

## PERFORMANCE SCRUTINY COMMITTEE

Thursday, 18 February 2021

6.00 pm

Virtual Meeting

- Membership: Councillors Gary Hewson (Chair), Helena Mair (Vice-Chair), Thomas Dyer, Christopher Reid, Rebecca Longbottom, Laura McWilliams, Lucinda Preston, Pat Vaughan and Loraine Woolley
- Substitute member(s): Councillors Jackie Kirk and Adrianna McNulty
- Officers attending: Democratic Services, Jaclyn Gibson, Simon Walters, Francesca Bell, Heather Grover and Colleen Warren

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### VIRTUAL MEETING

To join this meeting please click on the link below:

<https://zoom.us/j/93128494567?pwd=N21Oc0VGekx3N3pHK0pLL1g3WE94Zz09>

and enter the password: **322343**

Or join via phone by calling:

**0330 088 5830**

And using the following ID: **931 2849 4567**

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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.	
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**Present:** Councillor Gary Hewson (*in the Chair*),  
Councillor Helena Mair, Councillor Thomas Dyer,  
Councillor Christopher Reid, Councillor  
Rebecca Longbottom, Councillor Laura McWilliams,  
Councillor Lucinda Preston, Councillor Pat Vaughan and  
Councillor Loraine Woolley

**Apologies for Absence:** None.

**37. Confirmation of Minutes - 19 November 2020**

RESOLVED that:

1. Clarification of whether there was a standard for trees be reported back to the committee by officers.
2. Clarification of the amount of customers having visited the virtual Christmas Market 2020 be forwarded to the committee.
3. The minutes of the meeting held on 19 November 2021 be confirmed.

**38. Housing Scrutiny Sub Committee Minutes - 2 November 2020**

The minutes from the Housing Scrutiny Sub Committee meeting that took place on 2 November 2020 were noted.

**39. Declarations of Interest**

No declarations of interest were received.

**40. Portfolio Holder under Scrutiny - Quality Housing**

Councillor Donald Nannestad, Portfolio Holder for Quality Housing:

- a) presented a report to Performance Scrutiny Committee covering the following main points:
  - Homelessness – this continued to be a significant issue in Lincoln. The number of people who presented themselves as homeless varied in the first two quarters of the current year from a low of 21 in April to a peak of 52 in July. The Government homeless and rough sleeping initiatives during the pandemic had been responded to well and this continued to be the case.
  - Tenancy Services – the staff in Tenancy Services had worked extremely hard to mitigate the impact of COVID-19 on rent areas and collection. The two-week rent-free period was brought forward from Christmas to the start of the financial year. A discretionary rental was set up hardship fund which had assisted 179 tenants.

- Housing Repairs – one effect of COVID-19 appeared to have been a reduction in the number of repairs reported. Priority repairs were being carried out within 24 hours and urgent repairs within 3 days.
- Voids – At the end of quarter 2 there were 65 void properties. The process of bringing these back into use had been substantially affected by COVID-19. This had resulted in the turnaround time being 50 days which was up from 32 days.
- New Build/Allocations – The pandemic had slowed down work on new properties but the five new properties on the site of the former Markham House building on Swift Gardens were completed and had been let to tenants. Although work on De Wint Court extra care unit had been affected, this was still hoped to be finished in the current calendar year.
- Health – The COVID-19 pandemic had completely dominated health over the last year. In terms of general health, the data from Public Health England showed that life expectancy at birth for both men and women continued to deteriorate and continued to be worse than for the rest of England. Economic deprivation was a significant factor in health and housing was another major factor.

b) invited members' questions and comments.

Question: Members asked if there were any figures available for New Schedule Repair System and how this linked to the Climate Change Agenda and any updates for the Green Agenda?

Response: The Scheduled Repairs System was at its trial stage and there were no figures available yet. The contract for the vehicle fleet was being retendered so we may be able to obtain hybrid vehicles. Better quality materials that lasted longer were being put in properties so not as many yearly repairs would need to be carried out. Fleet costs should decrease if hybrid vehicles were added to the fleet.

Question: Members asked for figures of people that were in B&B's, if there were any families and what the cooking facilities were like so that children had access to hot meals?

Response: B&B's had no cooking facilities and hotels were not serving food which was a problem across the country. There were 4/5 people in B&B's and 15 in temporary accommodation which had access to cooking facilities. Vouchers and support to provide meals for people that didn't have cooking facilities was provided.

Question: Members asked how many staff had been furloughed and how many had been re-deployed.

Response: In the first phase there were 47 staff furloughed and 40 in the second phase. Some staff were allocated to the befriending service, delivering food within the City, Business Grants Payments and staff were also trained to help cover the Lincare phone system.

Question: Members asked what the intention was for the two-week rent-free period for tenants as it occurred at Easter time last year?

Response: The hardship fund was available to help tenants meet payments and so far it had helped over 100 tenants.

Question: Members asked whether there was an update on the Housing Related Support Grants from Lincolnshire County Council and what process was in place for evictions?

Response: The existing Housing Related Support contract was extended until October, this helped people with complex needs. The new contract started at the beginning of October. Evictions had been suspended and there would be a long wait to get a court date due to backlogs. Judges had prioritised domestic violence cases over evictions.

Question: People could present themselves as being homeless up to 56 days before they were evicted. Members asked whether they could be evicted before this date.

Response: Tenants could only be evicted if a court order was obtained.

Question: Members asked how much it cost to get 'buy back' properties back up to a lettable standard and what the plan was for the future of buybacks.

Response: It cost approximately anywhere between zero and £10k to get buybacks up to a lettable standard, depending on the condition of the property. Future buyback properties were being looked at to sit alongside the new build properties.

Question: Members asked whether we monitored the environmental efficiency of our Council Houses and how tenants got electric points for cars installed.

Response: We held detailed accounts of the equipment that was installed in each property such as boilers etc, which helped us to look at future needs/upgrades. We also have a SAT rating for each of the properties in our stock. All new properties had electric charging points installed in them.

Question: Members asked whether vehicle telematics would be installed on the new fleet vehicles?

Response: Telematics software was already available within the fleet and the new fleet would have it also. At the minute data could not be accessed unless a complaint was raised and a year-end summary report could be run out of the software. The year-end data was an all-round figure which related to driver style as well as vehicle usage and not specific for each employee.

Question: Members asked whether the reduction in repairs being reported was due to people not wanting workmen in their homes.

Response: The reduction in repairs being reported was down to older tenants not wanting anyone in their homes together with a lot of people who were isolating.

Question: Members asked what hadn't been resolved by the new voids provider.

Response: The contractor for voids was not equipped to deal with the amount of work we had with a lack in the amount of resources they had to work on these. This situation had improved dramatically since.

Question: Members asked whether something needed to be done to improve the life expectancy of residents in Lincoln as it was not good.

Response: Cllr Nannestad sat on a Physical Lifestyle Board which worked with businesses to promote more physical lifestyles. Children's play areas helped promote this initiative and work was ongoing to improve housing.

#### **41. Performance Report - Housing Repairs Service**

Daryl Wright, Maintenance Manager:

- a) presented a report to Performance Scrutiny Committee on the financial position of the Housing Repairs Service at the end of 2019/20 financial year.
- b) highlighted that the quarterly monitoring report for the 3<sup>rd</sup> quarter predicted a £117,075 surplus outturn for 2019/20. The provisional outturn for 2019/20 showed a trading surplus of £72,487.
- c) explained that the key performance areas that were monitored throughout the year were as follows:
  - The level of tenant satisfaction with repairs that had been carried out.
  - The percentage of all reactive repairs completed within timescale
  - The percentage of emergency repairs completed within timescale
  - The percentage of appointments that were kept
  - The percentage of repairs completed first time
  - The average end-to-end time for all reactive repairs
- d) provided an update on the current situation:
  - Performance in most areas had been maintained this financial year with slight improvements in certain areas, but COVID-19 had seen challenges which had required reactive changes within the department
  - COVID-19 had affected performance in many areas. With limitations on tradespeople working, maintaining social distancing restrictions, home working, conflicting priorities and government changes in guidance issued, the HRS had adapted to meet these challenges and maintain performance.
  - Increased supplier costs, usage and demand for PPE and installing control measures within Hamilton House would also impact financially on the service.
  - The Housing Repairs Service (HRS) had integrated new Assistant Maintenance Team Leaders within the department. They were offering support to Team Leaders, allowing them to review processes and procedures and make small but positive changes to the department.
  - The HRS had started a scheduled repair pilot to carry out Day to Day repairs which was showing many benefits while maintaining

service delivery. This would be reviewed at the end of January 2021. Early indications were that the changes to procedures were having a wide range of positives in terms of both financial and service delivery.

- The HRS had continued to carry out a large amount of work around ensuring the service was compliant with current and upcoming regulations, including the appointment of a Team Leader to specifically manage compliance streams of work such as BM-Trada (fire door accreditation). This would ensure that HRS were able to continue re-assurance to the authority and customers that items, such as fire safety, were managed proactively while allowing work that usually required external contractors to be carried out.
- Over the last year, HRS had started to carry out several procurement exercises to conclude in 2021. Two of these related to the departments' biggest HRS hold, fleet and material suppliers. A new material supplier would come into effect as of the 4<sup>th</sup> April and the introduction of a new fleet would aim to be greener and more efficient which helped towards the Council's climate goals.

e) invited members' comments and questions.

Comment: Performance Scrutiny Committee wanted to give their thanks to the Housing Teams for all their work since the COVID-19 pandemic began.

Question: Members asked why there were more repairs completed in April compared to other months and why the number of repairs completed first time had slipped?

Response: Emergency repairs were generally weather related due to the time of year and weather dependant. There were some issues regarding supply chains such as window production, which led to first time repairs slipping.

RESOLVED that the progress made on performance and efficiency by the Housing Repairs Service be noted.

#### **42. Fire Safety Update**

Ross O'Loughlin, Fire Safety Assurance Manager:

- a) presented a report to Performance Scrutiny Committee on the Councils actions and progress on fire safety in light of the Hackitt review following the tragic events at Grenfell Tower.
- b) explained that the collaboration between Investment and Housing Repairs Teams had created opportunity to enhance fire safety provisions across the housing stock particularly regarding fire doors. The invitation of SAT into these collaborative meetings had seen some projects and issues expedited through development of understanding the holistic risk-based approach, combined with project management and joinery expertise. This would continue and despite teething problems in the procurement of fire doors in the tower blocks, fire safety knowledge had gathered momentum and was being realised in the commitment to qualifying staff to BM Trada (UK third party accreditation service for wood work).

- c) highlighted that the Fire Service Inspection of the Tower Blocks was facilitated by SAT. Through negotiation and careful consideration of the risks presented to the Fire Service, the current progress and plans in place had satisfied the inspectors that risk was appropriately managed.
- d) stated that the main effort was aimed at the tower blocks as this had a greater fire risk, in terms of number of occupants in one location. However, the overall assessment was not of a high likelihood. All the actions in the last round of Fire Risk Assessments had been completed. Now the fire strategies had been completed, new Fire Risk Assessments could be commissioned with a better picture being built, with more knowledge to make the right decisions around investment in fire safety.
- e) explained that sheltered schemes were the next priority in terms of building risk, due to the number of occupants and the type of occupant. The fire door programmes would be delivered with a risk-based approach, to manage the investment output. The same approach to fire strategies would continue as with tower blocks.
- f) highlighted that RO/ROSS checks carried out so far had provided strong evidence that the legal checks were being carried out in accordance with the appropriate standards and regularity.
- g) invited members' comments and questions.

Question: Members asked for an explanation of paragraph 6.3 of the report?

Response: Officers were looking at how the Council could best engage with residents and make sure that their views were heard. This process would start from the beginning with Councillors and move forward from there.

Comment: Members commented that the training session that took place last week was useful and that it would be a good idea to do an additional member workshop later.

Question: Members asked how the fire safety data would be presented in relation to performance.

Response: At the current time this was not known.

Question: Members asked whether fire drills took place at high rise flats.

Response: This had been discussed with the fire service and would not be taking place. Some high-rise flats had been partially evacuated before, but the fire service tried to steer away from doing fire drills. There had been fire drills at Trent View but a 'stay put policy' was in place for the building due to it being made from concrete and free from cladding. The fire service had strict control on how to evacuate high rise flats so it would be managed effectively and precisely by the fire service as experts if the time arose.

Comment: Members asked for performance targets to be incorporated into the next report.

RESOLVED that:



1. Performance Targets be incorporated into future updates on fire safety.
2. The progress made in addressing the issues outlined within the report and proposals from the Hackitt review be noted.

**43. Work Programme Update 2020/21**

Clare Stait, Democratic Services Officer:

- a) presented the draft work programme for 2020/21 as detailed at Appendix A of her report
- b) advised that the work programme for the Performance Scrutiny Committee was put forward annually for approval by Council; the work programme was then regularly updated throughout the year in consultation with the Performance Scrutiny Committee and its Chair
- c) reported that items had been scheduled in accordance with the existing work programme and officers' guidance regarding the meetings at which the most up-to-date information could be reported to the committee; the work programme also included the list of portfolio holders under scrutiny
- d) requested any relevant comments or changes to the proposed work programme for 2020/21.

RESOLVED that the work programme 2020/21 be noted.

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## Portfolio Holder Responsibilities

### **Economic Growth**

1. Building Control
2. Car Parks
3. Climate Change (linkage to Local Plan)
4. Commercial Development
5. Contaminated Land
6. Cultural Activities Including:
  - Christmas Market
  - Christmas Lights
7. Economic Development and Growth, including:
  - Western Growth Corridor
  - Sustainable Urban Extensions
8. Heritage
9. Innovation and Inward Investment including:
  - Lincoln Science and Innovation Park
  - Smart City initiatives
10. Markets
11. Planning, including:
  - Central Lincolnshire Local Plan
  - Regional and National Planning Policies
12. Public Realm including:
  - City Centre Masterplan
  - Cornhill Area Redevelopment
13. Regeneration Including:
  - Neighbourhood Revitalisation
  - Community Planning
14. Small Business Support
15. Tourism and Marketing
16. Transport including:
  - Transport Hub
  - Connectivity
  - Infrastructure

### **Reducing Inequality**

1. Anti-Poverty Strategy
2. Asylum Seekers
3. Benefits Advice and take-up, including:
  - Housing Benefit
  - Council Tax Support
4. Community Cohesion Strategy
5. Community Strategies and Policies
6. Corporate Social Responsibility including:
  - Hate Crime
  - Lincolnshire Safer Communities
7. Discretionary Rate Relief Policy
8. Equality and Diversity:
  - Employer perspective
  - Service user perspective
9. Financial Inclusion, including:
  - Adult Learning;
  - Young People.
10. Prevent
11. Public Protection including:
  - Antisocial Behavior
  - Noise Nuisance
  - CCTV
  - Domestic Violence
11. Skills and Training, including The Network;
12. Social Value Policy
13. Universal Credit
14. Welfare Advice
15. Welfare Reform

## Portfolio Holder Responsibilities

### Quality Housing

1. Affordable Housing
2. Discretionary Housing Payments
3. Estate Management
4. Fleet Management
5. Health and Wellbeing, particularly its links to good quality housing
  - Physical and Mental Health
  - Suicide
6. Homelessness Prevention
7. House Building
8. Housing Investment and Decent Homes
9. Housing Repairs and Maintenance
10. Housing Revenue Account and Landlord Services including:
  - Tenant Engagement
  - Housing Stock Options
11. Lettings and Allocations including:
  - Rogue Landlords
  - Trusted Landlord Accreditation Scheme
12. Rough Sleepers
13. Strategic Housing
14. Supported Housing

### Remarkable Place

1. Allotments
2. Cemeteries and Crematorium
3. Community Centres
4. Environmental Contracts including:
  - Refuse Collection and Recycling

- Highways
  - Open Space and Grounds Maintenance
  - Public Conveniences
  - Cleansing
5. Food Health and Safety
  6. Licensing
  7. Low Carbon Agenda
  8. Parks and Recreation
  9. Pollution Control
  10. Sport and Leisure facilities to promote physical activity

### Our People and Resources

1. Asset Management
2. Civic and Twinning
3. Corporate Communications and Media Relations
4. Corporate Strategy including
  - Strategic Plan (Vision 2020)
  - Annual Report
  - Strategic Partnerships
5. Corporate Health and Safety
6. Emergency Planning
7. Finance including:
  - Financial Strategy
  - Financial Position
8. Human Resources including:
  - People Strategy
  - Apprenticeships
  - Trade Union Liaison
  - Organisational Culture and Core Values
9. Legal Services (excluding Electoral and Democratic Services)
10. Procurement (excluding social value)

## Portfolio Holder Responsibilities

11. Regional and Sub-Regional Governance Arrangements including Devolution
12. Revenues
13. Risk Management and Governance including
  - Insurance
14. Specific Major Projects (Excluding Major Developments)
15. Towards Financial Sustainability including Commercialisation

## **Customer Experience and Review**

1. Audit
  2. Central Support Services
  3. Complaints Handling
  4. Corporate Reviews
  5. Customer Engagement including:
    - Customer Services
    - Contact Centre
  6. Democratic and Electoral Services including
    - Voter Registration
    - Democratic Engagement
  7. ICT
  8. Performance including Systems and Process
  9. Strategic Information including:
    - Corporate Evidence Bases
- Lincoln City Profile

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**REPORT UNDER RULE 2(vi) OF THE COUNCIL PROCEDURE RULES REPORT BY COUNCILLOR ROSANNE KIRK, PORTFOLIO HOLDER FOR REDUCING INEQUALITY**

COVID 19 has had a significant impact on the city and our communities during the past year. This report focuses on the services under my portfolio, which the council has delivered to support residents during this difficult time.

I would like to thank council employees and elected members for their ongoing commitment towards reducing inequality in the city throughout the COVID 19 pandemic. Collectively the support and services provided by the council to our residents during this time are a great achievement and an achievement the council should be extremely proud of.

**Key achievements**

Below list some of the key achievements under my portfolio during the past year

- Development and launch of a brand-new befriending service to provide direct support to vulnerable and isolated residents during the COVID-19 pandemic.
- Launch and delivery of a Community Support Helpline to assist those most in need during the pandemic to access vital supplies.
- Over £100k has been raised by Lincoln Community Lottery for good causes since its launch in August 2018.
- Continued success of the Lincoln Social Responsibility Charter, which has seen local businesses encouraged go above and beyond to support their employees and the local community during this difficult time
- Under the governments 'Everyone In' initiative the council successfully offered a place of safety to every person sleeping rough, or at risk of sleeping rough, during the pandemic
- 267 successful awards of £500 have been made under the national Test and Trace Payments Scheme (as of 21<sup>st</sup> January 2021)
- The Business Rates Team has been instrumental in supporting businesses in 2020/21, awarding £27 million in Expanded Retail Discount.
- The council has been successful in securing in excess of £1 million to provide 15 units of accommodation with support for the rough sleeping cohort.
- In 2020 a PSPO was brought in covering Lucy Tower Street, Broadgate and Central Multi-Story Car Parks with the aim of further reducing ASB in these areas and enhancing the public image and safety of our city.

