environment. Placemaking will be at the heart of all future developments within Lincoln and our commitment to sustainability will drive the way that developments look, feel and function.

Work with partners on the Lincoln Climate Commission and deliver our Climate Action Plan

We became the second council in Lincolnshire to declare a climate emergency and numerous environmental groups, organisations and community groups co-created the Lincoln Climate Commission to harness the collective energy, vision and ambition of key stakeholders across Lincoln to deliver a step-change in its response to the climate emergency. The Commission will provide the opportunity to ensure policies align with stated aims, and to monitor delivery against a realistic yet ambitious action plan, that ultimately supports the people of Lincoln.

Stop using single-use plastics and encourage our partners to do the same

The council and its partners are going to be single use plastic free by 2025. We will work with single use plastic free community leaders, that will help to further enable the community to reduce their use of single use plastic. We will carry out a plastic free audit and identify replacements where possible across all the council's premises.

Aspiration: Let's ensure our development approach reduces our carbon footprint

All future developments will strive to integrate our energy, transport, utilities and digital strategies with our future planning vision for the city. Developments will seek to minimise reliance on carbon reliant sectors by providing an integrated approach to where people live, work and enjoy the amenities and services of Lincoln.

Create a strategy for the city which ensures a joined-up approach to all energy, transport, waste, water and digital projects

We will work to join up the effort of different sectors to create an infrastructure strategy which benefits not just the residents but also the environmental impact that those sectors have on our environment. We need to rethink our approach to the city's infrastructure so that we can adapt to the environmental changes already taking place as a result of climate change.

Aspiration: Let's make walking, cycling and the use of public transport the best and favourite way to move around Lincoln

We want to make sustainable travel become the best and favourite way to move around the city for the residents and visitors of Lincoln, seeing well designed cycle and walkways delivered. We will promote developments that integrate sustainable movement strategies that connect with the wider city centre and will promote integrated sustainable travel within the wider area of Lincoln.

Promote sustainable transport options

We will work to implement sustainable transport initiatives that align with our development management approach so that new developments empower people to take low carbon and carbon free transport options such as public transport, walking and cycling.

Campaign to support people reducing their own carbon footprint

We will run a strong communications campaign, that seeks to better inform residents, visitors and businesses on how they can reduce their own carbon footprint. We will make this an accessible campaign, making sure everyone across the city can see the options available to them.

Aspiration: Let's make our existing housing and business premises energy efficient

We will make our corporate portfolio of buildings and specification for all council homes energy efficient by integrating the most up to date technologies, making them not only cheaper to run but also better for the environment.

Gain environmental management accreditation

We will work to achieve 'Green' level Environmental Management Accreditation by 'Investors in the Environment'. This checklist allows us to manage our environmental

responsibilities against national standards, and the benchmarking opportunity available to us will allow us to see where we can make improvements.

Make current and future business premises as energy efficient as possible

When a council building needs modernising or repairing, we will use more efficient materials and replacement items to improve the efficiency of those buildings. We will use the best options available to us so that running costs are lower for the council and its impact on the environment is lessened.

Aspiration: Lets ensure the city's infrastructure is fully adaptable and resilient to the challenges of climate change

We recognise that addressing the issue of climate change is just as much about adapting our existing infrastructure to the changes we are already seeing in our environment, as it is changing our attitudes and behaviours when it comes to using transport and producing consumables and energy. We want to ensure the city's infrastructure is adaptable and resilient to the numerous challenges' climate change brings.

Climate conscious infrastructure projects developed as part of Town Fund Board Vision

A range of infrastructure projects that will set out a vision for the city. We will identify key transformational projects and programmes which will include initiatives that directly and indirectly contribute to the climate change agenda.

In addition to the projects above which are focused purely on addressing the challenge of climate change, within the other priorities in Vision 2025 there are a wide range of projects which also directly support this priority.

What success will look like

1. The council and the Lincoln Climate Commission have significantly reduced single use plastic in the city and have supported the delivery of zero carbon developments
2. Developments have integrated energy, transport, utilities and digital strategies that have minimised our reliance on carbon reliant sectors
3. The city has seen increased use of sustainable travel options which has resulted in people reducing their own carbon footprint
4. Our corporate portfolio of buildings and council homes have improved energy efficiency by having up to date technologies and environmental enhancement schemes introduced
5. New infrastructure projects are sufficiently flexible and adaptable to meet the challenges that climate change brings

One Council

Introduction from Angela Andrews, Chief Executive and Town Clerk

One Council has been established from the "Professional, high performing service delivery" theme of Vision 2020. One Council puts the customer at the heart of everything we do, understanding their needs, wants and preferences. One Council also defines how we, as an organisation, will need to work in the future to meet these changing demands. Our focus will be on creating a joined-up experience for customers where they feel they are talking to one council rather than multiple departments.

What the council will look like beyond 2025

We will go even further to redesign our services around the needs of the people using them. This means continuing to prioritise our users' needs above anything else. We recognise there is a need to provide quality services online and this will be a focus of Vision 2025 - developing online services that are accessible and easy to use.

Innovation is part of everything we do. We are well respected for trying different approaches to service delivery and for investing in our key assets (staff and property) to maximise the benefits for residents.

We are a council with a great reputation locally and nationally for providing good quality services and we are known for continually improving these services. Putting our customers at the heart of everything we do results in excellent feedback where residents recognise the council as 'going the extra mile'.

We will continue to be a self-sustaining council with no reliance on government grants for day-to-day services. All income is raised locally and invested back in local service delivery. A significant proportion of our income is generated through selling a wide range of additional services to other organisations and rental income. In other activities where no charges are made, costs are kept very low from working with local partners to cut costs and by driving out inefficiencies.

We maintain this position year-on-year by investing in our future and ensuring all our staff are trained and developed so they have the skills, confidence and trust to meet a diverse range of customer needs in new and exciting ways. All our staff do an excellent job and are committed to high performing public services.

Why this is important **Designers to ensure this section looks visually a little different to the other five priorities**

We understand our customers' growing need to be able to access our services at anytime from anywhere, in a safe and secure way. Achieving this will build trust among our partners and customers. Providing the opportunity for customers to self-serve will allow us to better support the most vulnerable members of our communities, and to target our resources more effectively.