Below provides more detail on the achievements of each service under my portfolio during the past year.

**Befriending Service (New service)**

In March 2020 the council developed and launched a brand-new befriending service to support Lincoln's residents who were identified as being vulnerable or at risk of becoming vulnerable whilst in lockdown. The key outcomes and achievements of this service are provided below:

- Through cross service delivery and partnership working the befriending service was ready to launch to our residents in early April 2020 – the service was developed, setup and rolled out in just under two weeks!
- 49 members of staff delivered befriending calls to those requesting this support.
- Guidance was developed and provided to those delivering the service. In nearly all cases, staff members had no prior experience of delivering this type of service but stepped up to ensure the service was a success
- In addition to those making the calls, members of staff from Neighbourhood Working, Corporate Policy and the Housing Repairs Service were involved in coordinating the service
- To ensure as many residents were made aware of the service as possible, the council directly contacted over 18,000 residents - Contact was made via telephone and letter and was aimed at residents who were identified as vulnerable or at risk of becoming vulnerable.
- At the peak of the service just under 500 vulnerable residents were receiving befriending calls on a weekly basis from the council.
- Just over 200 residents continued to receive befriending calls up to service close on 31<sup>st</sup> July 2020.
- To ensure those continuing with the service had the option of receiving calls going forward, each individual was offered the choice of continuing calls with one of four new service providers. In total 79 individuals took up this service:
  - Assist - 47
  - Community Lincs YMCA - 23
  - Age UK - 6
  - Supported Housing (COLC) - 3
- All individuals continuing to require a service were transferred across to their preferred new provider ready for commencement of calls w/c 1<sup>st</sup> August 2020.
- Over 200 positive comments were received regarding the council's befriending service

As Lincoln was placed into Tier 3 lockdown in December 2020 a small group of council befrienders delivered check-in calls with those individuals receiving calls up to the end of July 2020, but at the time had decided not to continue with another service provider. These calls were to provide each individual with an opportunity to have a chat, together with ensure they had the support they required in place for the Christmas period. In total 77 individuals were contacted during mid-December. A follow up call was also undertaken in January 2021 to those who requested this.

### **Community Helpline (New service)**

Working alongside the Befriending Service, the council also setup and launched a community helpline in March 2020. The purpose of this service was to provide Lincoln residents with a point of contact should they require support in obtaining essential items such as food and prescriptions.

The key outcomes and achievements of this service are provided below:

- Brand new service setup up and launched in under two weeks.
- Service was primarily delivered by members of staff in the Democratic Services and Neighbourhood Working Teams
- Staff delivering the service were provided with guidance on dealing with difficult calls



- The service was widely promoted to residents and partners across the city
- The Helpline ran for eleven weeks between the period 23<sup>rd</sup> March and the 5<sup>th</sup> June 2020 - during this period the team responded to 1,273 telephone calls and 301 emails

### **Food vouchers for vulnerable families in the school holidays**

In the absence of Government funding to provide 'free school meals' in the school holidays during the pandemic, City of Lincoln Council wanted to do something to help vulnerable families put food on the table during October half term. Working with the city's foodbanks, it was arranged for a Co-op voucher to be added to food parcels enabling families to buy fresh food from their local store.

Not all of the allocated funds were spent and restrictions continued, so the council used the surplus money to help Bridge Church deliver the FiSH scheme over the Christmas Holidays, which focused on helping those families identified by schools as "just about managing", i.e. struggling financially, but not entitled to free school meals. As some external funding was obtained at the eleventh hour there is still a small amount of our funds leftover, and with lockdown continuing this remaining amount will now go towards supporting the FiSH scheme during the February half term and/or Easter holidays.

### **COVID 19 Crisis Fund**

Working in partnership with the Lincolnshire Community Foundation, an emergency City of Lincoln COVID 19 Crisis Fund was launched during April 2020. The purpose of the fund was to provide local good causes with funding to assist them to deliver their vital services in the community during the pandemic.

To ensure the allocation of funds was fair, all good causes seeking support from this fund were required to go through an application process, with all applications being assessed by an evaluation panel. This panel was supported by myself as an elected member and portfolio holder, together with council officers.

The key outcomes and achievements of this emergency fund are provided below:

- Over £25k raised and allocated
- 14 organisations across the city received funding support to enable them to deliver their services
- A number of financial donations were received from signees of the Lincoln Social Responsibility Charter, demonstrating social responsibility during this difficult time
- In May 2020 an allocation of £5,000 was made to the fund from the Lincoln Lottery Community Fund.
- This was supported with a further allocation of £6,500 from the Lincoln Lottery Community Fund in August 2020

### **Lincoln Community Lottery**

Throughout the COVID 19 pandemic, Lincoln Community Lottery has continued to operate and raise vital funds for local good causes in an around the City of Lincoln. The lottery, which is free for good causes to join, provides a range of resources to

support good causes with selling tickets and subsequently raising funds. Sixty pence in every one-pound ticket sold goes directly to good causes, with fifty pence going to the supporters chosen cause and ten pence going into the Lincoln Lottery Community Fund. As outlined above, for 2019/20 the funding raised in the community fund has been allocated to the City of Lincoln COVID 19 Crisis Fund. To date over £100,000 has been raised by the lottery for local good causes. Currently 84 good causes are receiving funding support from the lottery. I continue to chair the Lincoln Community Lottery member panel.

### **Lincoln Social Responsibility Charter**

The number of signees to the charter has continued to rise throughout 2020 and now stands at 83. These signees include a mix of small, medium and large organisations from across a wide range of sectors. Each signee to the charter has demonstrated their commitment to social responsibility, with each delivering a range of activities which benefit their employees and the local community they are located in. Throughout the pandemic it has been really encouraging to see a number of charter signees have continued to go above and beyond to support the communities they are located in, through directly undertaking a range of activities which support the communities around them. As a thank you for their commitment to the charter and social responsibility, City of Lincoln Council actively promotes all signees to the Lincoln Social Responsibility Charter via a wide range of routes. To find out more about the charter and to view the online directory of signees, please visit [www.lincoln.gov.uk/socialresponsibility](http://www.lincoln.gov.uk/socialresponsibility).

### **Universal Credit and Welfare Reform**

From 2019/20, the focus of our in-house Universal Credit (UC) Support Team changed due to central government contracting with Citizens Advice to provide the 'Help to Claim' service of UC support. The team now focuses on wider, proactive, immediately-responsive and holistic welfare reform support – this is working successfully with internal and external stakeholders.

From the end of January 2020 to October 2020, the Welfare Reform Support team received 802 referrals. The table below shows the first point of contact and from where these referrals were received:

<b>Referral received from</b>	<b>Number</b>
Benefits	110
Citizens Advice	29
Customer	135
Customer Services	116
Department for Work and Pensions	46
Hospital	12
Housing	234
Housing Solutions (Council)	3
Housing Solutions (Private)	55
Parking	6
Private landlord	9
Recovery	1
Support Workers	10

Voids	1
Welfare	32
(Blank)	3
Total	802

Universal Credit itself continues to have a significant impact on the workload of the Benefits Team, with a high volume of UC-related documents requiring processing by the team, including in relation to Council Tax Support claims.

As well as Universal Credit, our Benefits Team continues to administer a whole range of other welfare reforms – such as Localised Council Tax Support, Spare Room Subsidy ('bedroom tax'), Benefits Cap and Discretionary Housing Payments (DHP). The team fully utilised the 2019/20 central government DHP grant and supplemented this grant too, to help our residents with their housing costs. This proactive approach aims to help residents mitigate impacts of welfare reforms.

### **Test and Trace Payment Scheme and Winter Grants Scheme**

Our Revenues and Benefits Service has played a crucial role in the COVID-19 response for our residents. The national Test and Trace Payments Scheme was successfully implemented in September 2020 and as at the time of writing this report (21<sup>st</sup> January 2021), the team has made 267 successful awards of £500. In addition to this, the team was instrumental in developing a countywide scheme for awarding equivalent payments for those not entitled to Test and Trace Payments but suffering financial hardship – being £500 awards under the Winter Grant Scheme from December 2020 – 16 such payments have been made so far.

### **Welfare and benefits advice**

Additional benefits claimed by Lincoln customers who sought the advice and assistance of the Welfare Team in 2019/20 totalled a weekly value of £27,170. Over the full year these additional benefits amounted to £1,412,852. In addition to these benefits, in many cases customers had backdated awards or lump sum payments. In 2019/20 the total value of backdated and lump sum payments amounted to £210,366.

A crucial service also offered by the team is the FCA regulated debt advice, which is the Money Advice caseworker support. 60% of the team are trained in debt casework and they offer a full service, starting with the preparation of the Standard Financial Statement (SFS). Customers' income and expenditure levels are explored to establish whether there are options to claim additional benefits or increase income in some other way. In 2019-2020 the team assisted and advised 97 individuals with their debts. The total debt managed was £491,551 for 97 City of Lincoln residents. 67% of these Money Advice clients were City of Lincoln Council local authority tenants.

### **Housing Benefit/Council Tax Support**

Although Universal Credit Full Service was rolled out for new claims in Lincoln Jobcentre Plus from March 2018, our Benefits Team still has significant Housing Benefit and Council Tax Support caseloads to administer – as at the end of Quarter 3 2019/20 these figures were 5,405 and 8,955 respectively. Our Council Tax Support

caseload has risen since the initial COVID-19 lockdown – i.e. this was 8,491 at the end of February 2020, meaning a 5.5% increase up to the end of December 2020. Despite the challenges, pressures and demands on the Benefits Team, New Claims and Changes of Circumstance continue to be processed promptly, with positive average processing times being achieved.

### **Discretionary Rate Relief Policy**

A 'Business Rates Growth Policy' was approved by Executive on 23<sup>rd</sup> July 2018. The policy provides a time-limited rate relief discount to new and extended business premises within the City, in the interest of building the Business Rates base, supporting economic growth and job creation. Eligibility for this scheme is dependent on the extent of the business premises creation or extension, location and the impact of the new business or expansion plans has on the local economy. The impacts of COVID-19 have meant applications under this policy have reduced over the last nine months. However, in the first half of 2020/21, almost £39,000 has been awarded to businesses under this local policy.

The Business Rates Team has also been instrumental in supporting businesses in 2020/21, awarding £27 million in Expanded Retail Discount. Also, the team has worked closely with Major Developments colleagues to help administer the variety of business support grants throughout the year.

### **Financial Inclusion**

Officers continue to be proactively involved in the Lincolnshire Financial Inclusion Partnership (FIP), with the Head of Shared Revenues and Benefits now being the chair of the Partnership. FIP aims to ensure that everyone has the capability and opportunity to access appropriate financial services and products needed to participate fully in society, and will play a key role in terms of financial-related aspects of COVID-19 recovery as residents may struggle with finances for some time.

### **Skills and Training (including Adult Learning and The Network)**

Although the events of the last year have very much altered the skills and training landscape, officers remain in contact with a number of organisations to identify and promote skills and training opportunities to our residents. This year, City of Lincoln Council has registered as an organisation to help signpost residents to the government's Kickstart scheme, to try and find 6-month placements to young people seeking work.

The Network project, which aims to provide careers and related advice to the NEET group, proactively engages with young people to help them with a variety of issues and provide positive outcomes for them in trying to find work and development opportunities. The Network has continued to find innovative solutions to engage with young people during the pandemic. City of Lincoln Council continues to support this project, sitting on its Trustee and Management Board.

### **Asylum Seekers and Refugees**

In 2018, Lincolnshire district councils and Lincolnshire County Council agreed that we would take part in the Vulnerable Persons Resettlement Scheme, which settles refugee families from Syria into this country. As a result, a number of families have arrived into Lincolnshire since that time, including two families into City of Lincoln in March 2019.

The families have been supported by support workers from Upbeat Communities, a specialist provider jointly commissioned by the district councils and funded from the Vulnerable Person Resettlement Scheme. The support workers have enabled the families to settle into life in this country by helping them to enrol into health services, getting children into school or nursery places, ensuring the families attend their ESOL English language classes and more. It has obviously been a particularly challenging and in many ways traumatic time for the families, however the families have settled in very well and their support will reduce and will be withdrawn once the families are more self-sufficient.

The COVID pandemic has unfortunately affected the Resettlement Programme and at the present time there are no plans to accept any more Refugees into the city.

### **Homelessness and Rough Sleeping**

The past year has been extremely challenging for the Homelessness and Rough Sleeping Service. The Homelessness and Allocations Teams are working from home and only attending City Hall for exceptional circumstances, for example to undertake interviews that cannot be done by telephone or another form of technology.

The council has continued to receive high numbers of enquiries but the numbers of applications from families have reduced somewhat. We believe this is partly due to the ban on evictions introduced by government. The council has though seen increases in applications from single people where their non-secure living arrangements come to an end because of the increased pressures of living in lockdown and under the Tier restrictions. We have also seen an increase in very complex homelessness cases, for example Domestic Abuse, and dealing with these has taken significant amounts of staff time.

Our Rough Sleeping Team has continued to work from City Hall and face to face with clients, in a safe way. At the beginning of the pandemic the government launched the 'Everyone In' initiative, which required every local authority to offer a place of safety to every person sleeping rough, or at risk of sleeping rough. The council achieved this and went on to provide more permanent accommodation for some of those people. Others chose to move out of the accommodation provided and the council has continued to work with them to encourage them to engage and move away from the street. The council continues to see considerable success with this cohort although the work is extremely challenging at times.

The council has been successful in securing in excess of £1million to provide 15 units of accommodation with support for the rough sleeping cohort and we have also been assured we will receive at least as much funding for 2021/2022 to continue our rough sleeping work.

### **Employer perspective**

The council is proud to remain accredited with the Disability Confident Scheme, building on the 22 years the council held the Two Ticks disability symbol. The council has continued to promote this status to residents and employees throughout the past year via the council's website and within our recruitment process.

New council employees continue to be required to complete Equality and Diversity training as part of their induction, and also periodically after. Throughout the year the council has also continued to actively promote Equality and Diversity training and events via the council's intranet 'City People' and 'In Brief' newsletters.

The council's workforce as at 31<sup>st</sup> March 2020 stood at 656 staff members, of which 314 were males and 342 were females. 34 members of the workforce declared a disability and 15 were from a black and ethnic minority group. The largest age group was 50 to 59 years of age, with 189 staff members in this age group.

The HR team continue to provide advice and guidance, monitor recruitment and workforce data and review HR policies and procedures.

### **Service user perspective**

Equality and diversity is at the centre of everything we do as a council, and this is particularly the case in respect of my portfolio.

Since last year we have adopted new (slightly revised) Equality Objectives for a further four years. These are:

1. Our services are accessible and do not discriminate on any unjustifiable grounds.
2. Local communities, partners and stakeholders are empowered to influence the way our services are provided to them.
3. Equality and diversity is at the heart of decision making at all levels within the city council.
4. Our workforce at all levels reflects the makeup of the local community.
5. Equalities, Social Inclusion and Community Cohesion have all improved within our communities.

These objectives are supported by an action plan which is monitored by the Equality Advisory Panel of which I am Vice Chair. The Annual Equality Journal for 2019, published in October 2020, summarises the work of the group and other equality and diversity activity identified in the action plan. The action plan is usually developed as part of service planning, but because of the pandemic, was brought together separately and includes targeted projects which we undertook in response to COVID-19.

Managers continue to use the Equality Analysis Toolkit, which assists in assessing the impact on equality of proposed changes to policies, procedures and services. This helps us, as the decision makers, to consider any differential impact on those with protected characteristics and ensures mitigating action is taken where it is appropriate to do so.

## Public Protection and Anti-Social Behaviour (PPASB Team)

The PPASB service covers a broad range of areas. The core services provide a combination of both proactive and reactive actions designed to protect individuals, the community and the amenity of the city.

The core service areas are:

- Anti-Social Behaviour
- Noise
- Animals
- Pests/conditions of gardens
- Accumulations of waste
- Fly-tipping investigations
- Licencing consultations
- Bins on streets
- Littering Fixed Penalty Notices

The PPASB service consists of one Team Leader/Technical Officer, five Technical Officers, one Technical Assistant, one Admin Assistant, two Apprentices, one Littering Enforcement Officer and a Police Constable ASB Officer.

### Service Demand

Year	Q1	Q2	Q3	Q4	Total
2019	688	748	866	616	2,918
2020	550	566	705	572	2,393

The table below shows the PPASB Enforcement Action undertaken during 2019 and 2020. It is important to note that prior to enforcement action being taken a number of informal actions or warnings will normally take place and so this table represents only the cases where we could not resolve informally or where an outright offence was evidenced.

Environmental issues	2019	2020
Littering Fixed Penalty Notices	424	167
Dog Fouling Fixed Penalty Notices	1	0
Dog Straying Fixed Penalty Notices	1	0
Fly Tipping Fixed Penalty Notices (Community protection notice warnings have been used through lockdown)	1	3 (8)
Bins on streets Community Protection Notice	9	6

Noise issues	2019	2020
Noise Abatement Notices	24	11
Noise Prosecutions	3	2
Noise Warrants	1	0
Noise Community Protection Notice	5	6

General ASB issues	2019	2020
ASB Community Protection Orders	9	8
Prosecutions	1	0

Injunctions	3	0
Criminal Behaviour Orders	11	0
Closures	1	0

<b>Condition of property related issues</b>	<b>2019</b>	<b>2020</b>
Prevention of Damage by Pests Notices	9	8
Condition of Garden or Property Notices, Inc. F&V EPA and ASBCP	7	8
Subsequent Fixed Penalty Notices	0	1

<b>Other enforcement</b>	<b>2019</b>	<b>2020</b>
Prosecution for microchipping of dogs	1	0
Community Protection Notice for dog attack on person	1	0
Microchipping notice	6	1

### **Intervention Team**

The Intervention Team is tasked with reducing and addressing on street ASB across the city. The team is holistically addressing the root cause of the issues on a support first basis, however they also have at their disposal a number of enforcement tools and powers to use where appropriate and required.

The Intervention Team consists of one ASB Outreach Officer, one Mental Health Nurse and one Addaction Outreach Worker.

The team has continued to operate throughout the COVID-19 pandemic ensuring the most vulnerable still had access to them for support and signposting.

### **City Centre issues and partner collaboration**

At the end of 2018 the PPASB service and Intervention Team have worked with Lincolnshire Police and Lincoln BIG to bring into effect a Public Spaces Protection Order to allow the gating of St Peters Passage to prevent further instances of serious ASB.

In 2020 a PSPO was brought in covering Lucy Tower Street, Broadgate and Central Multi-Story Car Parks with the aim of further reducing ASB in these areas and enhancing the public image and safety of our city.

The PSPO for the city centre prohibiting street drinking and substance use is currently being renewed.

I have provided a brief update below on further work undertaken with our key partners during the past year to help address city centre issues.

#### **Lincolnshire Police**

The PPASB service and the Intervention Team continue to work closely with both the Neighbourhood Policing Team and the Lincoln Central Policing Team within the City Centre. The colocation of the Carholme, City Centre and Abbey Neighbourhood Police Teams in the PPASB office at City Hall has further improved the working relationships and allowed officers to work closer and support each other to tackle ASB across the city.



## **University**

The PPASB service continues to have a good and productive working relationship with the university, particularly around tackling student issues across the city.

## **Health and Social Care**

The Intervention Team and the PPASB team have continued to work with a range of partners including the ARC team, Neighbourhood Nursing Team, Critical Time Intervention Team based at HMP Lincoln and many more. The benefits of collaboration are delivering better, joined up and holistic care and support to the city's most vulnerable groups be these housed or homeless.

### **Safer Lincolnshire Partnership**

The Safer Lincolnshire partnership has strategic overview of four key areas. These areas are Anti-Social Behaviour, Domestic Abuse, Serious and Organised Crime and Reducing Offending, with cross cutting themes of Mental Health and substance misuse. During the past year, City of Lincoln Council has continued to have representation at both the ASB Core Priority Group and the Domestic Abuse Core Priority Group.

### **Protecting Vulnerable People**

Over the course of the last two years, City of Lincoln Council's internal safeguarding meeting has been rebranded as 'Protecting Vulnerable People' and has been expanded to encompass Hate Crime, PREVENT, Domestic Abuse and Modern Slavery. This approach ensures that we have a coordinated approach to a range of safeguarding issues and can ensure that training of staff and any materials that may be needed to protect vulnerable people are centrally stored. The group has initially worked on a number of priorities that focus around training of staff and ensuring that reports are centrally stored and auditable. I have provided a brief update on each of the areas that encompass the Protecting Vulnerable People agenda below.

#### **PREVENT**

Officers from the council continue to attend and contribute to the PREVENT Steering Group, in addition to delivering PREVENT actions arising from the Protecting Vulnerable People meeting. All council staff continue to be required to complete online PREVENT training at least every two years.

#### **Domestic Abuse**

City of Lincoln Council officers continue to attend and contribute to the Safer Lincolnshire Partnership Domestic Abuse Core Priority Group. Within the last year training has been provided for all Housing Officers to ensure they have the required skills and knowledge to assist them in being able to undertake DASH (Domestic Abuse Stalking and Harassment) risk assessments with victims disclosing domestic abuse. It is also the intention of the council to train Customer Service Team Leaders to increase the provision of trained staff further in the coming year.

#### **Hate Crime**

The council is currently reviewing Hate Crime Awareness training for all staff through the Protecting Vulnerable People Group. Council officers also continue to attend and support the Community Cohesion Steering Group.

### **Modern Slavery**

The council has a Modern Slavery Statement and is signed up to a Modern Slavery Charter. Modern Slavery Awareness Training is also being reviewed by the Protecting Vulnerable People Group.

### **Response to COVID-19**

Both the PPASB and Intervention Team have continued to provide high levels of service throughout the pandemic. Whilst the Intervention Team have had to find ways to continue to work safely on the front line throughout the pandemic, the PPASB team have had to find innovative ways to deliver a front-line service from home. You can see from the statistics provided that the service demand has remained high and that in spite of furloughed team members and new challenging working environments, the team has continued to deliver.

### **PPASB Service over the next 12 months**

Over the next 12 months both the PPASB service and the Intervention Team will continue to work collaboratively to make positive changes within our communities.

It is anticipated that on street ASB will continue and that intervention in the form of both support and enforcement will continue to be required. The teams will continue to work with partners to look for sustainable opportunities to look to embed best practice, this is especially important with the Intervention Team funding currently ending in December 2021.

Demand across all services provided by the teams is expected to remain high.

### **CCTV Service**

During the early phase of the pandemic the CCTV service was designated an essential service and has continued to operate on a 24-hour basis although shifts have been reduced to single operators in line with COVID-19 operational risk assessments.

As the strategic plan was being developed, social monitoring (checking adherence to COVID-19 rules) became a priority with operators logging over 1,300 incidents over 30 weeks with the data provided to the relevant steering groups.

The unit has continued to support services including Environmental Health, Licensing, PPASB, Homelessness and Parks as well as Lincolnshire Police. Government restrictions have affected the day and night-time economy and operators have refocused tasks to conduct comprehensive sweeps of the City safeguarding business premises and the vulnerable.

Statistics show that during the last year operators have logged over 12,500 incidents of which 2,300 were public order offences. The unit also recorded over 400 incidents looking for missing persons and over 600 dealing with mental health issues.

The last quarter has seen a reduction in recorded incidents by 30%, possibly as a result of ongoing Government restrictions, and this is expected to continue through the early months of 2021.

Operators continue to make a significant difference in our city particularly when supporting Police during serious incidents. One of the council's CCTV operators recently received a letter of commendation from Lincolnshire Police for their assistance in dealing with a serious incident in the city.

### **World Hello Day**

In November 2020 the council supported World Hello Day 2020, which was the eighth time the day had been celebrated in the city. Due to the pandemic we were unfortunately unable to deliver a range of face to face events to mark the occasion. However, the Lincoln Interfaith Forum hosted a Zoom meeting on Saturday 21<sup>st</sup> November to celebrate World Hello Day. The event was well attended and provided a great opportunity to say hello and meet people from different faiths, cultures and backgrounds. Myself and the Mayor attended this online meeting. In addition, I also recorded a video outlining the importance of World Hello Day and bringing our communities together, especially during this difficult time. The video was promoted via the council's social media channels and was watched by over 500 people. We look forward to marking World Hello Day in 2021.

### **Holocaust Memorial Day**

Whilst the focus during this past year has been on reducing the impacts of the pandemic, it was important that we continued to mark Holocaust Memorial Day, which takes place annually. For 2021 Holocaust Memorial Day took place on 27<sup>th</sup> January. Unfortunately we were unable to deliver an event internally this year, however, as an alternative, myself and the Leader, Cllr Ric Metcalfe, working with the Communications Team, produced a video raising awareness of the impacts of the holocaust and the importance of marking Holocaust Memorial Day each year. The video was communicated to staff and residents via the council's social media channels. The theme of Holocaust Memorial Day 2021 was 'Be the light in the darkness'.

### **Forward look**

This past year has been exceptionally difficult for our communities, residents and council staff. I am extremely proud of the significant level of support the council has been able to provide, and it is clear this support has made a huge difference to the residents and communities of Lincoln. This work will continue moving forward as Lincoln experiences the ongoing difficulties caused by the pandemic during the months ahead.

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**PERFORMANCE SCRUTINY COMMITTEE**

**18 FEBRUARY 2021**

<b>SUBJECT:</b>	<b>FINANCIAL PERFORMANCE – QUARTERLY MONITORING</b>
<b>REPORT BY:</b>	<b>CHIEF EXECUTIVE &amp; TOWN CLERK</b>
<b>LEAD OFFICER:</b>	<b>JACLYN GIBSON, CHIEF FINANCE OFFICER</b>

**1. Purpose of Report**

1.1 To present to Members the third quarter’s performance (up to 31st December), specifically including the financial impact of the Covid19 pandemic, 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. Whilst quarterly performance reporting for the third quarter has been paused in light of the Covid19 pandemic response, due to the challenging financial circumstances the Council currently faces it has been necessary to continue work on reporting the latest financial position.

**2. Executive Summary**

2.1 This report covers the General Fund Revenue, Housing Revenue Account budgets and Investment Programmes for the current financial year. It sets out the estimated impact on the budget of the Covid19 pandemic following the application of the budget revisions, approved at Q1 and Q2, in order to maintain a balanced budget for 2020/21. Many of the applied budget changes are temporary changes for this financial year; with the impact on future years budgets and the MTFs considered in a separate report to the Executive.

2.2 Covid19 has taken its toll on the financial resilience of the Council as income streams have plummeted and there has been a requirement to incur costs to ensure services are being provided throughout this difficult period and to respond to consequences of the pandemic. The impacts of this are not simply restricted to the current financial year but will have a significant impact over the period of the MTFs and possibly beyond. In terms of the current financial year, 2020/21, the key challenges faced are in respect of:

- Exceptional costs of dealing with Covid19 and increased service demand
- Loss of income

The cumulative impact of these challenges has resulted in significant shortfalls on the General Fund and on the Housing Revenue Account prior to the offset of any Government funding.

- 2.3 In response to calls from the sector the Government have allocated a total of £4.6bn of general purpose grant funding to support local authorities to cover expenditure related pressures and announced an income compensation scheme to recompense councils for approx. 75p in every £1 of lost sales, fees and charges income. To date the Council has received funding support of £1.877m for COVID19 related pressures and is forecasting to receive c£3.048m through the income compensation scheme. There has however been no additional financial support provided to the Housing Revenue Account.
- 2.4 Despite this financial support package announced by the Government the General Fund and HRA cannot absorb the level of budget shortfalls without having to take some measures to reduce some areas of expenditure. These measures, approved at Q1, will allow the Council to be able to continue to deliver its critical services and to ensure its balances remain at an adequate level to provide resilience for future years.
- 2.5 Based on a significant number of planning variables, and after offsetting the government funding support package and measures taken to address the budget pressures, as at the end of the second quarter (up to 31st December), the forecast financial position of the Council for 2020/21 is:

	2020/21		
	Budget £'000	Forecast @ Q3 £'000	Variance @ Q3 £'000
<b>Revenue Accounts</b>			
General Fund – Contribution to/(from) balances	286	409	(123)
Housing Revenue Account (HRA) (Surplus)/Deficit in year	75	(697)	(772)
Housing Repairs Service	0	(205)	(205)

<b>Capital Programmes</b>			
General Investment Programme	16,430	5,117	(11,313)
Housing Investment Programme	28,505	19,690	(8,815)
<b>Reserves &amp; Balances</b>			
General Fund Balances	2,522	2,645	(123)
HRA Balances	921	1,693	(772)
HRS Balances	0	(205)	(205)

General Fund Earmarked Reserves	6,513	11,586	18,099
HRA Earmarked Reserves	1,403	(33)	1,370

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

### 3. General Fund Revenue Account

3.1 For 2020/21 the Council's net General Fund revenue budget was set at £12,963,220, including a planned contribution from balances of £286,310 (resulting in an estimated level of general balances at the year-end of £2,522,188, after allowing for the 2019/20 outturn position).

3.2 The General Fund Summary is currently projecting a forecast underspend of £122,723 (appendix A provides a forecast General Fund Summary), resulting in general balance at the year-end of £2,645,911 (subject to any final contributions to earmarked reserves). There are a significant number of forecast year-end variations in income and expenditure against the approved budget, primarily as a result of Covid19 along with variances arising from measures taken to address the budget pressures and the financial support provided by Government. Full details of the main variances are provided in appendix B while the table below sets out the key variances:

	Forecast £'000
Increased expenditure arising as a result of Covid19	610
Income losses as a result of Covid19	6,305
Income Compensation Scheme	(3,048)
Government Grants (Covid19, Rough Sleeping, New Burdens, Test & Trace support and Compliance & Enforcement).	(2,283)
Measures approved at Q1 (budget review, furlough, review of capital, increased TFS)	(1,898)
Coronavirus Job Retention Scheme (in addition to Q1)	(84)
2020/21 national pay award implications	110
Covid19 Grant - Contribution to reserves for use in future years (approved at Q2)	622
Net other variances	(458)
<b>Overall forecast budget shortfall/(surplus)</b>	<b>(123)</b>

3.3 The following paragraphs, 3.4 – 3.8 set out further detail on the key financial challenges arising as result of Covid19 that the Council is facing in 2020/21.

#### 3.4 Exceptional costs of dealing with Covid19 and increased service demand

In response to the pandemic, the Council has had to adjust its service provision to meet the needs of its users and residents as well as establish new services/responses cells and meet increased costs through contractual arrangements. This has increased costs across of a range of services including:

- **Setting up the Civic Society (including the befriending service) and Business Support Cells** – During the first national lockdown these support cells saw; the establishment of a community help phone line to provide signposting support e.g. to community support and referrals to foodbanks; the establishment of a befriending service to prevent feelings of loneliness; and the provision of supporting to businesses impacted by COVID19 by awarding grant funding to all eligible businesses in accordance with the Government schemes. Although some of these cells have not been required during subsequent tiers restrictions and lockdowns the support to businesses and distribution of central government grants is still an ongoing area of work.
- **Moving rough sleepers into temporary accommodation** – early on in the pandemic all local authorities were asked to house all rough sleepers in appropriate temporary accommodation. Although an element of these costs are reclaimable through Housing Benefit there is still a cost to the Council of providing the accommodation as well as the provision of furniture, food and cleaning services.
- **Provision of PPE and COVID secure status for Council services and buildings** – Whilst the majority of Council officers are able to continue to deliver services from their homes there were still a number of service areas where this was not possible, in these such circumstances the Council has to ensure that sufficient measures are in place to protect both the officers as well as service users. The Council must ensure that its offices and buildings meet the COVID secure status which has required additional cleaning regimes, physical changes to public spaces, signage etc. and that the officers and service users are sufficiently protected through the use of PPE and other measures whilst services are being delivered.
- **Requirements under existing contracts for services** – in some cases the Council has contractual arrangements in place which allow for a profit share with its partners, these agreements also provide for the sharing of any losses incurred, e.g. the Council is required to share in losses of income of its leisure provider.
- **Increased demand on the Revenues and Benefits Service** – the service has seen a significant increase in the number of both new and change in circumstances claims for Housing Benefits as well as a large increase in the number of new Local Council Tax Support scheme claims.
- **Increased demand on Licensing and Health & Safety Teams** – both service areas have supported the initial recovery phase including the re-opening of retail, hospitality and leisure services as well as providing support to local test and trace and outbreak planning services and ensuing compliance and assurance monitoring during the latest restrictions.
- **Other costs** – in addition to the key areas of increased costs set out above there have also been a number of other costs incurred in order to keep



services running and respond to service pressures e.g. increased fly tipping, additional investment in IT capabilities.

3.5 In total the estimated cost in supporting the response to the emergency situation and recovery phase, as well as meeting rising demand for some services is currently estimated to be £0.610m in the General Fund.

### 3.6 **Income losses**

The most significant impact of Covid19 has been on the Council's income streams with monthly income levels plummeting across a range of discretionary services as well as through investments and rental streams, as a result of the shutdown of the economy and its likely phased path to recovery. The Council's reliance on local income streams has increased significantly in recent years as Government funding has reduced through austerity measures and new funding mechanisms have been introduced resulting in the Council having to be more self-sufficient and secure its own funding sources. Prior to the implement of new funding mechanisms in 2013 less than 20% of the Council's funding sources were subject to any level of volatility, for 2020/21 90% is now subject to volatility and emphasises the financial risk that the Council faces from its income streams.

3.7 The most significant of income losses has been:

- **Car parking** – as a result of the lockdown measures that were imposed in March people were staying at home except for essential journeys, and key workers who have had to use their cars have been given free parking. This has had a profound effect on carpark usage with income down by 97% in April and May resulting in a loss of income against budget of £1.038m. Although the retail sector re-opened mid-June with the hospitality and leisure sectors following in July and August the further national lockdown and tier systems have resulted in income levels being still significantly below budgeted levels, with losses of a further £1.881m in June - December. With a current national lockdown now in place until at least early March this has further exacerbated losses. Based on a range of assumptions it is anticipated that further income losses of £1.136m can be expected during the final quarter of the year, taking total forecasted losses to £4.054m.
- **Development Management, Land Charges & Building Control** – income levels for these service areas have fallen by 40% over the first two quarters, and whilst quarter three saw a significant improvement with income at almost 90% of normal levels, the new lockdown measures introduced in January are expected to impact on this with income estimated to remain at around 60% of normal levels for the final quarter of the year. The recovery of this income source will be dependent on the local economy and how it responds to the current financial climate and whether the housing and development market is able to return to its pre-COVID levels or whether the impending recession will dampen growth, as well as the length and impact of the third national lockdown.

- **Leisure, Recreation & Tourism** – as a result of lockdown measures the majority of our facilities in this area were closed at the end of March. This covers our recreation grounds, Hartsholme Country Park campsite and activities programme, our community centres and Tourist Information Centres. Whilst some of these services re-opened for a brief period of time, others remain closed for now.
- **Christmas Market** – Following the decision to not hold a Christmas Market in 2020 the Council will suffer income losses of £651,200, however these losses are offset by a reduction in costs incurred of £602,840, a net loss of £48,360.
- **Commercial Rents** – COVID19 has had a significant impact on many of the businesses in premises owned by the Council. The majority of them were initially required to close, had then re-opened and begun adapted to a new operating environment and have now faced further closures with the latest national lockdown. Whilst the Government has provided a package of financial support for businesses, through NNDR reliefs, grants for small business and effected industries, loans and the Coronavirus Job Retention Scheme, it is likely that some businesses will be unable to pay their rent in full this year. The Council has been supporting its tenants who are experiencing financial difficulties and signposting them to the relevant Government support however in some circumstances it has been agreed that rental payments can be deferred and repaid over the course of the financial year. Despite all of this support it is inevitable that some businesses will look to terminate their leases, some may fall into administration and others will look to use options such as Company Voluntary Agreements. Total losses of £568k are predicated over the year, a total loss of income of approx. 23% of the rental yield.
- **Treasury Management** – following the drop in interest rates on 19<sup>th</sup> March 2020 to 0.1% the level of investment interest earned by the Council is set to reduce. Although a number of fixed term deposits are currently in place as these expire during the course of the year the level of interest earned on new investments will fall away.
- **Court Cost charges** – as a result of the closure of the Court service for the majority of the year the Council has been unable to progress on Council Tax and Business Rate arrears through the court system as usual and has subsequently generated significantly less fees payable by the taxpayer in addition to the arrears.
- **Other income areas** – in addition to the key income areas set out above the Council is also experiencing income losses through licensing fees, bus station departure charges due to a reduction in bus services and the non-issuing for enforcement fines in the City Centre.

3.8 The table below set out the losses incurred for the first three quarters of 2020/21 along with estimates for the final quarter, based on a 'most likely scenario' of what the income losses are forecasted to be over the remainder of the year. Actual

income continues to be closely monitored alongside performance/usage information.