Since 2010 local authorities across the country have experienced unprecedented challenges and we are no exception. Central government funding reductions, all time low returns on investments, national economic conditions affecting jobs, and housing and business growth have all created pressure on local income streams. Coupled with this is rising demand for council services from customers who rely on the safety net provided by local government.

Through our Towards Financial Sustainability programme we will continue to do all we can to minimise the effect of these reductions on our residents, provide good value for money for the residents of Lincoln and prioritise services that are needed the most.

One council “Organisational Development”

This programme of work focuses specifically on creating a workforce that is flexible and adaptable to the changing environment in which we work. We will equip our staff with the skills and technology to deliver services efficiently and effectively. This will ensure that when contacting us our residents will experience excellent customer service from knowledgeable, enthusiastic and approachable customer focused staff.

One Council “Technology”

Investment in technology will be a key priority. Our modern technology will allow us to work at the most appropriate location, ensuring we are visible and accessible to our customers in the community. This will not only give staff the right tools for the job but will also provide our residents with much easier direct access to council services, trusting staff to work in innovative ways, at a wider range of locations.

One Council “Create value processes”

We will focus on user needs by developing and building services that are simple, intuitive and easy to understand. We will provide a joined-up experience across all methods of using our services, ensuring that digital services can become the default

choice for our customers due to the ease and efficiency they provide.

One Council “Best use of assets”

We will seek to utilise new or existing buildings to create workspaces in the neighbourhoods that enable services to be delivered and accessed in the best location. As highlighted in our climate change priority, we will minimise our environmental impact from our office spaces. Our residents will be able to access more services in their local communities, confident that the impact of this change on the environment has been minimised.

Towards Financial Sustainability

The key mechanism in ensuring that the council maintains a sustainable financial position and delivers the required reductions in its net budget is through its Towards Financial Sustainability (TFS) programme. The programme itself reflects our innovative, forward thinking and commercial approach alongside our ambitions to maintain high performing services and a performance driven culture.

Prepare for a second LGA peer challenge

The peer reviews are organised by the Local Government Association and delivered by other councils to support councils in taking responsibility for their own improvement. By undertaking this we will explore ways to ensure continued improvement.

What success will look like

1. Staff have access to the right technology to do their best for our customers
2. Customers have access to 24/7 online services that meet accessibility and best practice requirements
3. We are financially sustainable
4. Our services are efficient and effective when compared with other local authority services
5. We and our staff continue to be shortlisted and receive awards for our excellent work

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Core values

Our core values sum up our culture and what we expect from our services and policies. They should also be present in the way that we deal with each other, our residents and our partners.

Because these values are intrinsic to what we do, we want to ensure they are memorable, simple and clear. Put simply, our core values are:

Let's be approachable

We will be accessible to all our residents and customers and will work with professionalism and compassion

Let's be trusted to deliver

We will be a council that can be relied on to meet the needs of our residents and customers

Let's be innovative

We will ensure our services are delivered in new and innovative ways

DRAFT

Consultation

In developing this Vision 2025 we consulted with staff, residents and businesses in the city on our strategic priorities and key projects under each aspiration. The consultation was also open to people who live outside the city boundary but work in Lincoln. Formal consultation was conducted between 19 December 2019 and 20 January 2020, with 532 responses received.

Outcomes

The top three projects per priority voted for in the consultation can be found below – more details on each is available within the details of each Strategic Priority.

Let's drive inclusive economic growth

- 1) City Centre Vibrancy – Central Market and City Square
- 2) Review of the Central Lincolnshire Local Plan
- 3) Growth Strategy and City Investment Plan (Town Deal Fund)

Let's reduce all kinds of inequality

- 1) Supporting people who are rough sleeping
- 2) Promotion of our existing investment in health and wellbeing through our parks, green spaces and leisure facilities
- 3) Supporting the third sector to develop innovative solutions to support, train and upskill our communities

Let's deliver quality housing

- 1) Estate improvements
- 2) Continue to increase net council house numbers
- 3) Improve temporary accommodation options across all sectors

Let's enhance our remarkable place

- 1) Increase recycling of waste, food waste and green waste levels
- 2) Embark on an ambitious tree planting scheme
- 3) Deliver a multi-agency Events and Festivals Strategy

Let's address the challenge of Climate Change

- 1) Stop using single use plastics and encourage our partners to do the same
- 2) Create a strategy for the city which ensures a joined-up approach to all energy, transport, water and digital projects
- 3) Promote sustainable transport initiatives

All the key projects identified in the consultation have been incorporated into this plan under the relevant priority.

In summary, 74% of respondents felt the direction for the city over the next five years, as outlined in this plan, felt right.

We have reviewed the written comments provided during the consultation and have incorporated them into the development of this plan wherever possible.

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Through a new way of working we will deliver the following strategic priorities

Let's drive inclusive economic growth

Let's reduce all kinds of inequality

Let's deliver quality housing

Let's enhance our remarkable place

Let's address the challenge of climate change

These will be achieved by ensuring our core values sit at the heart of professional, high performing service delivery.

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City of Lincoln Council is passionate about promoting equality and diversity. If you have difficulty in understanding anything in this document, please go to City Hall, Beaumont Fee, Lincoln or any other council office, where we can call an interpreter for you.

Bulgarian:

Общината на град Линкълн горещо насърчава равенството и разнообразието. Ако се затруднявате с разбирането на каквото и да било в този документ, моля, отидете до община Бомонт Фий, Линкълн или до друг неин офис, където можем да се обадим и да Ви подсигуририм преводач чрез услугата „Биг Уърд“ (Big Word).

Polish:

Rada Miasta Lincoln (z ang. City of Lincoln Council) jest w pełni zaangażowana w promowanie równości i różnorodności. W razie jakichkolwiek trudności ze zrozumieniem niniejszego dokumentu, prosimy udać się do ratusza - City Hall, Beaumont Fee w Lincoln lub do innego urzędu rady miasta, gdzie będziemy mogli zorganizować dla Państwa tłumacza z Big Word Services.