<b>Income Area</b>	<b>2020/21 Budget £'000</b>	<b>2020/21 Income Loss Q1-Q3 £'000</b>	<b>2020/21 Forecast Income Loss Q4 £'000</b>	<b>2020/21 Total Forecast Income Loss £'000</b>
Car Parks	5,996	2,918	1,136	4,054
Hartsholme Country Park	75	49	0	49
Leisure Services	85	64	21	85
Community Centres & Rec Grounds	81	61	20	81
Visitor Information Centre	146	80	37	117
Development Management	420	85	45	130
Land Charges	127	24	10	34
Building Control	211	63	24	87
Licensing	126	15	3	18
Hackney Carriages & Private Hire	122	23	15	38
Enforcement Officer	25	18	6	24
Public Conveniences	32	11	4	15
Fairs & Circuses	18	13	2	15
Christmas Market	651	651	0	651
Bus Station	133	33	13	46
Markets	219	34	11	45
Lincoln Properties	1,988	459	109	568
The Terrace	272	34	11	45
Court Cost Income - CT	310	114	38	152
Treasury Investment Income	89	0	50	50
<b>Total Income at risk</b>	<b>11,127</b>	<b>4,749</b>	<b>1,555</b>	<b>6,305</b>

### 3.9 MHCLG Financial Support

Financial support received from the Government has been provided through a package of measures:

- £4.6bn of un-ringfenced funding to respond to spending pressures – from this allocation of funding the Council has received three allocations totalling £1,876,803.
- An income compensation scheme recognising the unprecedented impact the pandemic has had on councils' income the government is introducing a scheme to compensate them for these losses. The new income loss scheme will involve a 5% deductible rate, whereby councils will pay the first 5% of all lost planned sales, fees and charges income, with the government compensating them for 75p in every pound of net loss (after deducting expenditure saving and other funding e.g. CRJS)

thereafter. Although commercial and investment income is specifically excluded from the scheme the Council estimates that c£3.052m of lost income will be compensated for.

- Targeted grants to cover specific costs pressures and new burdens arising during Covid19, for the Council these include:
  - New Burdens: Business Support Grants - £188,500
  - New Burdens: Business Rate Reliefs - £25,739
  - Rough Sleepers - £82,276 (offsets direct expenditure)
  - Test & Trace Outbreak Prevention (ringfenced) - £22,693 (offsets direct expenditure)
  - Compliance and Enforcement (ringfenced) - £58,022 offsets direct expenditure)
  - Test & Trace Support Payments Administration - £29,142

The total of this package of financial support is currently estimated to be £5.331m which still leaves the General Fund facing a budget shortfall of £1.584m, prior to the offset of any expenditure savings arising as a result of Covid19.

### 3.10 Measures to address budget shortfall

As the General Fund could not absorb this level of budget shortfall a range of measures aimed at reducing expenditure in the current financial year were approved at Q1, these included:

- **Budget Review** – A review of all of the Council’s revenue budgets undertaken to identify one off budget reductions.
- **Coronavirus Job Retention Scheme** – a range of staff from primarily income generating areas were placed on furlough.
- **Towards Financial Sustainability** – in the year savings programme target was increased.
- **Direct Revenue Finance (DRF)** – a review of capital financing was undertaken.
- **Covid19 Reserve** – monies allocated as part of the 19/20 closedown process and held in an earmarked reserve.

The total of these measures amounted to £2.194m, although as a result of further government grant allocations the use of the Covid19 reserve is not currently required in 2020/21, resulting in measures totalling £1.898m. Further to these measures being approved additional income through continued access to the CRJS has resulted in income of £84k.

3.11 As previously reported, although the measures taken were primarily one-off opportunities and not ongoing reductions in services they have, in some circumstances, led to reduced service standards and performance during 2020/21 as recruitment activity was restricted, expenditure budgets reduced and staff were placed on furlough for period of time.

3.12 These measures taken now exceed the current forecast shortfall of £1.584m, arising due to Covid. This allowed, at quarter 2, the recommendation that the 4<sup>th</sup>

tranche of Covid19 funding from Central Government of £622k to be contributed to an earmarked reserve to be used to offset budget pressures in future years arising from the legacy impacts of Covid (subject to the final outturn position). At this stage, after allowing for this proposed transfer to reserves, the forecast position on the General Fund is an underspend, however this is based on a number of assumptions which may change over the course of the next 3 months dependent on continued impact of the current national restrictions. At this stage no further measures are yet required, and subject to the final outturn position it will be recommended that any budget underspend be allocated to the Covid19 earmarked reserve to provide further resilience against future fluctuations in income and expenditure.

### 3.13 Contributions to/from Earmarked Reserves

Included in the forecast outturn underspend of £157,723 is the following proposed additional contribution to earmarked reserves:

Directorate	Reserve	Amount £
DCE	Active Nation Bond Reserve – contribution to a new reserve fund	(83,000)
	<b>Total additional reserve contribution required:</b>	<b>(83,000)</b>

3.14 In addition to the above, the forecast outturn also includes the following carry forwards, requested to be transferred into an earmarked reserve to offset expenditure next financial year, as follows:

Directorate	Reason for Carry Forward	Amount £
CX City Solicitor	Municipal Elections – roll over of budget associated with the election now deferred to 21/22	(49,000)
CORP	New Burdens Grant – carry forward funding to support ongoing administration costs in 21/22	(35,000)
	<b>Total additional reserve contribution required:</b>	<b>(84,000)</b>

CMT are asked to consider these proposed transfers to earmarked reserves and carry forward requests.

Further details of the General Fund earmarked reserves are set out in paragraph 6 and Appendix G.

### 3.15 Towards Financial Sustainability Programme

The savings target included in the MTFS for 2020/21 was originally £500,000, this was increased by £50,000 as part of the budget measures approved at quarter one. Progress against this target, based on quarter 3 performance shows

that secured savings total £559,070. This results in an over achievement of the increased target in 2019/20 by £9,070. A summary of the specific reviews that have contributed to this target are shown in Appendix N.

#### 4. Housing Revenue Account

4.1 For 2020/21 the Council's Housing Revenue Account (HRA) net revenue budget was set at a £75,000 use of balances, resulting in an estimated level of general balances at the year-end of £921,071, after allowing for the 2019/20 outturn position.

4.2 The HRA is currently projecting an in-year variance of a £772,391 underspend, which would increase the General Balances to £1,693,462 at the end of 2020/21.

4.3 Although the forecast position is an underspend there are a number of forecast year-end variations in income and expenditure as a result of Covid19 along with variances arising from measures taken to address the budget pressures. Full details of the main variances are provided in Appendix D while the table below sets out the key variances:

	<b>Forecast £'000</b>
Increased expenditure arising as a result of Covid19	77
Income losses as a result of Covid19	458
Reduced repairs and maintenance expenditure	(605)
Measures approved at Q1 (budget review, furlough)	(369)
ToFS Savings	(44)
Coronavirus Job Retention Scheme (in addition to Q1)	(61)
2020/21 national pay award implications	46
Increased rental income arising from Buy-Backs	(130)
HRS Repatriation	(69)
Net other variances	(76)
<b>Overall forecast budget surplus</b>	<b>(772)</b>

4.4 The following paragraphs, 4.5 – 4.6 set out further detail on the key financial challenges arising as result of Covid19 that the Council is facing in 2020/21.

#### 4.5 Exceptional costs of dealing with Covid19

In response to the pandemic, the Council has had to adjust its service provision in order to meet the needs of its tenants. This has increased costs as follows:

- **Establishment of Housing Rent Hardship Fund** – in support of the existing Discretionary Housing Payments scheme the Council established an additional hardship fund specifically for Council tenants who were experiencing problems with meeting their housing rent payments.

- **Provision of PPE and COVID secure status for HRA services and buildings** – Whilst the majority of Council officers are able to continue to deliver services from their homes there were still a number of service areas where this was not possible, in these such circumstances the Council has to ensure that sufficient measures are in place to protect both the officers as well as service users. The Council must ensure that its offices and buildings meet the COVID secure status which has required additional cleaning regimes, physical changes to public spaces, signage etc. and that the officers and service users are sufficiently protected through the use of PPE and other measures whilst services are being delivered.

4.6 The more significant pressure facing the HRA is in relation to its income streams, primarily its housing rent income, as follows:

- **Housing Rents** – in order to provide assistance to the Council's housing rent payers the Council undertook a number of positive actions by moving the 2-week rent free period usually awarded in December to the beginning of April as well as establishing a specific hardship fund. These positive actions helped in keeping rent arrears in a positive position. However, as the impact of these measures has already been applied and as the financial impacts in the economy begin to take effect it is estimated that the level of rent arrears will increase to around £1.2m-£1.5m by the end of March 2021 (from £0.825m at March 2020), as at the end of December arrears are £1.131m. Whilst a provision for bad debts is maintained this increase in arrears will require additional contributions to the provision of approx. £375,000. The Council will though continue to support its housing tenants with the aim of keeping arrears as low as possible.
- **Housing Voids** – during the period of the initial lockdown it was not possible to re-let a number of void properties in the Council's housing stock resulting in a loss of rental income. Although the restrictions of the first lockdown have reduced the Council is still experiencing a higher than average level of voids due to social distancing measures in place increasing the amount of time that it takes for newly void properties to be prepared for re-letting.
- **Treasury Management** – following the drop in interest rates on 19<sup>th</sup> March 2020 to 0.1% the level of investment interest earned by the Council is set to reduce. Although a number of fixed term deposits are currently in place as these expire during the course of the year the level of interest earned on new investments will fall away.
- **Court Cost charges** – as a result of the initial closure of the Court service the and limited court time since reopening, the Council has been unable to progress on Housing Rent arrears through the court system and has subsequently not generated fees payable by the rent payer in addition to the arrears.

4.7 As per the General Fund, the HRA could not absorb this level of budget shortfall without a range of measures aimed at reducing expenditure in the current year.

The measures taken to ensure the HRA maintains a balanced budget for 2020/21 were similar to those in the General Fund and are summarised as follows:

- **Budget Review** – A review of all of the Council’s revenue budgets undertaken to identify one off budget reductions.
- **Coronavirus Job Retention Scheme** – a range of staff from primarily income generating areas were placed on furlough.
- **Savings through Repairs and Maintenance** – further savings in addition to the budget review.
- **Earmarked Reserves** - When announcing the Rent Hardship Fund, as set out above, funding for the initiative was agreed from a specific earmarked reserve.

4.8 The total of these measures along with other income and expenditure variances in year have resulted in the HRA currently forecasting a budget underspend at the year end. As with the General Fund there are a number of financial assumptions which may change during the course of the next 3 months and could alter the current forecast position. At this point it is therefore proposed that the use of the earmarked reserve to resource the Rent Hardship is reviewed following the final outturn position and in addition that the underspend on repairs and maintenance is considered for allocation, subject to the final outturn position.

## 5. Housing Repairs Service

5.1 For 2020/21 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 £204,670 in 2020/21 (appendix E provides a forecast HRS Summary), with full details of the main variances provided in appendix F. However, as with the General Fund and HRA this forecast is based on a number of assumptions which, due to uncertainties related to Covid19, may change during the next three months. In addition, there has been a delay in undertaking the internal billing process which provides a further level of uncertainty to the forecast position.

## 6. Earmarked Reserves

6.1 The details of all the earmarked reserves and their forecast balance as at 31st March 2021 are attached in Appendix G. In summary:

	<b>Opening Balance</b>	<b>Budgeted Contribution</b>	<b>Actuals Q1-Q3</b>	<b>Forecast Q4</b>	<b>Forecast Balance</b>
	<b>01/04/20</b>				<b>31/03/21</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
General Fund	6,513	(460)	(133)	12,179	18,099
HRA	1,403	(34)	0	0	1,370
Capital Resources	19,490	14,148	0	(19,210)	14,428



6.2 In addition to the proposed transfers to General Fund earmarked reserves, as set out in paragraphs 3.13 and 3.14 it is also proposed that there is a transfer between existing earmarked reserves. It is proposed that £200,000 is transferred from the Vision 2025 reserve into the Invest to Save reserve in order to resource upfront costs required to the deliver the Towards Financial Sustainability target. Delivery of the target is a key element of Vision 2025 and this resource will allow upfront, one-off costs to be funded enabling ongoing reductions in the Council's net cost base to be achieved.

## 7. Capital Programme

### 7.1 General Investment Programme

7.2 The original General Investment Programme for 2020/21 in the MTF5 2020-25 amounted to £15.6m which was increased to £16.4m following quarter 4 approvals and year end re-profiles from 2019/20. At quarter 2 the programme was reduced to £11.1m and at quarter 3 the programme has been reduced by a further £5.987m to £5.117m, as shown below:

	2020/21	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000
Revised budget Q2 Report	11,104	10,971	1,160	948	500
Budget changes for approval	(5,987)	3,423	0	0	0
<b>Revised Budget</b>	<b>5,117</b>	<b>14,394</b>	<b>1,160</b>	<b>948</b>	<b>500</b>

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. The following budget changes/re-profiles were approved by the Chief Finance Officer during the third quarter:

<b>Approved by Chief Finance Officer</b>	2020/21	2021/22
	£'000	£'000
Planned Capitalised Works (reallocate to schemes)	(56)	0
Play Area Surfacing Works	12	0
Monks Abbey Bowls Pavilions External works	9	0
Guildhall Walkway/ Access Improvements.	11	0
Grandstand Terracing Improvements	13	0
West Common External Rendering Improvements	5	0
City Hall Lightning Protection	6	0
Allotments Asbestos Sheds	(34)	34
City Hall Improvements	(1)	1
Guildhall Works	(18)	18
Stamp End Demolition	(139)	139
Greyfriars Roof Improvements	(4)	4

City Hall 3rd Floor Fire Works	(5)	5
Housing Renewal Area		(10)
Western Growth Corridor	(600)	600
	<b>(801)</b>	<b>791</b>

- 7.4 All changes over the approved limit require approval by the Executive. There was one change requiring Executive approval for the third quarter resulting from notification of additional grant funding.

	<b>2020/21</b>
	<b>£'000</b>
Disabled Facilities Grant	101
	<b>101</b>

In addition a report appears elsewhere on the Executive agenda to consider changes to the Crematorium Scheme, which will result in the following changes which have been reflected in the General Investment Project above:

	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>
Crematorium	(4,700)	2,500
Capital Contingencies	(640)	<b>0</b>
	<b>5,340</b>	<b>2,500</b>

- 7.5 New projects agreed at Capital Programme Group are then subject to Executive Approval.

During the third quarter the following scheme was added to the GIP, having been previously considered by the Executive pending confirmation of external grant funding:

	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>
Re-imaging Greyfriars: Development Phase (approved Exec 28/10/19)	53	132
	<b>53</b>	<b>132</b>

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

	<b>2020-21 Budget following Q2 report</b>	<b>Revised Budget</b>	<b>Forecast Outturn</b>	<b>Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>

<b>Active Programme</b>				
Housing & Investment	50	50	50	0
Communities & Environment	2,657	3,008	3,008	0
Chief Executive	709	588	588	0
Major Developments	7,577	1,400	1,400	0
<b>Total Active Schemes</b>	<b>10,993</b>	<b>5,046</b>	<b>5,046</b>	<b>0</b>
Schemes on Hold/Contingencies	5,437	71	71	0
<b>Total Capital Programme</b>	<b>16,430</b>	<b>5,117</b>	<b>5,117</b>	<b>0</b>

7.7 The overall spending on the General Investment Programme for the first three quarters of 20/21 is £0.885m, which is 17.5% of the 2020/21 programme and 17% of the active programme. This is detailed further at Appendix J.

Although this is low percentage of expenditure at this stage of the financial year, works have been constrained by the national lockdowns as well as the diversion of internal resources to focus on the Covid19. The majority of schemes have recommenced either on site or in terms of their development stages; a further £384k has been spent since the end of quarter 3. Further expenditure is expected in quarter 4 on Disabled Facilities Grants, Car Park Ticket Machines, Boultham Park Lake, the Towns Fund, Western Growth Corridor, HAZ Scheme and various capitalised maintenance schemes.

## 7.8 Housing Investment Programme

7.9 The original Housing Investment Programme for 2020/21 in the MTFS 2020-25 amounted to £25.640m. This was increased to £28.505m following approvals and year end re-profiles as part of the 2019/20 outturn. As at quarter 2 the budget was revised to £22.3m and has been further adjusted by £2.6m to £19.7m at quarter 3. A summary of the changes are shown below:

	2020/21	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000
Revised budget following Q2 Report	22,286	21,462	14,887	11,382	10,769
Budget changes to be approved during Q3	(2,596)	1,029	72	122	33
<b>Revised Budget</b>	<b>19,690</b>	<b>22,491</b>	<b>14,959</b>	<b>11,504</b>	<b>10,802</b>

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. Changes approved by the Chief Finance Officer during the third quarter were:

Budget movements approved by Chief Finance Officer	2020/21 Budget Following Q2 report	Budget increase/ (reduction)	Budget to be Approved	Reprofile to/(from) future years
	£'000	£'000	£'000	£'000
Decent Homes				

DH Central Heating Upgrades	1,729	(104)	1,625	104
Thermal Comfort Works	30	(25)	5	25
Rewiring	29	(10)	19	10
Re-roofing	196	(136)	60	136
Lincoln Std Windows Replacement	600	(450)	150	450
Structural Defects	52	(47)	5	47
Door Replacement	608	(528)	80	528
New services	28	(20)	8	20
Fire doors	239	(189)	50	189
Fire compartment works	40	(20)	20	20
<b>Total Decent Homes</b>	<b>4,886</b>	<b>(1,530)</b>	<b>3,356</b>	<b>1,530</b>
<b>Lincoln Standard</b>				
Over bath showers (10 year programme)	200	(100)	100	100
<b>Total Lincoln Standard</b>	<b>200</b>	<b>(100)</b>	<b>100</b>	<b>100</b>
<b>Health &amp; Safety</b>				
Asbestos Surveys	190	(100)	90	100
Replacement Door Entry Systems	56	(56)	0	56
<b>Total Health &amp; Safety</b>	<b>246</b>	<b>(156)</b>	<b>90</b>	<b>156</b>
<b>Other</b>				
Environmental new works	500	(350)	150	350
HRA Assets ( Shops/Buildings	43	(23)	20	23
Communal TV Aerials	20	(20)	0	20
<b>Total Other</b>	<b>563</b>	<b>(393)</b>	<b>170</b>	<b>393</b>
<b>Other Schemes</b>				
Housing Sup Serv Computer Fund	231	(231)	0	231
<b>Total Other Schemes</b>	<b>231</b>	<b>(231)</b>	<b>0</b>	<b>231</b>
<b>Land Acquisition</b>				
Land Acquisition fund	95	(95)	0	95
<b>New Build Programme</b>				
New Build ( Markham House	510	17	527	0
Unallocated new build budget	1,330	(1,330)	0	1,330
	<b>510</b>	<b>(1,314)</b>	<b>527</b>	<b>1,330</b>
<b>Total budget movements approved by Chief Finance Officer</b>	<b>6,731</b>	<b>(3,818)</b>	<b>4,243</b>	<b>3,835</b>

7.11 All changes over the approved limit require approval by the Executive. The following changes require Executive approval for the second quarter:

Project Name	2020/21 Budget Following Q2 report	Budget increase/ (reduction)	Budget to be Approved	Reprofile to/(from) future years
<b>Decent Homes</b>				
Bathrooms & WC's*	266	134	400	0
Kitchen Improvements*	461	89	550	0
<b>Contingency Schemes</b>				
Contingency Reserve	500	(500)	0	(277)
<b>Total budget movements to be approved by Executive</b>	<b>1,227</b>	<b>(277)</b>	<b>950</b>	<b>(277)</b>

\*Indicates budget taken from contingency reserve with balance re-profiled into future years

- 7.12 New projects agreed at Capital Programme Group are subject to Executive Approval. The following project was approved by Executive in quarter 3.