Russian:

Городской совет Линкольна является убежденным сторонником в борьбе за равноправие и этнокультурное разнообразие. Если в данном документе вам что-нибудь неясно, пожалуйста, обратитесь в City Hall, Beaumont Fee в Линкольне или в любое другое бюро городского совета, где мы сможем вызвать для вас переводчика, пользуясь услугами агентства Big Word Services.

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City of Lincoln Council, City Hall, Beaumont Fee, Lincoln, LN1 1DD

68. Vision 2025

Angela Andrews, Chief Executive and Town Clerk:

- a) presented the proposed Vision 2025 document which detailed where the Council would focus its resources between now and 2025.
- b) explained that the Vision 2025 strategic plan outlined the direction for the City of Lincoln Council for the period 2020-2025, forming phase two of the council's wider vision for the city to be delivered by 2030.
- c) advised that Vision 2025 had been developed by working with staff, residents, businesses, elected members and key partners across the city.
- d) referred to the four existing priorities outlined at paragraph 4.1 of the report and advised that in addition and as a result of evidence presented and opinions collected a new priority had been introduced:
 - Let's address the challenge of climate change
- e) advised that the five strategic priorities would be supported in Vision 2025 by a programme called One Council which would replace Professional High Performing Services.
- f) discussed the outcome of the considerable consultation undertaken between October 2019 and January 2020 in developing the Vision 2025.
- g) invited members' questions and comments.

Question: If climate change and inequality were both implicit in everything that the Council did why was it necessary to have them as separate priorities?

Response: Separate priorities would accelerate the work that would be done and would provide an opportunity to focus resources in those areas. Also having them as priorities demonstrated the importance of these areas to the Council and its political leadership.

Comment: Climate change and inequality was important there would be concerns if these were not included in the priorities.

Response: They were key areas for the Council and important to the city.

Comment: There had been a drop in life expectancy in some areas of the City, inequality was a big issue and still needed to be addressed.

Response: There was life expectancy inequality in certain areas of the city. We would be working together with partners to improve this.

RESOLVED that the Vision 2025 Strategic Plan be noted and referred to Executive.

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SUBJECT: BRAYFORD TRUST

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

REPORT AUTHOR: CAROLYN WHEATER, CITY SOLICITOR

1. Purpose of Report

- 1.1 To seek Executive's endorsement of the new five- year business plan from the Brayford Trust.

2. Executive Summary

- 2.1 The report encloses the Brayford Trust's Business Plan for 2019/20 – 2023/4 (attached as Appendix 1). The Business Plan sets out the intentions of the Trust over the next five years and how the Trust has performed over the last 5 years.

3. Background

- 3.1 The Brayford Trust is both a company and registered charity and operates on a not for profit basis, with a remit to manage, conserve and develop Lincoln's Brayford Pool to the benefit of all.

- 3.2 In January 2010 the Trust entered into a revised lease with the Council for a term of 125 years, and a Management Agreement for the Pool (for five years) which required the Trust to produce a five year business plan for the Council's approval and to account to the Council for the delivery of such.

- 3.3 The lease sets out a number of obligations for the Trust such as:

- To manage the Pool in accordance with the Trust's charitable objectives
- To keep it open and available for recreational use by the public
- To provide moorings
- To keep the Pool in good condition
- To maintain and where necessary to shore up and pile the natural banks
- To use reasonable endeavours to ensure a sufficient depth of water for navigation by dredging the pool.

- 3.4 The lease also requires the Trust to '*occupy operate use and manage the Pool in accordance with the principles of good environmental practice having regard to any statutory duties and proper purposes of protecting rare endangered or other specified species and their habitats including the swan population.*'

As can be identified from the details given below, the Trust is complying with these requirements as set out in the lease and continues to make considerable improvements to the Pool since that revised lease was entered into.

- 3.5 The Management Agreement with the Trust states that the Trust should:
- *Produce every five years a five- year business plan which should cover income and expenditure projection, cash flow projection, balance sheet forecast, any capital and revenue plans and how these are to be funded, objectives for the next five years and performance for the last five years.*
- 3.6 The attached five- year business plan sets out the background to the Brayford Pool and the Brayford Trust's leasehold position. As required, this then looks back and identifies achievements, with particular emphasis on the dredging and refurbishment of the moorings, outlining the fact that the moorings have been brought up to a high standard with only routine maintenance now being required.
- 3.7 Following discussions with the Council, the Trust has consulted with a cross section of organisations on the development of the business plan, the list of consultees is shown on page 4 of the plan and a response to the consultation is shown as Appendix 2.
- 3.8 Paragraph 4 of the plan, sets out in detail the works undertaken by the Trust on the moorings and the dredging, with the clear indication that it is the moorings which is the major source of income for the Trust.
- 3.9 Paragraph 4(m) has a dedicated paragraph on environmental and ecological issues, and this is welcomed. This makes reference to the report commissioned by the Council from the Wildlife Trust and the fact that the Trust has agreed in principle to a proposal from the Lincolnshire Rivers Trust to establish new habitat on the south bank of the Brayford Pool, initially to be on a pilot basis.
- 3.10 Paragraph 6 of the Plan sets out the financial outlook for the plan period. As indicated the sources of revenue for the Pool is the income received by the mooring fees along with the rents from the commercial lettings.

Whilst the actual details of the financial outlook are commercially sensitive, the plan does set out on the bottom of page 9, what the financial projections assume.

4. Strategic Priorities

4.1 Let's drive economic growth

The Brayford Trust's business plan priorities connect directly with the Council's objective of driving economic growth and enhancing our remarkable place. The Trust's management of the Pool and ancillary activities are an economic driver for the city and create a unique selling point for the city.

5. Organisational Impacts

5.1 Finance (including whole life costs where applicable)

As outlined in the report, with the exception of the commercially sensitive information which falls into Part B.

Officers have assessed the financial information contained in the Business Plan and have concluded that it demonstrates that the Trust will be able to continue to operate the Pool at a modest level over the next five years.