	2020/21
	£'000
Next Steps Accommodation Project (approved Executive 26/10/2020)	1,499
	<b>1,499</b>

- 7.13 The table below provides a summary of the 2020/21 projected outturn position:

	2020/21 Budget Following Q2 report	Revised Budget	Forecast Outturn	Variance
	£'000	£'000	£'000	£'000
Decent Homes/ Lincoln Standard	5,813	4,406	4,406	0
Health and Safety	470	314	314	0
Contingent Major Repairs/ Works	500	0	0	0
New Build Programme	14,124	14,310	14,310	0
Land Acquisition Fund	95	0	0	0
Other Schemes	763	370	370	0
Computer Fund	521	290	290	0
<b>Total Capital Programme</b>	<b>22,286</b>	<b>19,690</b>	<b>19,690</b>	<b>0</b>

- 7.14 Expenditure against the HIP budget to the third quarter was £10.206m, which is 52% of the revised programme. A further £1.8m has been spent as at the end of January 2021. The expenditure is detailed further at Appendix L.

Although this is a lower percentage than would be expected at this stage of the financial year, works have been constrained by the national lockdowns as well as the diversion of internal resources to focus on the Covid19. The majority of schemes

have now recommenced either on site or in terms of their development stages, some schemes have been re-profiled into future years at quarter 3.

## **8. Strategic Priorities**

- 8.1 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. Vision 2025 identifies the Council's strategic priorities, setting the vision and direction for the council and the city for the next five years. The proposals in this report allow the Council to maintain a balanced budget position in 2020/21 in order that we can continue to deliver services in support of Vision 2025.

## **9. Resource Implications**

- 9.1 The financial implications are contained throughout the report.

Under the Local Government Act 2003 the Chief Finance Officer (S151 Officer) is required to give Council an opinion on the robustness of the budget estimates and the adequacy of reserves. Although there remains some uncertainty around the latest budget estimates based on the information to date on income and expenditure it is evident that without a number of measures being taken the Council would face a significant budget shortfall, even after Government funding.

General Balances, on both the General Fund and HRA, are the only resource not ear-marked to a particular future need. The prudent minimum level of balance that should be maintained on the General Fund is between £1.5m-£2m and £1m-£1.5m on the HRA. Based on the latest forecasts of income and expenditure and measures to be applied the level of balances in 2020/21 will be maintained within these ranges.

Although the primary focus of this report has been to set out the financial challenges being faced in the current financial year and the measures actioned to mitigate the budget shortfalls, this does not mean that the financial issues for the Council are resolved, it simply means that the in-year budget challenges, as they are currently assessed, have been addressed. Beyond 2020/21 the Council is set to face ongoing reductions in resources and increased service costs from the legacy of impacts of Covid19. The combined potential impact in future is possibly greater than that experienced in 2020/21 and will require ongoing reductions in the net cost base in order to live within a significantly reduced resources envelope.

The Budget 2021/22 and MTFS 2021-2026 will be presented to the Executive on 22<sup>nd</sup> February 2021 for referral to Full Council. Work also continues on a TFS Phase 7 programme aimed at delivering a significantly higher savings target which will be required to ensure the longer term sustainability of the MTFS.

- 9.2 Legal Implications including Procurement Rules

There are no legal implications arising from this report.

- 9.3 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

## **10. Risk Implications**

- 10.1 As set out in the report the measures actioned to maintain a balanced budget position in 2020/21 are primarily one-off opportunities and not ongoing reductions in services. However, they will still, in some circumstances limit service standards and performance during 2020/21 as recruitment has been restricted, expenditure budgets have been reduced and staff were furloughed. These interventions are not all 'easy wins' and will have implications for the Council both now and in future years.

## **11. Recommendations**

PSC are recommended to:

- 11.1 Review the financial performance for the period 1<sup>st</sup> October to 31<sup>st</sup> December 2020, the projected outturns for 2020/21, and the impact of Covid19 on the Council's financial position.
- 11.2 Note the underlying impact of the pressures and underspends identified in paragraphs 3.2 (and appendix B), 4.3 (and appendix D), and 5.2 (and appendix F).
- 11.3 Review the proposed contributions to earmarked reserves as set out in paragraph 3.13 and 3.14.
- 11.4 Review the proposed transfer between earmarked reserves as set out in paragraph 6.2.
- 11.5 Review the changes to the General Fund Investment Programme and Housing Investment Programme as approved by the Chief Finance Officer as detailed in paragraph 7.3 and 7.10 respectively.
- 11.6 Review the changes made to the Housing Investment Programme as detailed in paragraphs 7.11.
- 11.7 Consider any specific recommendations to be referred to the Executive when considering this report.

**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?**

Fourteen

**List of Background Papers:**

MTFS 2020-2025

**Lead Officer:**

Jaclyn Gibson, Chief Finance Officer  
Telephone (01522) 873258



**GENERAL FUND SUMMARY - AS AT 31 DECEMBER 2020**

	Ref	Revised Budget £'000	Forecast Outturn £'000	Variance £'000
Strategic Development	A	1,643	1,745	102
Chief Finance Officer (S. 151)	B	(703)	41	744
City Solicitor	C	1,374	1,295	(79)
Housing	D	902	889	(13)
Growth & Regeneration	E	0	0	0
Director of Major Developments	F	480	486	6
Communities and Street Scene	G	3,354	4,680	1,326
Health & Environmental Services	H	(12)	384	396
Planning	I	844	921	77
		<b>7,883</b>	<b>10,441</b>	<b>2,558</b>
Corporate Expenditure	J	1,782	1,674	(108)
<b>TOTAL SERVICE EXPENDITURE</b>		<b>9,665</b>	<b>12,115</b>	<b>2,451</b>
Capital Accounting Adjustment	K	3,038	3,045	7
Specific Grants	L	(1,393)	(2,648)	(1,255)
Contingencies	M	1,385	69	(1,317)
Savings Targets	N	9	0	(9)
Earmarked Reserves	O	(73)	11,586	11,659
Insurance Reserve	P	45	45	0
<b>TOTAL EXPENDITURE</b>		<b>12,677</b>	<b>24,213</b>	<b>11,536</b>
<b>CONTRIBUTION TO BALANCES</b>		<b>286</b>	<b>409</b>	<b>123</b>
<b>NET REQUIREMENT</b>		<b>12,963</b>	<b>24,622</b>	<b>11,659</b>
Retained Business Rates Income	Q	5,823	17,383	11,559
Tariff	R	0	0	0
Section 31 grant	S	0	0	0
Levy	T	0	0	0
Collection Fund surplus/ (deficit)	U	202	202	0
Revenue Support Grant	V	23	23	0
Council Tax	W	6,915	7,015	100
<b>TOTAL RESOURCES</b>		<b>24,622</b>	<b>24,622</b>	<b>11,659</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 underspend of expenditure or additional income.

Ref		£	Reason for variance
	<b><u>Additional Expenditure</u></b>		
B	Buildings Cleaning/City Hall	45,501	Additional costs of enhanced cleaning regimes and other Covid secure buildings measures (offset by reduced expenditure below).
B	Property Management	68,680	Agency costs incurred to cover vacant post and consultancy fees for asset appraisals/schemes.
B	Financial Services	30,420	Agency costs incurred covering vacant posts.
C	Representation of the People Act	33,910	Increased postage/printing costs as a result of Covid restrictions.
D	Rough Sleeping	93,690	Costs incurred in ensuring all rough sleepers are provided accommodation as part of Covid-19 measures (net cost after offset of housing benefit).
D	Control Centre	32,170	Additional costs due to supplying digital equipment rather than analogue as a result of Covid restrictions.
D	Control Centre	26,330	Additional costs due to overtime cover for sickness/holiday/Covid.
D	Housing Solutions	27,140	Agency costs incurred covering vacant posts.
G	Service Contracts	191,640	Potential further claims arising from contractors following new lockdown closures and impact on profit/loss sharing agreements.
G	Health & Safety	30,771	Additional staffing requirements to support testing, tracing, outbreak planning and support to businesses (partially offset by funding from Government)
G	Health & Safety	58,020	Additional costs incurred relation to compliance and enforcement (Covid marshalls) (offset by Government grant).
I	Corporate Services	23,740	Anticipated share of LGR Consultancy Fees
M	Annual vacancy savings target	72,680	Vacancy savings target, offset by vacancies within service areas.

Ref		£	Reason for variance
	<b><u>Reduced Income</u></b>		
A	Land Charges	33,858	Anticipated shortfall in income due reduced demand during lockdown (offset by £10,858 SFC Income Compensation below).
B	The Terrace	60,820	Reduction in Rental & Fees & Charges income as a result of Covid-19 and lower occupancy levels (offset by reduced expenditure below).
B	Lincoln Properties	593,610	Reduction in rental income as a result of Covid, including impact of CVA for Travelodge.
B	Council Tax	152,350	Expected reduction in court cost income due to closure of courts as a result of Covid.
B	Treasury Investment Income	49,990	Expected reduction in interest received due to lower base rate.
F	Car Parks	4,053,960	Anticipated loss of income following Covid lockdown and ongoing impact of local economic recovery (offset by £2,713,000 SFC Income Compensation detailed below).
F	Bus Station	75,470	Reduction in departure fees due to reduced service levels during Covid and recovery period and a reduction in Rental income due to unoccupied office space (offset by £29,500 SFC Income Compensation detailed below).
F	Hartsholme Country Park	49,220	Reduction of income due to park and camp site being closed during lockdown periods (offset by £30,565 SFC Income Compensation detailed below).
G	Enforcement Officer	23,880	Anticipated shortfall of income following Covid disruption (offset by £8,460 SFC Income Compensation detailed below).
G	Visitor Information Centre	106,000	Loss of income at VIC due to Covid closure and impact on footfall and tourism during periods open (offset by £14,560 SFC Income Compensation detailed below).
G	Markets	44,290	Reduction in stall licence fee income as a result of Covid and lower occupancy levels (offset by £23,830 SFC Income Compensation detailed below).
G	Xmas Market	651,200	Loss of income from cancellation of 2020 Xmas Market (offset by reduced expenditure below).

<b>Ref</b>		<b>£</b>	<b>Reason for variance</b>
G	Yarborough/Birchwood Leisure Centres	107,660	Loss of swimming and pitch income due to closure of centres during to lockdown and ongoing impact of social distancing (offset by £60,580 SFC Income Compensation detailed below).
G	Community Centre & Recreational Grounds	80,990	Loss of income due to ongoing closure of centres and reduction in demand at recreational grounds (offset by £7,210 SFC Income Compensation detailed below).
H	Building Control	83,740	Fees and charges losses anticipated following Covid and subsequent impact on local economy and market conditions (offset by £55,460 SFC Income Compensation detailed below).
H	Development Control	130,470	Fees and charges losses anticipated following Covid and subsequent impact on local economy and local development (offset by £62,120 SFC Income Compensation detailed below).
<b><u>Reduced Expenditure</u></b>			
L	Contingencies – Budget measures taken Q1	(1,168,170)	A combination of all the budgets measures approved at Q1 to offset the income and expenditure pressures as a result of the national lockdown and subsequent recovery period.
B	City Hall	(30,370)	Reduced premises running costs as a result of lower occupancy during Covid restrictions.
B	The Terrace	(45,650)	Underspend on Direct Business Rates and Utilities as a result of lower occupancy levels due to the ongoing impact of covid restrictions.
C	Civic	(27,130)	Underspend due to a reduction in civic activities as a result of ongoing Covid restrictions.
C	CoLC Apprentices	(58,660)	Underspend due to a reduced number of Apprentices this year, average 11 out of 20 budgeted FTE.
D	Rough Sleepers	(60,009)	Salary savings due to vacant posts.
F	Bus Station	(50,750)	Underspend on repairs and maintenance requirements, potential to contribute to Bus Station Sinking Fund subject to year(end outturn.
F	Public Conveniences	(34,250)	Underspend due to vacant post and reduced overtime due to closure of toilets and reduced usage during Covid restrictions.

<b>Ref</b>		<b>£</b>	<b>Reason for variance</b>
G	Xmas Market	(602,840)	Savings arising from non-delivery of 2020 Christmas Market (offsets income losses above, net effect £48,360).
G	Community Centre & Recreational Grounds	(22,980)	Underspend on utilities & cleaning costs due to ongoing closure of centres and reduction in demand at recreational grounds (offsets income losses above).
G	Visitor Information Centre	(21,467)	Reduced costs at VIC due to Covid closure and impact on footfall and tourism during recovery (offsets income losses above).
G	Markets	(22,320)	Vacancy savings and reduced running costs (offsets income losses above).
H	Development Control	(28,470)	Vacancy savings.
	<b><u>Additional Income</u></b>		
B	City Hall	(81,650)	Increased rental and service charge income from existing tenants requirements for out of hours working .
B	Test & Trace Support	(29,140)	New Burdens funding to compensate for work associated with administering the Test & Trace Support Payment grants.
B	Industrial Estates	(25,960)	Increased rental income following in year rent reviews.
D	Rough Sleepers	(82,280)	Grant received in respect of increased rough sleeping costs as a result of Covid(19 measures (additional expenditure set out above)
G	Health & Safety	(58,020)	Ring fenced Government grant for Local Authority Compliance and Enforcement, offset by additional expenditure above.
G	Health & Safety	(22,693)	Additional funding to resource staffing requirements to support testing, tracing, outbreak planning and support to businesses, offset by additional expenditure above.
I	Corporate Services	(153,500)	New Burdens funding to compensate for work associated with administering the business support grants (total grant £188.5k less proposed £35k carry forward to 2021/22).
L	Contingencies – Income	(38,630)	No asset sales anticipated in year with income losses.

<b>Ref</b>		<b>£</b>	<b>Reason for variance</b>
L	Contingencies – Job Retention Scheme	(83,510)	Anticipated funding through access to Job Retention Scheme, income relates to August to February claims (previous months included in Q1 measures).
L	Contingencies – SFC Income Compensation Scheme	(3,047,700)	Estimate of income losses arising as result of Covid to be compensated for through government scheme. Net income losses, after a 5% deductible and offset for savings arising during period, are compensated for a 75p for each £1 loss (offsets income losses detailed above).
L	Government Grant	(1,254,690)	Government funding to offset local authority expenditure pressures arising due to Covid(19 (total grant £1.877m less proposed £622.1k carry forward to 2021/22).

## HOUSING REVENUE ACCOUNT FUND SUMMARY - AS AT 31 DECEMBER 2020

	Ref	Revised Budget	Forecast Outturn	Variance
		£'000	£'000	£'000
Gross Rental Income	A	(28,666)	(28,688)	(22)
Charges for Services & Facilities	B	(306)	(299)	7
Contribn towards Expenditure	C	(50)	(30)	20
Repairs & Maintenance	D	8,959	8,354	(605)
Supervision & Management:	E	6,831	6,884	53
Rents, Rates and Other Premises	F	95	54	(41)
Increase in Bad Debt Provisions	G	297	672	375
Insurance Claims Contingency	H	106	106	0
Contingencies	I	514	0	(514)
Depreciation	J	6,637	6,637	0
Debt Management Expenses	K	12	12	0
HRS Trading (Surplus) / Deficit	L	(136)	(205)	(69)
<b>Net Cost of Service</b>	<b>M</b>	<b>(5,707)</b>	<b>(6,503)</b>	<b>(796)</b>
Loan Charges Interest	N	2,530	2,530	0
Investment/Mortgage Interest	O	(43)	(19)	24
<b>Net Operating Inc/Exp</b>		<b>(3,220)</b>	<b>(3,992)</b>	<b>(772)</b>
Major Repairs Reserve Adjustment	P	3,184	3,184	0
Transfers to/from reserves	Q	111	111	0
<b>(Surplus)/Deficit in Year</b>		<b>75</b>	<b>(697)</b>	<b>(772)</b>

**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
<b><u>Reduced Expenditure</u></b>			
I	Contingencies – Budget Measures taken Q1	(369,835)	A combination of all the budgets measures approved at Q1 to offset the income and expenditure pressures as a result of the national lockdown and subsequent recovery period.
I	Towards Financial Sustainability Programme	(43,050)	Savings attributable to the HRA and HRS arising from savings reviews undertaken in the General Fund as part of the TFS programme.
I	Contingencies – Job Retention Scheme	(61,050)	Anticipated funding through access to Job Retention Scheme, income relates to August to February claims (previous months included in Q1 measures)
D	Repairs & Maintenance	(605,373)	External decoration & painting and asbestos survey savings incurred during lockdown and recovery period.
G	Rent, Rates and Other Premises	(40,771)	Reduction in Council Tax charges due to demolition of empty properties.
<b><u>Increased Expenditure</u></b>			
A	Supplies & Services	60,000	Discretionary housing rent payments due to hardship as a result of Covid-19.
O	Investment Interest	23,120	Expected reduction in interest received due to lower base rate.
H	Bad Debt Provision	374,460	Additional year end contribution forecasted due to anticipated increase in level of housing rent arrears arising due to Covid19.
E	Supervision Management	& 53,860	Additional staffing costs due to COVID19.
<b><u>Increased Income</u></b>			
L	HRS Trading Surplus	(68,680)	Estimated surplus as at Q3 from trading activities, see HRS variances for further detail.



<b>Ref</b>		<b>£</b>	<b>Reason for variance</b>
A	Gross Rental Income	(130,000)	Additional affordable and social rental income arising due to an increased number of property buybacks.

**Reduced Income**

A	Dwelling Rents	60,000	Increase in void numbers during lockdown and increased length of time voids being re(let due to social distancing requirements resulting in lost rental income.
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## HOUSING REPAIRS SERVICE SUMMARY - AS AT 31 DECEMBER 2020

	Revised Budget	Forecast Outturn	Variance
	£'000	£'000	£'000
Employees	3,222	2,968	(254)
Premises	40	40	0
Transport	760	761	1
Materials	1,415	1,415	0
Sub(Contractors	1,916	1,916	0
Supplies & Services	218	316	98
Central Support Charges	(137)	(137)	0
Capital Charges	0	0	0
<b>Total Expenditure</b>	<b>7,434</b>	<b>7,279</b>	<b>(155)</b>
Income	(7,434)	(7,484)	(50)
<b>(Surplus)/Deficit</b>	<b>0</b>	<b>(205)</b>	<b>(205)</b>

**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
<b><u>Reduced Spending</u></b>		
Employee Costs	(264,150)	Operative/labourer vacancies.
<b><u>Increased Spending</u></b>		
Supplies & Services	59,305	Additional equipment hire costs.