In April 2019 the Council has entered into an agreement with the Trust, which from April 2018 for 25 years the Council would pay an annual grant of £25,000 to the Trust towards the costs incurred by the Trust in complying with its obligations under the lease. This annual grant is to be reviewed every 5 years, and on that review date the amount shall be the financial contribution in force at the relevant review date or adjusted in accordance with the difference in consumer price index since the previous review date This grant has been included within the MTFs.

5.2 Legal Implications including Procurement Rules

Non arising from the report

5.3 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. Risk Implications

6.1 No other options have been considered, the Trust is required to produce this business plan.

7. Recommendation

7.1 Executive is asked to endorse the Brayford Trust's five year business plan for 2019/20 – 2023/24.

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? Two

List of Background Papers: None

Lead Officer:

Carolyn Wheater City Solicitor
Telephone (01522) 873323

Appendix 1

BRAYFORD TRUST LIMITED

BUSINESS PLAN 2019/20 TO 2023/24.

1 Background

The Freehold of the Brayford Pool is held by the City of Lincoln Council. In 1741 the Council leased the Fosdyke canal and parts of the Brayford Pool on a 999 year lease (ie to 2740) to one Richard Ellison. His successor granted a sub-lease to the Great Northern Railway Company for 894 years (the unexpired part of the lease) from 1846. This sub-lease has subsequently passed between a number of bodies and is currently held by the Canal and River Trust (CRT).

In 1976 the British Waterways Board (a predecessor of the CRT) granted a 300 year sub-lease from its own interest in the Pool back to the City Council, ***except for a navigable channel running through the Pool which it retained*** to provide a route to and from the Fosdyke Canal and the River Witham and for which the CRT is responsible. In 2010 the Council ***leased its interest in the Brayford Pool to the Brayford Trust for a period of 125 years***, ie to 2135.

Brayford Pool lies close to the commercial heart of Lincoln, at the junction of the Fosdyke Canal and the River Witham and is widely regarded as ***one of the jewels in Lincoln's crown***. Although its days as a thriving inland port, with bustling wharfs, warehouses and railway junctions served by canal barges are long gone, the Pool and its surroundings ***remain an important commercial centre*** and a critical asset to the City's townscape and economy.

Brayford Wharf North is home to two hotels, two pubs, many restaurants, and a cinema. The Lincoln Boat Club and the Lincoln Sea Cadets are also based on the North Bank of the Brayford Pool. The rebuilt Harbour Master's Office now occupied by Wagamama is arguably the pre-eminent restaurant location in Lincoln and the Viewing Platform, which for safety reasons has been out of commission for some time, will be refurbished and brought back into use in 2020.

The ***University of Lincoln*** - one of the principal drivers of the City's economy – has its main campus on the South Bank of the Pool. The Lincoln campus will celebrate its 25th anniversary in 2021 having grown an ***international reputation*** for teaching and research over its short history in the City, making a substantial contribution to putting Lincoln on the world map.

The south bank is also home to the ***Lincoln Canoe Club*** which has had many successes over the years, with at least one Club member in fifty-one of the past fifty-six years having represented Great Britain in an international canoeing competition. This includes representation at Olympic Games and World and European Championships. At present, one of the Club's female athletes is on the verge of gaining qualification for 2020 Olympic Games and 3 other members are planning their training in preparation for the 2024 Olympics.

Brayford Wharf East boasts residential flats and businesses, as well as further university buildings. All these developments benefit from their poolside location, making the ***maintenance and preservation of the Pool and its environs of critical importance to the economy of the city***.

The moorings within the Pool are not only in an ideal location for accessing the Fosdyke and Witham Navigation, but also benefit from the rare advantage of ***being located in an historic City Centre***.

The Pool also offers a base for the operation of a trip boat and opportunities for informal recreation. ***The moorings are the major source of income for the Brayford Trust in carrying out its remit***.

In short, the Pool continues today as it has for many hundreds of years...a **wonderful natural resource in the centre of a busy city**; a tourist destination in its own right; a catalyst for economic development; and a city centre amenity to be appreciated and enjoyed by the public at large. The **Trust's primary objective is to preserve and build on these strengths**.

In 2007, the then recently reconstituted Trust inherited a very limited marina operation comprising a set of newly constructed floating moorings (Phase 1), other moorings which were in **very poor repair** (and in some cases dangerous) as a result of many years of neglect. The former Harbourmaster's building at Brayford Wharf North was dilapidated and unusable in its current form. Objectives for rectifying the situation were set out in the Trust's Business Plans for 2007/8 to 2011/12 and 2013/14 to 2018/19.

Perhaps the most **significant achievement in recent years (overlapping more than one Business Plan period) was the completion of Phases 2 and 3 of the moorings**, financed partly out of accumulated balances and partly with the aid of a grant from Lincolnshire County Council and an unsecured loan from Investors in Lincoln. Phase 1, which was completed in 2006 was financed with a loan from the City of Lincoln Council. Interest is being paid on this loan and annual provision (investment fund) is provided for repayment in 2035.

2 Major achievements under the 2014/15 – 2018-19 Business Plan

The primary capital objectives under the 2014-2019 Business Plan concerned upgrading the moorings acquired from the university to the same standards as Phases 1 & 2. **The objectives were met and all of the moorings are now at a high standard** with only routine maintenance required during the period of the current Business Plan, along with making sensible provisions for rolling replacement over future years. **The moorings will not be allowed to return to the poor state in which they were inherited**...they provide the Trust's life blood.

Alongside the provision of the new moorings a major dredging exercise was carried out to provide a minimum water depth of 1.3m at the moorings. The total cost of the moorings/dredging exercise was in the region of £580k and the work was achieved with the support of Investors in Lincoln which provided an unsecured short-term loan of £200k at a low interest rate.

The refurbishment of the final set of moorings included providing eight 'Visitor Moorings' aimed at supporting tourism to the City. These moorings are for cruisers and are located adjacent to the Harbour Office where they can be managed effectively. **They are charged on a daily/half daily basis and are very well used**. Their location closed to the Harbour Office not only allows for efficient management but also provides an opportunity for Harbour staff to provide information about Lincoln to visitors, a service that is very well received by visiting boaters.