**EARMARKED RESERVES – Q3 MONITORING 2020/21**

	Revised Opening Balance 01/04/2020 £'000	Budgeted Contribution £'000	Actuals Q1-Q3 £'000	Forecast Q4 £'000	Forecast Balance 31/03/2021 £'000
<b>General Fund</b>					
Grants & Contributions	987	(140)	0	(80)	766
Budget Carry Forwards	90	0	69	(9)	150
Active Nation Bond	0	0	83	0	83
Air Quality Initiatives	5	6	0	0	11
Asset Improvement	0	0	0	0	0
Backdated Rent Review	0	0	0	0	0
Birchwood Leisure Centre	26	0	0	20	46
Boston Audit Contract	0	0	0	0	0
Business Rates Volatility	1,959	0	0	11,659	13,646
Christmas Decorations	14	0	0	0	14
City Hall Sinking Fund	60	0	0	0	60
Commons Parking	27	0	0	0	27
Corporate Training	45	0	0	0	45
Covid(19 Recovery	425	0	0	622	1,047
Covid(19 Response	354	0	0	0	354
Crem Income	0	0	0	0	0
DRF Unused	199	(167)	113	0	145
Electric Van replacement	15	4	0	0	19
Funding for Strategic Priorities	721	(276)	(272)	0	174
Income Volatility Reserve	0	0	0	0	0
Invest to Save (GF)	336	7	(83)	0	260
IT Reserve	94	29	0	0	124
Mayoral Car	27	0	0	0	27
Mercury Abatement	371	(54)	0	0	317
MSCP & Bus Station Sinking Fund	60	0	0	0	60
Organisational Development	0	0	0	0	0
Private Sector Stock Condition Survey	15	12	0	0	27
Property Searches	0	0	0	0	0
Revenues & Benefits Share Service	25	0	(25)	0	0
Section 106 Interest	32	0	0	0	32
Strategic Growth Reserve	57	0	0	0	57
Strategic Projects – Revenue Costs	131	(120)	(11)	0	0
Tank Memorial	10	0	0	0	10
Tree Risk Assessment	106	20	0	(33)	93
Vision 2025	220	191	(6)	0	404
WGC Planning	100	0	0	0	100
Yarborough Leisure Centre	0	0	0	0	0
	<b>6,513</b>	<b>(460)</b>	<b>(133)</b>	<b>12,179</b>	<b>18,099</b>

## Appendix G

	Revised Opening Balance 01/04/2020 £'000	Budgeted Contribution £'000	Actuals Q1-Q3 £'000	Forecast Q4 £'000	Forecast Balance 31/03/2021 £'000
<b>HRA</b>					
Capital Fees Equalisation	140	(30)	0	0	110
De Wint Court	73	0	0	0	73
Housing Business Plan (New)	0	77	0	0	77
Housing Repairs Service	126	0	0	0	126
HRA Repairs Account	579	(79)	0	0	500
Housing Strategic Priority	176	75	0	0	251
HRA Survey Works	54	(54)	0	0	0
Invest to Save (HRA)	133	0	0	0	133
Stock Retention Strategy	22	(22)	0	0	0
Strategic Growth Reserve	101	0	0	0	101
	<b>1,403</b>	<b>(33)</b>	<b>0</b>	<b>0</b>	<b>1,370</b>
<b>Total Earmarked Reserves</b>	<b>7,916</b>	<b>(493)</b>	<b>(133)</b>	<b>12,179</b>	<b>19,469</b>

**CAPITAL RESOURCES – Q3 MONITORING 2020/21**

	<b>Opening balance</b>	<b>Contributions</b>	<b>Used in financing</b>	<b>Forecast balance 31/03/21</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Capital Grants/Contributions	5,225	3,714	(8,570)	369
Capital receipts General Fund	801	100	(266)	635
Capital receipts HRA	1,065	400	(908)	557
Capital receipts 1(4)1	3,280		(1,564)	1,716
Major Repairs Reserve	5,061	6,750	(5,380)	6,431
HRA DRF	4,058	3,184	(2,522)	4,720
<b>Total Capital Resources</b>	<b>19,490</b>	<b>14,148</b>	<b>(19,210)</b>	<b>14,428</b>

As the contributions for 1:4:1 receipts depend upon levels of RTB sales, no budget is set for these receipts. Currently the HIP has firm schemes to facilitate use of all 1:4:1 receipts with no repayment required in 20/21. The Covid 19 pandemic has impacted on the RTB sales during 20/21 resulting in lower than projected capital receipts being forecast for the year.

**General Investment Programme – Summary of Financial Changes**

	2020/21	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000
Revised budget following Q2 Report	11,104	10,971	1,160	948	500
Budget changes at Q3	(5,987)	3,423	0	0	0
<b>Revised Budget</b>	<b>5,117</b>	<b>14,394</b>	<b>1,160</b>	<b>948</b>	<b>500</b>
<b>Approved by Chief Finance Officer</b>					
Planned Capitalised Works	(56)	0	0	0	0
Play Area Surfacing Works	12	0	0	0	0
Monks Abbey Bowls Pavilion External Impments.	9	0	0	0	0
Guildhall Walkway/ Access Improvements.	11	0	0	0	0
Grandstand Terracing Improvements	13	0	0	0	0
West Common External Rendering Improvements	5	0	0	0	0
City Hall Lightning Protection	6	0	0	0	0
Allotments Asbestos Sheds	(34)	34	0	0	0
City Hall Improvements	(1)	1	0	0	0
Guildhall Works	(18)	18	0	0	0
Stamp End Demolition	(139)	139	0	0	0
Greyfriars Roof Improvements	(4)	4	0	0	0
City Hall 3rd Floor Fire Works	(5)	5	0	0	0
Western Growth Corridor (Phase 1 Development)	(600)	600			
Housing Renewal Area		(10)			
<b>Approved During the quarter by Executive</b>					
Greyfriars	53	132	0	0	0
<b>For approval by Executive</b>					
*Crematorium Project	(4,700)	2,500			
*Capital Contingencies	(640)				
Disabled Facilities Grant	101				
*subject to a separate report	<b>5,987</b>	<b>3,423</b>	<b>0</b>	<b>0</b>	<b>0</b>

**General Investment Programme – Summary of Expenditure as at 31<sup>st</sup> DECEMBER 2020**

Scheme	Revised Budget following Q2 report	Budget to be approved	Actuals as at Q3	Variance	Spend
	£	£	£	£	%
<b>ACTIVE SCHEMES</b>					
<b>DCE ( Communities &amp; Environment</b>					
Disabled Facilities Grant	1,504,472	1,605,581	373,100	(1,131,372)	23%
Transformation of Birchwood Leisure Centre	30,000	30,000	30,000	0	100%
Artificial Grass Pitches (AGP)	188,301	188,301	99,994	(88,307)	53%
New Software (Crem)	11,375	11,375	6,900	(4,475)	61%
Swift Gardens Play Area	74,200	74,200	74,200	0	100%
-	<b>1,808,348</b>	<b>1,909,547</b>	<b>584,194</b>	<b>(1,224,154)</b>	<b>30.6%</b>
<b>DCE (Community Services)</b>					
Flood alleviation scheme (Hartsholme Park)	0	0	0	0	0%
Boultham Park Masterplan	49,700	49,700	0	(49,700)	0%
Boultham Park Lake	695,026	695,026	75,081	(619,945)	11%
Allotment Capital Improvement Programme	679	1,059	1,059	0	100%
Car Park Improvements (ticket machines)	87,360	87,360	0	(87,360)	0%
Car Park Improvements (CCTV in MSCPs)	6,142	6,142	0	(6,142)	0%
	<b>838,907</b>	<b>839,287</b>	<b>76,140</b>	<b>(763,147)</b>	<b>9.07%</b>
<b>DCE (Planning)</b>					
Heritage Action Zone	260,000	260,000	0	(260,000)	0%
	<b>260,000</b>	<b>260,000</b>	<b>0</b>	<b>(260,000)</b>	<b>0</b>
<b>DCE Total</b>	<b>2,907,255</b>	<b>3,008,744</b>	<b>660,333</b>	<b>(2,247,302)</b>	<b>22%</b>
<b>General Fund Housing</b>					



Housing Renewal Area Unallocated	50,000	50,000	11,888	(38,112)	24%
	<b>50,000</b>	<b>50,000</b>	<b>11,888</b>	<b>(38,112)</b>	<b>23.78%</b>
<b>Major Developments</b>					
Lincoln Transport HUB	0	0	(59,202)	(59,202)	0%
Central Markets	0	0	0	0	0%
Western Growth Corridor (Phase 1 Devt)	1,000,000	400,000	3,820	(396,180)	1%
Towns Fund	1,000,000	1,000,000	136,244	(863,756)	14%
	<b>2,000,000</b>	<b>1,400,000</b>	<b>80,862</b>	<b>(1,319,138)</b>	<b>5.78%</b>
<b>Chief Executives (Corporate Policy)</b>					
New Telephony System	16,066	16,066	0	(16,066)	0%
New Website	2,240	2,240	0	(2,240)	0%
Infrastructure Upgrade	3,772	3,772	0	(3,772)	0%
	<b>22,078</b>	<b>22,078</b>	<b>0</b>	<b>(22,078)</b>	<b>0.00%</b>
<b>Chief Executives (Chief Finance Officer)</b>					
Planned Capitalised Works	127,759	71,919	0	(71,919)	0%
Allotments Asbestos Sheds	33,795	0	0	0	0%
City Hall Improvements	931	0	0	0	0%
Guildhall Works	17,630	0	0	0	0%
Stamp End Demolition	139,400	0	0	0	0%
Greyfriars Roof Improvements	4,050	0	0	0	0%
City Hall 3rd Floor Fire Works	5,001	0	0	0	0%
Guildhall	609	609	0	(609)	0%
Michaelgate Structural Works	2,283	2,283	0	(2,283)	0%
Play Area Surfacing Works	0	11,639	0	(11,639)	0%
Long Leys Road Drainage	10,438	10,438	0	(10,438)	0%
Lucy Tower Lifts	137,005	137,005	134,980	(2,025)	99%
YLC Diving Boards	42,550	42,550	0	(42,550)	0%
BLC Roof	3,267	3,267	0	(3,267)	0%
The Terrace	0	0	(2,712)	(2,712)	0%

Greetwell Hollow	150,000	150,000	0	(150,000)	0%
Deacon Road	20	20	0	(20)	0%
Brayford Viewing Platform	38,900	38,900	0	(38,900)	0%
Greyfriars	0	53,362	0	(53,362)	0%
Monks Abbey Bowls Pavilions External Works	0	9,061	0	(9,061)	0%
Guildhall Walkway/ Access Improvements.	0	11,219	0	(11,219)	0%
Grandstand Terracing Improvements	0	12,837	0	(12,837)	0%
West Common External Rendering Improvements	0	4,980	0	(4,980)	0%
City Hall Lightning Protection	0	6,104	0	(6,104)	0%
	<b>713,638</b>	<b>566,193</b>	<b>132,268</b>	<b>(433,925)</b>	<b>23.36%</b>
<b>TOTAL BUDGET FOR ACTIVE SCHEMES</b>	<b>5,692,971</b>	<b>4,945,906</b>	<b>885,351</b>	<b>(4,060,554)</b>	<b>17.90%</b>
<b>Schemes Currently Under Review</b>					
Capital Contingencies	640,277	0	0	0	0%
IT Reserve	70,562	70,562	0	(70,562)	0%
Crematorium (remodelling)	4,700,000	0	0	0	0%
	<b>5,410,839</b>	<b>70,562</b>	<b>0</b>	<b>(70,562)</b>	<b>0.00%</b>
<b>TOTAL GENERAL INVESTMENT PROGRAMME</b>	<b>11,103,810</b>	<b>5,117,577</b>	<b>885,351</b>	<b>(4,131,116)</b>	<b>17.3%</b>

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

Project Name	2020/21 Budget Following Q1 report	Budget increase/ (reduction)	Budget to be Approved	Reprofile to/(from) future years
Unallocated new build budget	1,330,282	0	1,330,282	0
New Build Programme 70% Match funding	0	0	0	(273,210)
New Build Programme (141 eligible)	0	0	0	(117,090)
New Build Capital Salaries	40,560	0	40,560	0
New Build (De Wint Court)	9,326,313	(4,343,759)	4,982,554	4,343,759
New Build (Markham House)	510,118	0	510,118	0
New Build (Searby Road)	62,497	0	62,497	0
Western Growth Corridor	1,259,766	(1,250,000)	9,766	1,250,000
New Build (QER)	195,051	0	195,051	0
Rookery Lane	446,935	0	446,935	0
Property Acquisitions	4,376,933	390,300	4,767,233	0
New Build Acquisition (Riseholme Road)	1,779,149	0	1,779,149	0
<b>New Build Programme</b>	<b>19,327,604</b>	<b>(5,203,459)</b>	<b>14,124,145</b>	<b>5,203,459</b>
<b>Land Acquisition</b>				
Land Acquisition fund	94,689	0	94,689	0
<b>Land Acquisition</b>	<b>94,689</b>	<b>0</b>	<b>94,689</b>	<b>0</b>
<b>Total New Build/Acquisitions</b>	<b>19,422,293</b>	<b>(5,203,459)</b>	<b>14,218,834</b>	<b>5,203,459</b>

**Housing Investment Programme – Decent Homes– Summary of Financial Changes**

Project Name	2020/21 Budget Following Q1 report	Budget increase/ (reduction)	Budget to be Approved	Reprofile to/(from)future years
	£	£	£	£
<b><u>Decent Homes</u></b>				
Bathrooms & WC's	456,011	(190,000)	266,011	190,000
DH Central Heating Upgrades	1,728,972	0	1,728,972	0
Thermal Comfort Works	100,000	(70,000)	30,000	70,000
*Kitchen Improvements	661,147	(200,000)	461,147	0
Rewiring	28,791	0	28,791	0
*Reroofing	296,442	(100,000)	196,442	0
*Lincoln Standard Windows Replacement	677,233	(77,233)	600,000	0
Structural Defects	102,361	(50,000)	52,361	50,000
Door Replacement	808,378	(200,000)	608,378	200,000
*New services	37,964	(10,000)	27,964	0
Void Capitalised Works	1,334,628	0	1,334,628	0
Fire doors	238,680	0	238,680	0
Fire compartment works	40,000	0	40,000	0
<b>Total Decent Homes</b>	<b>6,510,607</b>	<b>(897,233)</b>	<b>5,613,374</b>	<b>510,000</b>
<b>Lincoln Standard</b>				
Over bath showers (10(year programme)	291,653	(91,653)	200,000	91,653
<b>Total Lincoln Standard</b>	<b>291,653</b>	<b>(91,653)</b>	<b>200,000</b>	<b>91,653</b>
<b>Health &amp; Safety</b>				
Asbestos Removal	183,816	0	183,816	0
Asbestos Surveys	189,885	0	189,885	0
Replacement Door Entry Systems	105,890	(50,000)	55,890	50,000

Appendix L

Renew stair structure	42,799	(42,799)	0	42,799
Fire Alarms	40,000	0	40,000	0
<b>Total Health &amp; Safety</b>	<b>562,390</b>	<b>(92,799)</b>	<b>469,591</b>	<b>92,799</b>
<b>Other</b>				
Environmental new works	1,192,517	(692,517)	500,000	692,517
Gunby Avenue	3,333	0	3,333	0
Communal Electrics	81,150	0	81,150	0
Garages	138,778	(50,000)	88,778	50,000
HRA Assets (Shops/Buildings)	42,962	0	42,962	0
CCTV	26,685	0	26,685	0
Communal TV Aerials	30,376	(10,000)	20,376	10,000
<b>Total Other</b>	<b>1,515,801</b>	<b>(752,517)</b>	<b>763,284</b>	<b>752,517</b>
<b>Contingency Schemes</b>				
Contingency Reserve	500,000	0	500,000	0
<b>Total Contingency Schemes</b>	<b>500,000</b>	<b>0</b>	<b>500,000</b>	<b>0</b>
<b>Other Schemes</b>				
Housing Support Services Computer Fund	231,156	0	231,156	0
Infrastructure Upgrade	251,633	0	251,633	0
Operation Rose	38,611	0	38,611	0
<b>Total Other Schemes</b>	<b>521,400</b>	<b>0</b>	<b>521,400</b>	<b>0</b>
<b>Total Housing Investment</b>	<b>9,901,851</b>	<b>(1,834,202)</b>	<b>8,067,649</b>	<b>1,446,969</b>

**Housing Investment Programme – Summary of Expenditure as at 31st December 2020****Housing Investment**

<b>Project Name</b>	<b>2020/21 Budget following Q2 report</b>	<b>Q3 Budget Changes</b>	<b>Revised Budget</b>	<b>Actual expenditure as at Q3</b>	<b>Variance</b>	<b>% Spend</b>
<b>Decent Homes</b>						
Bathrooms & WC's	266,011	133,989	400,000	82,280	(317,720)	20.57%
DH Central Heating Upgrades	1,728,972	(103,972)	1,625,000	868,517	(756,483)	53.45%
Thermal Comfort Works	30,000	(25,000)	5,000	1,330	(3,670)	26.60%
Kitchen Improvements	461,147	88,853	550,000	121,086	(428,914)	22.02%
Rewiring	28,791	(10,000)	18,791	2,008	(16,783)	10.69%
Reroofing	196,442	(136,442)	60,000	0	(60,000)	0.00%
Lincoln Standard Windows Replacement	600,000	(450,000)	150,000	0	(150,000)	0.00%
Structural Defects	52,361	(47,361)	5,000	457	(4,543)	9.14%
Door Replacement	608,378	(528,378)	80,000	23,738	(56,262)	29.67%
New services	27,964	(20,000)	7,964	5,657	(2,307)	71.03%
Void Capitalised Works	1,334,628	0	1,334,628	0	(1,334,628)	0.00%
Fire Doors	238,680	(188,680)	50,000	0	(50,000)	0.00%
Fire Compartment Works	40,000	(20,000)	20,000	0	(20,000)	0.00%
<i>Prelim Costs &amp; Exceptionals to be allocated</i>	0	0	0	30,669	30,669	0.00%
<b>Total Decent Homes</b>	<b>5,613,374</b>	<b>(1,306,991)</b>	<b>4,306,383</b>	<b>1,135,742</b>	<b>(3,170,641)</b>	<b>26.37%</b>

<b>Lincoln Standard</b>						
Over bath showers (10(year programme)	200,000	(100,000)	100,000	8,929	(91,071)	8.93%
<b>Total Lincoln Standard</b>	<b>200,000</b>	<b>(100,000)</b>	<b>100,000</b>	<b>8,929</b>	<b>(91,071)</b>	<b>8.93%</b>

<b>Health &amp; Safety</b>						
Asbestos Removal	183,816	0	183,816	89,873	(93,943)	48.89%
Asbestos Surveys	189,885	(100,000)	89,885	33,470	(56,415)	37.24%
Replacement Door Entry Systems	55,890	(55,890)	0	0	0	0.00%
Fire Alarms	40,000	0	40,000	0	(40,000)	0.00%
<b>Total Health &amp; Safety</b>	<b>469,591</b>	<b>(155,890)</b>	<b>313,701</b>	<b>123,343</b>	<b>(190,358)</b>	<b>39.32%</b>

<b>Other</b>						
Environmental works	500,000	(350,000)	150,000	0	(150,000)	0%
2 Gunby Avenue	3,333	0	3,333	0	(3,333)	0%
Communal Electrics	81,150	0	81,150	0	(81,150)	0%
Garages	88,778	0	88,778	0	(88,778)	0%
HRA Assets (Shops/Buildings)	42,962	(22,962)	20,000	0	(20,000)	0%
CCTV	26,685	0	26,685	0	(26,685)	0%
Communal TV Aerials	20,376	(20,376)	0	0	0	0%
<b>Total Other</b>	<b>763,284</b>	<b>(393,338)</b>	<b>369,946</b>	<b>0</b>	<b>(369,946)</b>	<b>0.00%</b>

<b>Contingency Schemes</b>						
Contingency Reserve	500,000	(500,000)	0	0	0	0%
<b>Total Contingency Schemes</b>	<b>500,000</b>	<b>(500,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>

<b>Other Schemes</b>						
Housing Support Services Computer Fund	231,156	(231,156)	0	0	0	0%
Operation ROSE	38,611	0	38,611	0	(38,611)	0%
IT Infrastructure Upgrade	251,633	0	251,633	0	(251,633)	0%
<b>Other Schemes</b>	<b>521,400</b>	<b>(231,156)</b>	<b>290,244</b>	<b>0</b>	<b>(290,244)</b>	<b>0.00%</b>

<b>Total Housing Investment</b>	<b>8,067,649</b>	<b>(2,687,375)</b>	<b>5,380,274</b>	<b>1,268,013</b>	<b>(4,112,261)</b>	
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### Housing Strategy

<b>New Build Programme</b>						
Unallocated New Build	1,330,282	(1,330,282)	0	0	0	0.00%
New Build Programme	3,044,076	16,731	3,060,807	2,486,852	(573,955)	81.25%
Purchase and repair	4,767,233		4,767,233	3,849,805	(917,428)	80.76%
NSAP Properties		1,499,250	1,499,250	80,327	(1,418,923)	5.36%
De Wint Court	4,982,554	0	4,982,554	2,521,460	(2,461,094)	50.61%
<b>Total New Build Programme</b>	<b>14,124,145</b>	<b>185,699</b>	<b>14,309,844</b>	<b>8,938,444</b>	<b>(5,371,400)</b>	<b>62.46%</b>

<b>Land Acquisition</b>						
Land Acquisition Fund	94,689	(94,689)	0	0	0	0%
<b>Total Land Acquisition</b>	<b>94,689</b>	<b>(94,689)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>

<b>Total Housing Strategy</b>	<b>14,218,834</b>	<b>91,010</b>	<b>14,309,844</b>	<b>8,938,444</b>	<b>(5,371,400)</b>	
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<b>Total Housing Investment &amp; Strategy</b>	<b>22,286,483</b>	<b>(2,596,365)</b>	<b>19,690,118</b>	<b>10,206,457</b>	<b>(9,483,661)</b>	<b>52%</b>
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**TFS Phase7 programme: progress at Q3 - 2020/2021**

Service	Summary of project	Dir.	Total savings in 2020/21 £000's	GF savings in 2020/21 £000's	HRA savings in 2020/21 £000's	Comments
<b>ACTIONS COMPLETED AS OF END Q3 2020/21</b>						
Waste/Street Cleansing Collection Contract	Agree an extension to current contract	DCE	160	160	0	Approved Exec Feb 2020
Drill Hall Grant	Review payment of the current Drill Hall grant	DCE	0	0	0	Approved Exec Aug 2020 - savings from 2021/22 onwards
One Council review ( Year one: 2020/21	Review the way in which the council works – how, where, who and when	CX	101	87	14	Part of a programme of reviews, further work to be undertaken in 2021/22
MFD/Post/Mobile Phones	Minimise use and maximise savings options within these service charges	DHI	31	25	6	Action Completed
Call Monitoring	Reduction in landline calling	DHI	10	7	3	Action Completed
Communities and Street scene ( Waste	Remove annual contribution towards a countywide waste officer	DCE	7	7	0	Action Completed
Community Leadership & Sustainability	Replacement of community funds through social value element of contracts	DHI	5	5	0	Action Completed
Housing regeneration	Review of capital element of existing staffing costs	DCE	66	66	0	Action Completed
Property Management	Removal of vacant hours on this service ( no longer required	CX	22	19	3	Action Completed

## Appendix N

CX Work based Learning	Removal of vacant hours on this service ( no longer required	CX	14	14	0	Action Completed
Human Resources & Payroll	Removal of vacant hours on this service ( no longer required	CX	6	4	2	Action Completed
Development Control	Removal of vacant hours on this service ( no longer required	DCE	33	33	0	Action Completed
City Hall	Income levels achieved ( higher than budgeted	CX	11	10	1	Action Completed
Your Lincoln electronic	Replace printed copies of Your Lincoln with an electronic version	CX	8	6	2	Action Completed
Bus station reception desk provision	Temporary contracts not renewed	CX	20	11	9	Action Completed
Managed Workspace	Removal of vacant post as a temporary measure in advance of ongoing consideration.	CX	41	41	0	To be further reviewed in 2021/22 for ongoing saving potential
CoLC Apprentices	Reduction in apprentices as a temporary measure in advance of a wider review of the service.	CX	18	13	5	To be further reviewed in 2021/22 for ongoing saving potential
CX Business Management	Removal of vacant hours on this service ( no longer required	CX	23	21	2	Action Completed
Democratic Support	Removal of vacant hours on this service ( no longer required	CX	15	15	0	Action Completed
Post Office Payment Cards	Reduce usage over time of post office payment cards	CX	6	5	1	Action Completed

## Appendix N

Internal Audit	Removal of vacant hours on this service ( no longer required, reduction in audit programme days.	CX	<b>9</b>	<b>7</b>	<b>2</b>	Action Completed
DCE Administration	Removal of vacant hours on this service ( no longer required	DCE	<b>3</b>	<b>3</b>	<b>0</b>	Action Completed
<b>TOTAL SAVINGS</b>			<b>609</b>	<b>559</b>	<b>50</b>	

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<b>SUBJECT:</b>	<b>SERVICE DELIVERY DURING OUR COVID-19 RESPONSE</b>
<b>DIRECTORATE:</b>	<b>CHIEF EXECUTIVE'S</b>
<b>REPORT AUTHOR:</b>	<b>HEATHER GROVER – PRINCIPAL POLICY OFFICER</b>

## 1. Purpose of Report

- 1.1 To present to Committee a summary of how services have performed during the pandemic with a focus on quarter three, as well as an indication of plans for future operation.

## 2. Executive Summary

- 2.1 City of Lincoln Council, like all other businesses, has had to make dramatic changes as a result of the lockdown resulting from the COVID-19 pandemic, not only to ensure that we kept our critical services functioning but also, like councils across the country, to deliver a community leadership role for our city in this time of crisis.
- 2.2 As a result, the council was not in a position to produce a performance report for quarter one, and therefore produced a combined report for the first two quarters of 2020/21. This gave an indication, beyond the usual operational measures, of how the whole council has performed in effectively leading our communities during the emergency response and rising to the challenge of reprioritising our workload to meet different needs.

- At the end of quarter three we find ourselves in a third national lockdown and therefore
- 2.3 it has been agreed to delay the quarter end performance report and follow the pattern for the first half of the year, producing a combined report for quarters three and four following the end of the financial year. However, to ensure members remain informed on service performance we have produced this narrative report, providing a flavour of what services have done over quarter three as well as providing an indication of their plans for the future when restrictions are eased and eventually lifted.

## 3. Main body of report

- 3.1 The full report is attached as Appendix A. It provides a narrative summary of performance for quarter three and covers all service areas. It also comments on plans for future in terms of practical service delivery.
- 3.2 Some limited data is included where it is of particular interest, but generally statistical information will be included in the combined report following the end of quarter four.
- 3.3 The report focuses on providing a narrative summary of how each service area has been delivering services with restrictions in place, and in particular during quarter three and the current lockdown. Service areas have also provided comment on how they see their services operating in the future, and whether some of the changes made as a result of COVID-19 might continue after current restrictions are lifted. The first section of the

report highlights some of the key opportunities and challenges that have been identified by services.

- 3.4 The final section of the report provides a brief update on target setting for 2021/22 performance reports.

#### **4 Strategic Priorities**

- 4.1 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 – 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 – There are no direct equality implications as a result of this report.

#### **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 contents of the report.
- (b) Highlight any area for which they want to look at performance in more detail at a future meeting
- (c) Refer the report to Executive.

<b>Is this a key decision?</b>	No
<b>Do the exempt information categories apply?</b>	No
<b>Does Rule 15 of the Scrutiny Procedure Rules apply?</b>	No
<b>How many appendices does the report contain?</b>	One - Appendices A
<b>List of Background Papers:</b>	None
<b>Lead Officer:</b>	

Heather Grover, Principal  
Policy Officer, Ext 3326

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CITY OF  
*Lincoln*  
COUNCIL

# Service delivery during our COVID-19 response

Heather Grover  
Principal Policy Officer  
February 2021

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# Introduction

During the whole of the current financial year measuring performance has been a challenge for the majority of service areas – some services have little or no data to report as they have been closed e.g. Leisure Centres, whilst others have been under extreme pressure to deliver a markedly different service and existing measures have not been applicable, such as Food Health and Safety. It has therefore been agreed to delay Quarter 3 reporting, as was done in Quarter 1, and produce a combined Quarter 3 and Quarter 4 report to capture performance for the second half of the financial year, subject to performance data being available.

Instead of the usual Quarter 3 performance report, this report provides an overview of how services across the council have been operating during the pandemic, with a



focus on the period from October, just before the second lockdown. It reports not only on how services have adapted to changes during the ongoing restrictions, but also provides an insight into how services are planning for an easing of restrictions and return to a 'new normal' in the months ahead. Depending on the service offered this might mean a continuance of remote working and ongoing focus on electronic engagement with customers, whilst others will return to something more like the pre-COVID-19 service.

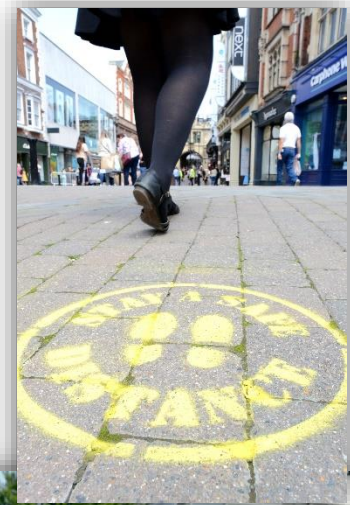
The report has been divided not by directorate, but by the impact of COVID-19 on delivery of the service. It should be noted the sections are only an indication of the impact on service delivery, and for the majority there will be some elements which have continued or been enhanced, whilst other areas have been reduced or closed.



# Key Themes Identified

## Opportunities

- Virtual and remote working has worked well for most teams
- One Council approach has supported the development of new services in response to COVID-19
- Improvements to processes including new online procedures benefitting both customers and staff
- Efficiencies identified such as virtual meetings reducing travel time and costs.
- More flexibility to include a larger number of people in meetings, from a larger area without constraints typically associated with a physical venue



## Challenges

- Virtual and remote working has presented difficulties in training staff in new areas of work, such as Customer Services
- Staff sometimes face difficulties with remote working, such as internet connections and isolation
- The future of services is hard to predict due to the unknown length of restrictions and what impact these may have ongoing



## Temporary New Services

Four new temporary services have been set up with the sole purpose of addressing issues relating to the pandemic and looking beyond to the recovery period. All four services have had significant input from several service areas and had been delivered by staff from multiple services across the council, reflecting our One Council approach to the work we do.

### **Business Support Service**

The 'One Council' approach to providing the Business Support Service has involved a dedicated team of staff from across the council. The service was developed at the start of the pandemic to administer the Government's Business Support Grant schemes and to ensure businesses have access to the support and grants they are entitled to, and to enable them to survive. Over the summer grants of £21,315,000 were paid to 1,700 businesses.

Since November the city council has been allocated a further series of funds to support businesses during the national and local restriction period and has now issued 4,235 grants to 935 businesses totalling just over £8.4 million in addition to that paid over the summer.. These grants fall broadly into two categories. The first is mandatory grants for rate-paying businesses mandated to close because of local or national restrictions. These grants are paid on a regular and ongoing basis while restrictions are in place. The second category is discretionary grants which the council is able to administer at its discretion, with a total of £2,868,060 awarded to the city council to administer up to March 2022. Grants must be focussed on providing direct support to businesses and cannot be used for wage top-up. In Lincoln, we have used this funding to support businesses which 'fall through the gaps' of mandatory funding schemes, e.g. closed businesses that do not pay business rates such as B&Bs, or businesses not been mandated to close but which have been severely impacted by the restrictions. We plan to continue to deploy this funding for as long as lockdown or restrictions continue, which will be at least until April 2021.

The service is continuing and is now looking towards providing support to businesses to enable them to be in a good position during the recovery period. In addition to offering continued support with running costs, officers are working on a package of further support to help economic recovery. This is being informed by feedback from businesses and interviews with a wide range of partners and stakeholders. Ideas being considered include a business 'kick-start/revival' scheme to help businesses cover the costs associated diversifying or operating in a Covid-safe way, additional support for the visitor economy sector and high street recovery and opportunities to support start-ups/self-employed, e.g. in the digital sector.

We have also created a dedicated page on our website which provides full details of what each grant is for, as well as links to enable businesses to find the support they need.

## **Community Help and Befriending Services**

Led by the Neighbourhood Team, working closely with colleagues from Corporate Policy, Housing and Democratic Services, with nearly 50 staff right across the council, this new virtual service was set up in March 2020. At the start of the pandemic we engaged with nearly 500 people who required a regular call from a member of staff, this number reduced as restrictions started to ease. Some wished to continue receiving support, so we were able to connect them with existing charitable organisations to continue providing this service. Over 200 positive comments were received in relation to the service.

As a team, we were conscious that many would be struggling following further restrictions introduced towards the end of the year. During December, we contacted those who had chosen not to be connected to an alternative service. Four members of staff made calls to around 80 people to check on their wellbeing and to offer a further call in January as we recognised that this is traditionally a difficult time of year for many people. It was made clear to customers that we were only able to offer this service in December and January.

There are no plans to extend the befriending service and Community Help Signposting is now available through our normal customer services number. We are also organising for useful information on community help to be included in the next edition of Your Lincoln. The team delivering the befriending service no longer meet; however, an evaluation report was completed as we believe that there were many powerful lessons to be learnt from delivering this support. Supporting this service, the Neighbourhood team have also been involved in setting up a Crisis Fund, raising and allocating over £25,000 to help vulnerable residents in need.

## **Community Testing Service**

Using the 'One Council' approach the new Community Testing Team, with staff from Environmental Health, the Neighbourhood Team and Events, as well as the Director for Communities and Environment, have been involved in setting up two testing sites within the city. Whilst the test sites are operated by SERCO everything to do with setting up the sites has been undertaken by the city council involving everything from co-ordinating



stewards, signage and leaflet distribution to door knocking. The team has worked hard to engage with members of the local community to promote the community testing sites in Sincil Bank and then Monks Road. This has included working with minority ethnic groups and local organisations including schools. The local knowledge of the Neighbourhood Team was used to identify locations for testing sites and to assist with publicity and the team have also delivered Home Testing Kits to those that are symptomatic who are not able to attend the testing site.

## City Centre Recovery Group

This group brings together partners and other sectors to ensure plans are in place to ensure a Covid-compliant city remobilise both the daytime and night-time economies when the time comes. Chaired by the Director of Communities and Environment, it comprises the Police, Lincoln BIG and City of Lincoln Council and includes five representatives from the city council, with a much wider group of services feeding into, and being informed by discussions at, meetings being a further example of our 'One Council' approach to service delivery. Alongside the City Centre Recovery Group, other groups involving specific issues or businesses also meet to progress plans for re-opening. Pubwatch meetings continue to take place enabling landlords to discuss and plan what they need to do for safe re-opening, there are regular meetings of the Healthy High Street Group attended by businesses with discussion on anything which might be helpful to support the recovery of high street businesses, such as provision of signage and guidance. Other discussions include helping with the planning and promotion of city centre events, e.g. the Farmers Market, to attract people back into the city centre and discussions with the universities on managing the safe return of students.

Work continues to ensure businesses are compliant with government legislation and guidance, e.g. regarding takeaway food outlets, and we continue to work hard to tackle issues such as rough sleeping in the city centre, and we provide advice, guidance and support where necessary to businesses. In the autumn we installed footfall counters at four locations in the city centre, to monitor footfall in the high street. This enables us to put out communications to alert people to quieter times in the city to try and encourage shoppers to stagger their visits and avoid overcrowding. We are currently awaiting a further announcement from central government on 23 February. The work being done now by the City Centre Recovery Group, partners and other sectors will ensure we are in the best position possible to act on whatever is announced to enable recovery in our city centre.

## Temporarily Closed Services

The services under this heading are those which have had to close all their facilities to the public during periods of lockdown. However, as will be seen from the reports below, that does not mean that no service at all has been provided with some online alternatives on offer. Also, staff have been working to ensure they are ready to open once re-opening.

**Events and Culture (including Visitor Information Centre)** There have been no events during the current financial year. However, the City Safety Advisory Group, a multi-agency group offering advice and guidance to those putting on events in the city continues to meet and is helping ensure any events organised by external partners which are taking place are COVID-19-secure. Looking forwards to events in 2021, the team is currently



planning for the 2021 Christmas Market and the Safety Advisory Group is liaising with organisers of other events planned for the spring and summer to ensure they go ahead in line with Central Government advice.

The Visitor Information Centre is currently closed in line with government requirements. However, work has been continuing behind the scenes with the centre manager providing online support for tourism. The building continues to be checked and maintained so it can re-open as soon as restrictions are lifted, there is an online micro-site dedicated to the Visitor Information Centre and the team is looking at branding. In addition, members of the team have helped support both the Business Support and Community Testing services.

### **Sport and Leisure**

Leisure Centres are currently closed, having briefly re-opened after the second lockdown. All Active Nation staff are currently furloughed apart from the manager who is available to open buildings if necessary (e.g. for weekly Legionella testing). Plans are now being put in place to enable re-opening from the beginning of April or when the lockdown is lifted.



This will involve a phased re-opening, firstly of outdoor facilities, i.e. tracks and pitches, followed by gym and swimming facilities and finally full re-opening which will include classes etc. Currently a number of online activities are being offered, which are proving very popular and 5,340 individuals signed up to Active Nation “On Demand” between 4th and 25th January. During this period 2,867 people took part in live online classes with 3,346 participating in On Demand activities, 3,346 through Facebook, 5,287 in Facebook PE lessons and 3,882 accessing recorded On Demand classes.

## **Temporarily Limited Services**

These are services which have had to make significant changes to the way they deliver their service, but which nevertheless have been able to continue to deliver elements of the service with little change. This includes offering a reduced service or delivering the service in a different way.