The Trust did consider providing additional Visitor Moorings on Brayford Wharf East for narrow-boats, but it has proved possible to cater for visitors in narrow-boats to be accommodated within the existing moorings without the additional cost and unnecessary development. There have been suggestions for additional 'day moorings' on the North Bank. The trust does not consider this to be necessary but will keep the matter under review.

Improved shore facilities have been provided in partnership with the university and are now considered suitable for purpose.

The Trust has also been working with the university to ensure that sufficient car parking spaces remain available as the University's redevelopment plans are implemented. This has been achieved to date and the work is ongoing.

Mooring Fees were maintained at competitive rates throughout the period of the previous plan but fell behind (when compared with nearby marinas) as a result of the poor condition of the fixed moorings (now all replaced by Phase 3) including dredging. The fees will be reviewed as a normal part of Trust business. Occupancy had dropped but has now recovered to 95%.

The acquisition of the University's leasehold interest in its Lincoln Marina moorings was completed and as part of the overall transaction, the University also granted the Trust a lease of the Marina Office and shower block with the lease of the moorings. The acquisition cost of £253,000 was financed by mortgaging the moorings back to the University.

The former harbourmaster's building at Brayford Wharf North was closed and eventually released for development as a restaurant, providing arguably the pre-eminent restaurant location in Lincoln and yielding a long-term private sector sourced rental income to the Trust.

In partnership with Investors in Lincoln, a project to create an additional restaurant adjacent to the Viewing Platform was developed to Planning Permission stage (approved on appeal). This would have provided an additional long-term private sector sourced income for the Trust. However, in the final event the City Council declined to grant Landlord's consent for the development (as is their right) but did instead agree to provide an **annual grant (index linked) of £25,000** to the Trust.

A regular 'litter pick' operation (by boat) was introduced to help maintain the good appearance of the Pool which, because of its location, is unfortunately seen as a place to discard bottles, cans, plastic etc.

A new lease of the wine barge was originally agreed at a commercial rent. The Barge was subsequently sold and the mooring is now leased on a commercial basis to the Students Union (University of Lincoln) and operated as a Cocktail Bar.

Mooring Fees were increased to reflect the vast improvement over the previous moorings and to keep in line with other commercial locations. ***It should be noted that Mooring Fees are by far the main source of income for the Trust*** and are essential for the preservation of the Pool. Fees are now the same on all moorings and are reviewed on a regular basis to keep them broadly in line with similar facilities in the area/region.

And finally, it is important to say a big **THANK YOU** to the boat owners who choose to moor on the Brayford. We know that they have a choice and without them the Pool could very easily return to the appalling condition in which it could be found 50 years ago in 1969, when the Brayford Trust was originally incorporated.

3 Introduction to the 2019/24 Business Plan

Brayford Trust Ltd. (The Trust) is a both a private company (limited by guarantee) and a public benefit charity. It operates on a *not for profit* basis under contract to the City of Lincoln Council to **manage, conserve and develop Lincoln's Brayford Pool to the benefit of all.**

To help provide accountability to the citizens of Lincoln the City Council ***nominates two elected members as trustees/directors*** to the Board of the company. One City Council nominee is by custom the ***Leader of the Council*** and acts as ***Chairman*** of the Trust. In addition:

- a) The University of Lincoln...appoints two trustees/directors
- b) Investors in Lincoln...appoints two trustees/directors
- c) Canal and River Trust...a right to appoint two trustees/directors but does not exercise that right.
- d) Corporate Members...we do not currently have any corporate members (but see (e)).
- e) Lincoln Business Improvement Group...appoints one trustee/director.
- f) The 'Ordinary Members' of the Trust appoint two directors.

The Trust believes that the broad basis of this governance system is effective and efficient (particularly the presence of two City Councillors on the Board) and does **not see the need for any changes** at the current time, neither by way of additional Trustees/Directors or additional committees.

It is important to note that although the Trust has a very close working relationship with the City of Lincoln Council the Trust is **not directly controlled by the Local Authority**, its relationship being governed by two documents:

- A **Lease dated 13 January 2010** running for 125 years
- A **Management Agreement** for a term of 125 years being coterminous with the Lease.

Under the terms of the Lease the Council demises to the Trust for 125 years all the property **known as Brayford Pool** (the Pool) in the City of Lincoln. Exceptions include a '*navigable channel*' through the Pool retained by the Canal and River Trust, providing a route for boats passing to and from the Fosdyke Canal and the River Witham and any statutory rights of competent authorities including (but not exclusively) the Canal and River Trust and the Environment Agency.

The Trust is obliged under the Lease to pay the Council the yearly rent of one peppercorn.

Under the terms of the Lease and compliance by the Trust of a range of conditions the Trust is allowed to '*peaceably hold and enjoy the Property during the term of the Lease without interruption by the Council*'.

The Management Agreement complements the Lease and requires the Trust to manage on the Council's behalf Brayford Pool for the use of members of the public for the **mooring of boats and other activities associated with inland waterways**.

The Trust is required to **provide a Business Plan to the council every five years**. This current plan runs from 2019/20 to 2023/24. Although the Trust is accountable under its lease **only** to the City Council, the Trust has nonetheless **consulted with a cross section of organisations** on the development of this Business Plan, including:

- a) The general public. At the suggestion of the City Council this consultation was conducted via an article in '*Your Lincoln*', a free publication from the council which is hand delivered to **all households in Lincoln** (45,000 distribution). The '*Your Lincoln*' article contained a link to the Trust's draft Business Plan which was placed on the Trust's page on the Lincoln BIG website. A dedicated e-mail address (brayfordbusinessplan@gmail.com) was set up for comments. Consultation was open from Early November to 23 December.
- b) In addition to the hard copy delivery the '*Your Lincoln*' publication was placed by the City Council on their website and promoted by the Council on Facebook and Twitter. Additionally the Trust drew the attention of all boaters on the Brayford (via email) to the '*Your Lincoln*' publication and via that the Business Plan.
- c) Founding Members...University of Lincoln; Lincoln BIG, Investors in Lincoln and the City of Lincoln Council were all consulted via their nominated Trustees/Directors.
- d) Businesses and other organisations surrounding and using the Pool were consulted via their membership of Lincoln BIG (all levy payers) and in particular members of the Brayford Employers Forum.
- e) All Boaters mooring on the Brayford were consulted by email, plus the Lincoln Boat Club and the Sea Cadets.

4 The 2019/2024 Business Plan: Detailed Proposals

Any operational plan covering a five-year period is **essentially strategic** in nature and must primarily set out **statements of general intent** as well as some more specific actions, as has been the norm in previous plans. This is particularly so when the remit of the 'Business' in question is to **maintain a natural resource that is subject to the vagaries of nature** and impacted by phenomena outside of the control of that *business*. In the case of the Brayford Pool for example the increasing frequency of very high volumes of flood water flowing into the Pool from both the River Witham and the Fosdyke Canal.

The 2019/2024 Business Planning period is **primarily one of consolidation**. The Trust proposes to carry out the following activities (subject to funding) in order to discharge its obligations under the Lease and the Management Agreement.

(a) Marina Operation.

The Trust's primary objective under its lease with the City Council is to preserve for the benefit of the public the natural, artistic, cultural and recreational amenities of the Brayford Pool. In order to raise the funds necessary to meet its objective the Trust **is required to manage the Pool for the mooring of boats and other activities associated with inland waterways**; in essence to run a Marina.

The Trust's primary activity will therefore be to **run the Marina in a business-like fashion** in order to raise the funds necessary to meet its broader objectives, **in particular to build up reserves for dredging as necessary**. It should be noted that occupancy on moorings currently exceeds 90%.

(b) Moorings

The moorings are now all up to a high standard and we **now move to a period of consolidation** and do not currently see a requirement for any additional capital developments in the short term, the only expenditure being on routine maintenance and provisions to reflect depreciation of the moorings, our primary asset.

Fees from the Moorings are **by far the major source of income**, without which the Pool would rapidly return to the appalling state in which it could be found in the 1960's. Fees are reviewed on an annual basis to keep them adequate for delivering the mission and competitive with other marinas, being careful not to undercut commercial operations which would be unfair given our public sector financial support and charitable status. The fee level has fallen in comparison to other marinas over the past two years as a result of the problems with the old fixed moorings, now all replaced.

The **Visitor Moorings are working well** and are meeting the needs of visiting boaters. Their location close to the Harbour Office allows for efficient management and enables Trust staff to provide information about Lincoln to visitors, a service that is very well received. We do not believe that any additional visitor moorings are required at this stage, neither on the south bank nor on the north bank (where moored boats would obstruct open views across the Pool) but we will obviously keep the matter under review.

(c) Dredging

Dredging is probably the most important activity for the Trust to manage, but also the most complex to plan for with any degree of accuracy and our most expensive maintenance activity. It is without doubt **one of the greatest challenges in maintaining and preserving the Brayford Pool**. There can be little doubt that if the increased incidence of high-water levels and flooding in recent years continues it will bring with it an increasing need for more regular dredging.

We have therefore included in our financial projections provisions to build up the **necessary level of reserves** in order to deal with the problem as and when required and we will maintain a careful watch on the need for dredging, particularly on and around the moorings. The CRT are, of course, responsible for dredging the navigable channel.

(d) Charitable Status

The Trust will maintain its status as a **Registered Charity** concerned with the preservation for members of the public of the natural, artistic, cultural and recreational amenities of the Pool.

(e) Accounts

Accounts will be maintained and **independently audited** on an annual basis. The advice of the auditors will be used as necessary to inform any changes in practice required. VAT records and returns will be maintained as required by the relevant Government Departments. Annual Accounts will, of course, continue to be placed in the public domain via Companies House and the Charity Commission.

(f) Statutory Reports

The appropriate reports and confirmation statements will be provided to Companies House and the Charity Commission.

(g) Health & Safety

We will continue to contract with Arion to provide Health & Safety advice.

(h) Public Relations

Public Relations (PR) is a two-way transfer of knowledge and information between an organisation and its 'publics'. Ongoing consultation is a valuable PR tool to maintain effective relationships with the cross section of people and organisations. We will review our PR activity from time to time and as part of the PR review we will look again at our **Membership Scheme** to see if any changes are required, with a particular focus on 'Ordinary Membership'. We will also look for additional opportunities for engagement with the public.

(i) Website and Social Media

The Trust does have a website but this simply provides an email service and a link to the Brayford Pool page on the Lincoln BIG website. This arrangement was originally adopted to save on unnecessary costs but this was some time ago and technology has changed. We will therefore take advice as to what, if any, developments might be sensible, without simply changing for the sake of change.

(j) Housekeeping...tackling waste plastic etc

The regular 'housekeeping' operation will continue to be conducted by boat to keep the Pool predominantly free of rubbish, waste plastic and other litter. Although this activity can and will be undertaken on a regular basis it is not possible to guarantee that such a large area of water with two incoming waterways will be completely free of debris at all times.

(k) Weed Control

The seasonal growth and dispersal of weed does contribute to trapping litter and sometimes it can itself be very unsightly. It is however a natural occurrence, given the fact that two waterways feed the Pool on a constant basis. Where floating weed is causing a problem (for example in moorings) it will be removed so far as is possible. The Canal and Rivers Trust will be consulted about any major weed growth coming from either the Witham or the Fosdyke. Professional advice will be sought in relation to the control of any invasive weed species and appropriate action taken.

(l) South Bank: Protection from Erosion

Advice will be sought on activities to maintain the stability of the south bank of the Pool and keep it free from erosion and collapse, whilst at the same time having due regard to any statutory duties to protect rare, endangered or specified species. Any actions recommended will be carried out, subject to the availability of funding, for which grant-aid might be sought (see also (m) below).

(m) Environmental and Ecological Issues

Three important points to note:

- Reports were recently commissioned by the City Council from the Lincolnshire Wildlife Trust on all of the '*Wildlife Sites*' across Lincoln, including the Brayford Pool. The full report is not yet available but it is interesting to note that in an early summary report it was noted that far more key waterside and aquatic plants were recorded than during the previous baseline survey on 24 October 2006, **possibly reflecting a natural increase in the floral diversity due to improvements in the environment.**
- The Trust has agreed in principle to a proposal from the **Lincolnshire Rivers Trust** to establish new habitat on the south bank of the Brayford Pool to be a haven for water wildlife. This will initially be on a **pilot basis** with a view to its longer-term development if successful. The Rivers Trust is currently seeking external funding for the project.
- A group has been established with the University of Lincoln to investigate the possibility of developing a joint **Environmental Plan** for the Brayford. The group met for the first time on 12th December. The Trust **intends to pursue this route** rather than add unnecessary bureaucracy by establishing a separate external group.

(n) Swans, other wildfowl and wildlife

The Trust **does not have any direct responsibility for wildfowl or other wildlife** on the Brayford, but is required under the terms of its lease to, '*occupy operate use and manage the Property (Pool) in accordance with the principles of good environmental practice having regard to any statutory duties and proper purposes of protecting rare endangered or other specified species and their habitats including the swan population...*'

The swans are, of course, wild birds and although their numbers may have currently diminished the number of other birds, in particular Canada Geese, Mallard Ducks and Moorhens has substantially increased. There is also evidence of at least one otter in the Pool, to the annoyance of some anglers, but a protected species under European and British law.

The large flock of immature swans that could once be seen on the Brayford has moved elsewhere...many to locations along the Witham and a '*ringing exercise*' being conducted by the university might shed more light on the issue in the future.

No one can be sure why the swans have chosen to leave and many theories abound, ranging from poaching to climate change...and the presence of Otters! Experts that the Trust has consulted point to the fact that the exodus might have been caused (and certainly exacerbated) by **two pairs of breeding swans having chosen to nest** (one pair successfully with 8 cygnets) on or near the Pool. Swans are very territorial and will chase off any others encroaching on their territory...including their own young once they are fully grown.

Others having consulted (frequently the same!) experts suggest that developments around the Pool might be one cause of the exodus. It is worth noting that the Trust has not been responsible for any new developments on, in or around the Pool, having only refurbished existing buildings (Wagamama) and moorings and has no current plans for any developments.

It is also worth noting that prior to the development of the university campus the area to the south of the Pool was an abandoned and contaminated railway shunting yard, which has been substantially improved by the campus developments over the past 20 years.

If the breeding pairs leave others might return as many are not that far away...we must wait and see. But meanwhile we will work with others (in particular the University of Lincoln...see (m) above) to improve the biodiversity of the area. We will also continue talking to researchers at the University of Lincoln who are monitoring wildfowl behaviour via a ringing project.

(o) Improvements to the South-East corner of the Pool

The area at the south-east corner of the Pool needs some visual improvement. The old launching ramp is still a favourite area for preening (swans and other birds) but some also use other areas on the south bank. It would be aesthetically pleasing to replace the short run of temporary fencing with a gate to match the existing railings, the gate being to recognise the history of the area as a launching platform and to allow similar use in the future, if required. A history board might also be appropriate. We will also **explore options for regular cleaning and improvements to the ramp**, which would improve the general appearance of the area and would maintain the ramp as a 'preening/rest area' for waterfowl.

(p) The Islands

The main island, with its tree, has been a feature of the Brayford for generations. The two additional floating islands were commissioned by the Brayford Trust in 2013 with a view to replacing the 'swan ramp' preening area (old launching platform) because Network Rail planned to remove the ramp to make way for their new bridge, although following a re-design this did not prove necessary.

An 'observational report' provided (via the university) from Biomatrix who originally manufactured the floating islands concludes that the three islands have provided a **valuable refuge habitat for a wide diversity of species** from otters and swans to ducks, fish and pollinators. The report contains **recommendations for the future maintenance of all three islands** which the Board of the Trust will consider and implement, subject to funds (including the possibility of grants) being available.

(q) Salaries

Salaries for the small team running the Brayford on a day to day basis will be reviewed annually (January) and revised, informed by movements in the Retail Price Index.

(r) Angling Policy

The lease imposes a range of conditions relating to angling and we will review our policies in discussion with the relevant groups to ensure that the policies remain fit for purpose. Signage might also need to be provided, subject to funds being available.

(s) Use of Fireworks

On occasions fireworks are used as part of activities that take place around the Pool. This can be very distressing to wildlife and we will review the policy in consultation with Lincoln BIG who run most of the activities.

(t) The Viewing Platform

The City Council's *Viewing Platform* was taken out of use following safety concerns. The Council has agreed to fund its repair and work will be undertaken aimed at re-opening the facility in 2020. It will be important to take measures to ensure that the Viewing Platform is not used for informal moorings as this could be damaging and dangerous.

5 Other Activities (funds permitting)

This Business Plan covers a five-year period and in addition to the activities mentioned earlier the Trust intends to explore the following, funds permitting:

(a) Information Boards

The series of information boards around the Pool are now quite 'tired' and, in partnership with Lincoln BIG, we will look at their renewal to bring the exciting story of the Brayford and its environs up to date.

(b) Railway Signal Box

The railway Signal Box close to the south-east corner of the Pool is redundant and is a Listed Heritage Building. It is however currently ***too close to the railway line to be used as anything other than a signal box!*** We will explore with Network Rail the possibility of moving the signal box a few metres north away from the railway line to bring it back into some sort of use, possibly in partnership with the university.

(c) Connectivity with the City Centre

In pursuance of its wider remit to influence and contribute to the development of the full environmental, economic and recreational potential of the pool and its environs, ***the 2007/8 Business Plan*** included the preparation in partnership with the University of an ***Enabling Development Framework*** addressing various issues identified in the plan.

Planning issues identified for consideration through the Enabling Development Framework included ***improved connectivity between the Pool and other areas of the City***, and a fully accessible pedestrian circulation around the Pool.

It was and still might be beyond the Trust's resources to fund such projects in their entirety, but it will seek ***to encourage and support others*** in progressing these objectives. The University's current developments between Brayford Wharf East and the High Street will offer opportunities for ***improving connectivity with the town centre***, whilst the Trust will be alert for funding opportunities for new and improved pedestrian bridges over the Witham at Brayford Head and the western end of the Pool itself, where there used to be a bridge.

6 Financial Outlook for the Plan Period (2019/20 to 2023/24)

The Trust's main physical asset from which it can raise funds is the Pool itself. Its sources of revenue income are the mooring fees along with the rents we receive from commercial lettings (the Wine Barge, the ground rent on the Wagamama Lease and the trip boat), electricity charges, membership fees and (from 2018/19) an annual grant from the City of Lincoln Council of £25,000 (reviewed every five years index linked).

An outline of projected income and expenditure for the five-year period is set out in a separate Annex, which the Trust considers to be **Commercial in Confidence**. It is particularly important to note that the financial projections assume:

- ***Consolidation of the current operation, with no further major investment in moorings or other capital facilities envisaged in this planning period.***
- ***Regular reviews of income, in particular mooring fees.***
- ***The development of a substantial reserve for future dredging operations, the timing of which cannot be accurately determined.***
- ***No additional committees or other unnecessary bureaucracy***

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The Brayford Trust Business

Plan 2019/20 to 2023/24

Consultation Responses

Appendix 2

1 Consultation

Founder Members

The Founder Members have been consulted via their nominated Directors at every stage of the development of the Business Plan. The following four organisations are active 'Founder Members' of the Trust:

City of Lincoln Council: Appoints two Trustees/Directors to the Trust. By custom and practice the appointees are **elected members of the council** and one is the **Leader of the Council**, who chairs the Trust. Current appointees are Cllr Richard Metcalfe and Cllr Gary Hewson. The presence of elected members on the Board of the Trust, receiving all papers and attending all meetings (indeed Chairing the Trust) clearly makes a **major contribution to the Trust's overall accountability to the public** for its stewardship of the Pool.

University of Lincoln: Appoints two Trustees/Directors. The university is a major driver of the local economy and has its main campus on the south bank of the Brayford Pool. The current appointees are Mr John Latham and Mr Julian Free, both senior employees of the university.

Investors in Lincoln: A public/private partnership operating on a 'not for profit' basis across Greater Lincoln and originally **set up by the City of Lincoln Council**. Investors has a broad membership, including both City and County Councils; Lincoln Cathedral; Chamber of Commerce; Longhurst Group; Lindum Group and a number of other private companies (see www.investorsinlincoln.co.uk for a full list of members). Current appointees to the Trust are Mr Keith Darwin and Mr Simon Jackson.

Lincoln Business Improvement Group: Appoints one Trustee/Director. Lincoln BIG has a total of 800 levy payers across the city including all the businesses surrounding the Brayford Pool. Lincoln BIG is represented on the Trust by its Chief Executive, Sarah Loftus.

Ordinary Members: Two Trustees/Directors are appointed by the Ordinary Members of the Trust. These are currently Mr Ric Costall and Mr Derek Wellman. Ric has substantial experience in running the Burton Waters Marina and Derek brings to the Board his background as a local solicitor (now retired) and his experience of boating...Derek has a boat moored on the Pool.

2 Public Consultation

At the request of the City Council the Brayford Trust also conducted a broader consultation on the Business Plan with the general public, with the **Chief Executive of the City Council proposing the use of the council's 'Your Lincoln' publication as the main vehicle for the consultation.** 'Your Lincoln' is delivered free of charge to all residential addresses in Lincoln (45,000 copies).

An article was drafted for inclusion in the November addition of 'Your Lincoln' setting out the general thrust of the Business Plan and seeking comments/contributions via mail or email. The article was limited to 400 or so words but **included an electronic link to the full Business Plan** which was (and still is) placed in the public domain on the Trust's page on the Lincoln BIG website.

The Council drew attention to the 'Your Lincoln' publication (and via that the Brayford Trust Business Plan) on the City Council website and via its Social Media accounts. In addition, the Trust did likewise to all boaters on the Pool, plus the Lincoln Boat Club, Canoe Club and Sea Cadets...all by email.

3 Response to the Public Consultation.

The response was limited but given that the Business Plan is primarily **one of consolidation** and contains **no controversial proposals** this is not surprising. Informal 'Straw Polls' suggest that, apart from the absence of large numbers of swans (for which neither the Trust nor the Council has direct responsibility) both visitors and locals are **very complimentary about the condition of the Pool** and its surroundings, seeing it as a major 'Jewel in Lincoln's Crown' and welcoming the many and varied activities in, on and around the Pool.

The Brayford Watch group (a self-appointed group based at Burton Waters describing itself as a 'critical friend' of the council and the Trust) repeated its criticism of the Council; the Brayford Trust; the University; the Business Plan; and the consultation process, but came up with nothing of any real consequence that had not already been considered by the Trust, or was not already included in the Business Plan.

A couple of respondents complained about positive press comments concerning the presence of **Otters in the Pool**, not seeing them as indicating improving water quality (which is arguably the case) but as '**dangerous apex predators**' that decimate fish populations and will also kill young swans and other wildfowl. Otters are protected species under the UK Wildlife & Countryside Acts.

On a more positive note there was a suggestion to place a turbine in the water at the mouth of the River Witham in order to **generate electricity for a water feature** (based on a Saddleworth Moor project). I did explore this idea, but it was not feasible as the water flow is too low and there is no discernable drop in water levels between the Pool and the Witham, a requirement for such a device to work.

Another suggestion was to knock down all buildings around the Pool and remove all the moorings, to leave the Pool to the swans.

David Rossington: Company Secretary: February 2020

SUBJECT:	EXCLUSION OF THE PRESS & PUBLIC
DIRECTORATE:	CHIEF EXECUTIVE & TOWN CLERK
REPORT AUTHOR:	CAROLYN WHEATER, MONITORING OFFICER

1. Purpose of Report

1.1 To advise members that any agenda items following this report are considered to contain exempt or confidential information for the reasons specified on the front page of the agenda for this meeting.

2. Recommendation

2.1 It is recommended that the press and public be excluded from the meeting at this point as it is likely that if members of the press or public were present there would be disclosure to them of exempt or confidential information.

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