### **Civic and International Partnerships**

The three months to the end of December would have been extremely busy under normal circumstances and throughout most of the national and local restrictions, we have continued to carry out as much as we can with the full Civic Party, via Zoom meetings. We hosted the Christmas Lights switch on, Christmas messages to care homes, Twin Town meetings, Church Services and School events. The Mayor has always been available to take part in anything that could be done in this format. We have continued to accept all invitations where the Mayor was available to take part using video connections. The Guildhall has also been monitored regularly by the Mayor’s Officer with Contractors undertaking any essential work/inspections as normal. Looking ahead, we aim to start organising events that have been ‘put on hold’,



trying to spread them where possible. We are in regular contact with our various partners, e.g. military, Lincoln BIG, local businesses, etc. with the intention of picking up where we left off.

### **Customer Services**

The team is still managing to interact with customers very effectively despite the obvious obstacle that lockdown presents with a mostly customer facing service. Since March last year, we have always offered physical appointments, provided they were essential. Currently, we are seeing an average of around five to ten people per week use our essential appointment slots. COVID-19 has of course forced a change in how our customers interact with us, and we are seeing a massive shift from physical communication to our online and telephone services. This is all while our customer service staff are working from home. Our phone system and other software used by customer service agents has facilitated full working capabilities as they would in the office and as a result our Team Leaders and management have also been able to monitor performance just as effectively. This has allowed them to make sure our customers are still receiving the best service possible, despite the change in working environment for our staff. When restrictions are lifted it is not anticipated this will change the workload but will allow a gradual process of the criteria for face to face appointments to be relaxed.

The essential booking system has allowed us to work much more efficiently, as it has lessened the need for staff to support drop-in appointments. It has enabled many specialist staff who have been trained in areas such as council tax, housing and benefits to be used on the telephone system, allowing their skills to reach more residents who need trusted and reliable advice. We recognise that some people may want to return to face to face appointments either through preference or necessity. However, the booking system has worked well and increased efficiency and therefore moving forwards we are looking at permanently reducing face to face interactions by promoting the appointment system. Microsoft Teams has helped in keeping morale high, but remote working has presented challenges for the service, as it has been more difficult to train customer services agents in new areas of the service. Customer Services, from the very beginning, has had to be alert to changing government guidance, to make sure that agents can support customers in any way they need us.

### **Grounds Maintenance, Parks and Open Spaces**

Parks and open spaces have been extremely popular throughout. Managing these assets whilst ensuring a safe workspace for staff and encouraging adherence to restrictions amongst visitors has been a challenge at times. We have made changes as government requirements have changed, and in the current lockdown tennis courts and outdoor gym equipment are out of use. Play areas have remained open. We are very aware of the importance of well managed green space for



the benefit of the physical and mental wellbeing of Lincoln residents, particularly for people who may otherwise feel lonely, and for children to play in open spaces. We continue to monitor adherence to restrictions, working with colleagues in Communications to get key messages out to the public. We also monitor government legal restrictions and requirements and adapt quickly to stay open where we can and be as safe as possible to use.

Currently it is the 'closed season' for the campsite at Hartsholme Country Park, and preparations for reopening are underway once restrictions allow, post March. The Visitor Centre at Hartsholme Country Park is also currently closed to visitors, and activities in the park have stopped.



Boultham Park Lake restoration work - The capital works phase of the project began on site in early January. Whilst COVID-19 has impacted on the timetable, at present it is not delaying works on site. As well as the usual site health and safety arrangements there are additional COVID-19 safe risk assessments which are enforced on site. COVID-19 circumstances have severely impacted activities, events and volunteering which had been due to start in late summer 2020. However, some activities continue to take place including those online and self-led activities for individuals and families. Looking forwards, the activity plan for the project period to spring 2023 has been reviewed and pared back, although some volunteering work is planned to take place alongside contractors.

### **Housing Repairs**

The Housing Repairs Service (HRS) has carried out its usual work in line with government guidelines which provide clear guidance on tradesmen entering people's properties. HRS continued to carry out all repairs until a corporate decision was made to carry out urgent and essential work only to further protect our staff and customers. This has restricted the amount of work being done, although non-urgent repairs already scheduled to take place will be undertaken when restrictions are lifted.

With the unknown length of this current lockdown it is difficult to predict future HRS workload, but from a day to day perspective the service is introducing a scheduled repair pilot which is currently under review. Due to the nature of the work HRS undertakes there will be no long-term effects on the service or the type of work it carries out. Learning points from operation during lockdown will be reviewed as part of the pilot scheme and HRS will ensure lessons learned from the impact of COVID-19 on the service will be implemented as standard practice.

### **Internal Audit**

The Audit team has continued where possible with the planned workload for 2020-2021, which was reduced in the first and second lockdown. A new workload plan is currently being developed for 2021-2022. Auditing remotely has presented its challenges and is of course different to what the team is used to. It is expected that after COVID-19 restrictions are lifted and physical meetings permitted, there will be a

return to more face to face meetings. We will continue to build on the use of video conferencing and other tools that have been vital in being able to work remotely. Some of the team's workload is with Boston Borough Council and remote auditing has provided some great efficiencies through not having to travel or print large packs of documents. The team is also continuing to provide support with business grants. COVID-19 is of course affecting the planned work in some areas as expected, and we are working flexibly to accommodate pressures faced by other teams

### **Neighbourhood Team**

Many of the interventions planned in Sincil Bank have been delayed, and most of the focus of the Neighbourhood Team over the past 10 months has been on COVID-19 support with the team answering calls during the evenings and weekends. Looking forwards, alongside remobilising we know that the Sincil Bank community will have many changing priorities. Work will commence on the development of a Mental Health Hub at Bridge Church. We are also anticipating that the team will be busy offering advice and guidance to residents at the Community Hub as this has been closed to the public for the majority of 2020. COVID-19 has changed the way we have been working in the community, and therefore work will continue this year to re-connect with our community partners, to ensure that important activity can still take place as planned.

### **Parking**

Whilst the number of people using car parks has dramatically reduced during the pandemic, and during the periods of lockdown, all our car parks have remained open. However, from the end of January the Rosemary Lane car park is being used as a testing site. Special offers have been made to try and encourage people to use the car parks during periods when restrictions have been eased, and we have prepared a recovery plan including budget profiles, and possible parking offers to further encourage safe parking. We will also be embarking on a car parking strategy once the High Street starts to recover, when we expect to see new patterns of parking emerge in a post COVID-19 world. It is hoped once restrictions are lifted demand will gradually increase to a new sustainable level.

### **Tenancy Services**

During the third lockdown, restrictions have had no extra impact on our services, as our processes changed at the first lockdown and will stay that way until restrictions are lifted, as our staff were already prepared. The service's caretaking service is continuing to operate during this period and with updated guidance, we are now offering a limited cleaning facility to low rise and high-rise blocks. The night-time service is still not operational, and we are not spending as much time on the estates e.g. litter picking. We are of course still focusing on fire safety as that is a statutory requirement.



We are also continuing to sign properties up and manage income collection and anti-social behaviour in our housing stock remotely. As part of service continuity, processes for our services have been revisited and amended where needed to accommodate changes in guidance from Central Government. Specifically, the income collection process has been amended as approved by the courts, as well as bans on evictions until the 21<sup>st</sup> February. The team is still only carrying out essential visits and this is no change compared to previous lockdowns, but when restrictions are eased, the plan is for visits to be reinstated. Our interaction with customers is our number one priority and is something we are keen to start again as restrictions are lifted. Whilst there are no permanent effects on the team's structure, we are now more flexible and a hub at City Hall is no longer essential for the service to operate. As expected, rent collection and arrears, are of course taking an impact and will likely take some time to recover as we adapt to our residents needs financially.

## Fully Operational Services

These service areas have been providing most of their service as normal, although in some cases the focus of the work has changed to support needs arising from COVID-19 activities and restrictions.

### Allotments

At the end of March 2020, 892 allotment plots were let across the city (around 85% of plots available) and there were 19 people on the waiting list. By the end of quarter 3, 1,032 plots were let across the city (around 96% of plots available) and there were 121 people on the waiting list. This reflects the continued increase in allotment gardening throughout COVID-19 which we hope will continue beyond. People have seen the benefits of the exercise, fresh air and satisfaction of gardening in this way, and have found it a safe way to get out and about, and to be a part of a community, whilst still maintaining COVID-19-safe practices.

### Bereavement Services

Bereavement Services have been busy for much of the period from initial lockdown in March and adapted to ensure continuity of this much needed service and compliance with government legislation and guidance. The team is split in two, with each 'bubble' alternating to provide the front-line service and the other on standby. The number of ceremonies has been manageable with 124 cremations in October, 151 in November and 185 in December. January has been very busy with 226 cremations. A vigorous cleaning regime is in place between services, and changes to the service offered have included the offer of Saturday slots and free webcasting. Looking forwards proposals for improvements to replace the cremators, provide a new car park and create a second chapel, are being submitted to Executive in February for approval, for a potential start in late summer.

### Business Development and IT

As discussed in previous reports, the response from our IT service has been vital to enabling a robust and reliable home working capability for members of staff, acting as

the backbone for the organisation's service delivery. We are also mid-way through a rollout of new technology to allow members of staff to be even more agile and work more effectively remotely, including new desktop devices and mobile phones. This will be the new way for working for many people, and we have learned many valuable insights to support the development of the organisation's 'One Council' approach.

Our Business Development Team has been fundamental in ensuring the digital facilities are in place to support the payment, monitoring and reporting of grants allocated to businesses across the city. This is on top of our business as usual workload such as maintaining our electronic services to the public. Whilst COVID-19 has added a big pressure to the workload we usually complete, when restrictions are lifted and the pandemic ceases to have the current impact it does, it is anticipated that our workload will resume to pre COVID-19 levels.

### **Corporate Health and Safety**

This service has been busy supporting services with risk assessments, in particular for staff working from home. This is likely to continue, certainly in the medium, if not longer term.

### **CCTV**

CCTV has continued to work 24/7 throughout the pandemic and has been the 'eyes and ears' for other services including Environmental Health, Licensing, Public Protection and Anti-Social Behaviour, Homelessness and Parks as well as Lincolnshire Police. The nature of the work has continued to be different in response to COVID-19 and varies dependant on current restrictions/lockdown rules. For example the



city centre is used in different ways, and the issues that require monitoring are different. The number and nature of incidents dealt with also vary dependant on the nature of restrictions. For example, with more shops closed there are fewer shoplifting incidents. When pubs are closed there are fewer evening economy disorder issues. Many businesses have relied on CCTV more than ever as their premises were closed and therefore at higher risk of break-ins or vandalism. The control room rota has continued to operate single staffed as it has since the start of COVID-19, for staff safety.

### **Democratic Services**

Our response to COVID-19 lies in two sections of the team. From a Committee point of view, all our meetings are remote now using Zoom. Whilst initially in 2020 this was a large learning curve for both staff and members, it is working very well, and has presented its own benefits that at first were not expected. In terms of our Elections side of the team, canvassing took place as normal, with a stringent focus on making sure those staff who were door knocking had access to full PPE, ensuring the process was COVID-19 safe. The May elections, which involve the county council elections as

well as the postponed 2021 Police and Crime Commissioner and local elections, are currently going ahead as planned, unless instructed otherwise by Central Government. One significant piece of work that we are planning, is ensuring all voting sites and processes are safe and COVID-19 secure. This is expected to be a very time and resource heavy task, as our Chief Executive has responsibility for ensuring all sites and processes are safe across the County, and not just in the City, and this is likely to require the sign off of numerous separate risk assessments. When restrictions are lifted, and physical meetings are permitted, meetings are expected to return to a physical format, as there seems to be no indication presently from the Government that the legislation permitting remote meetings is likely to be extended beyond May. Whilst both sides of the team we were redeployed at the beginning of the first lockdown to support the delivery of the Befriending Service and Community Signposting Helpline, our usual workload has now resumed and the team, whilst still operating remotely, is working as normal.

### **Development Planning**

Development Planning is one of the functions that government specifically said should carry on when we initially went into lockdown, so there have been relatively few changes to the service. There have been a few changes in processes and procedures, the key one being relating to site visits. In the initial lockdown these were not permitted and have been temporarily replaced by using a combination of photographs, Google earth and street view. Where site notices are required (e.g. for development in Conservation Areas) applicants have been asked to put up notices and provide evidence this has been done. Whilst this has worked quite well, it is unlikely the approach will be adopted in the long term with a return to site visits once it is appropriate to do so. Almost all meetings (with developers, applicants, objectors, and members) are now virtual, making use video conferencing, and this includes Planning Committee. Virtual meetings have generally worked well, including Planning Committee, it is likely these will be more frequent than before COVID-19 although there will be a return to some face to face meetings. There has been a reduction in the volume of work, though it has increased slightly and has now stabilised. Initially it was the larger applications which slowed down with an increase in householder applications, but there are signs of more optimism with some big pre-applications in the pipeline and the hope that as the vaccine is rolled out things will begin to return to some normality later in the year as confidence increases. A Heritage Action Zone officer is now in post, but it is proving to be quite challenging with the restrictions in place, closed businesses, and the current economic situation, but it is hoped this will ease once lockdown is eased.

### **Financial Services**

All day to day workload has maintained since March last year, and the team have done a fantastic job at balancing the day job on top of supporting other service areas in delivering grant payments to small businesses, test and trace payments as well as the calculation of all furlough payments and government income allocation payments. As with many other areas, the team's workload and priorities will depend on the direction we are given from central government. As expected from a service where most of the

work is a legal requirement, we will respond as flexibly as we can to changes in legislation and requests from central government. Whilst the team is the same in terms of the structure and roles members of staff have, how we work with our customers, e.g. Committee members, budget holders and project managers is completely different, currently working remotely to communicate.

### **HR and Work Based Learning**

HR continues to act as a vital health and wellbeing hub for staff across the organisation. As updated in the quarter one and two report in November 2020, the team have produced a whole range of new procedures and guidance, focussing heavily on supporting both the mental and physical health and wellbeing of employees. The team have also implemented updated recruitment procedures, including Teams interviews, annual leave procedures, flexi time procedures and working from home.

Several surveys have also been completed focussing on staff health and wellbeing, training required by managers, and a working from home survey. This work has allowed the team to tailor the guidance it offers better to staff who need it most. Our direct response to COVID-19, in just the last three months, has been a reactive process of continuously updating and amending our guidance as it is released from central government.

Human Resources have developed and maintained a tracker for those employees who report symptoms either for themselves or a household member to self-isolate and/or tested positive for COVID-19. Whilst the long term effects of COVID-19 are not likely to permanently change the teams service delivery, remote working and using new devices and software which allow this is something the team will continue to embrace, ensuring the guidance and advice offered is relevant and above all else, accurate. Work Based Learning have had to develop remote support for apprentices including training, reviews, planning and feedback, resulting in reduced progress and achievement of targets.

### **Homelessness**

All services for people presenting themselves at risk of homelessness are available as normal, with provision for temporary accommodation, assistance for those fleeing domestic violence, advice and guidance on homelessness, supporting people acquiring private accommodation and supporting people securing deposit guarantee so people can access private accommodation. All usual customer interaction avenues are still open, and the only major change for both staff and customers alike is the lack of physical appointments, which will be reinstated when restrictions are lifted.

We are incredibly proud of the team for minimising the impact of COVID-19 for our customers and ensuring a smooth transition to changes in processes. When physical appointments are permitted, they will be on an essential basis only. Central Government protections for those at risk of homelessness have meant we have seen a reduction in those people presenting themselves at risk, because evictions and

mortgage payments have been paused. We are however now seeing a different type of applicant with an increase in single people.

### **Housing Investment**

As government guidance has changed during the pandemic, we have continually reviewed what work is permitted to take place in customers' homes. We have reassurance that our contractors have the appropriate risk assessments and method statements in place, in accordance with the latest government guidance to protect everyone during work activity within customers' homes. In the current lockdown we have reduced the level of planned works and the number of properties that we are working in at any one time to limit the level disruption to our customers. Some customers have refused access for both planned works and gas servicing, mostly due to households shielding or self-isolating.



A key priority is to address the backlog of outstanding gas services and arrange appointments with our customers at the earliest opportunity as soon as restrictions are eased. The introduction of home and site working with only essential use of Council offices has given us the opportunity to review our service delivery. Our front-line officers are now spending more time on site than prior to lockdown. This enables us to manage and monitor work on site more frequently. The learning that the service has experienced over the last ten months, will enable the team and our customers to benefit from the efficiencies that remote working has allowed. We have had the opportunity within the maintenance and investment teams to be involved in the introduction and roll out of "HouseMark" photobook. This product (mobile app and web platform) will enable us to work smarter on site and complete reports, surveys and inspections using electronic forms.

### **Intervention Team**

We have continued to operate throughout the COVID-19 pandemic ensuring the most vulnerable still have access to support and signposting. The team has worked collaboratively with a range of partners to keep this client group safe and to make sure that Anti-Social behaviour is addressed within the city.

### **Lincare (Control Centre)**

The workload in our Lincare service has not been affected by any of the restrictions as a result of the pandemic and calls to customers are continuing as normal. The team are also continuing to sign up new customers. The level of new connections is not any higher than in previous years, so the impact of COVID-19 on the service has been minimal and workload is unlikely to be impacted moving out of lockdown. The one change we have seen, is our team working on an alternative shift pattern, with half the team working remotely and the other half working from the office. As is the case with most other services, the digital shift to remote working has allowed the team to work with no impact on their ability to carry out the job.



## **Legal Services**

Legal services have reacted to substantial requests for support and advice for front line services from the outset, providing a legal gateway at times and framework for officers for example in Food Health and Safety, Licensing and Public Protection and Anti-Social Behaviour. Urgent advice has been sought relating to businesses to ensure that the ever-changing government guidance and law is implemented appropriately. In addition, the team has played an important role in the delivery of temporary accommodation to alleviate the effects of homelessness in the city, as well as supporting the growth agenda for the local economy in a COVID-19 secure way.

Meanwhile, the team has continued to aid all other areas of the council to ensure that statutory functions are delivered, as well as all other areas. Looking forward, we will continue to provide comprehensive support to all officers and members for the safe delivery of work as restrictions are lifted. The team has also embraced the digital transition, as expected when working from home, which has included remote court hearings and digital bundles of legal documents being prepared and submitted as well as online resource tools, which is likely to continue, delivering efficiencies as well.

## **Licensing**

Licensing have continued to provide services to our customers throughout the pandemic, adapting to how we respond to enquiries and how we deliver our service, this has involved remote working, where some checks would normally be done in person we have moved to posting out applications and forms which adds in time but has allowed the service to continue. Unfortunately, some areas of the service, namely new driver applications, have been affected more than others due to the level of checks requiring close contact with us or partners. The changing circumstances have required careful navigation to ensure that we keep businesses operating as best we can but without compromising on public safety. The team have also had to respond to new and changing legislation and have been on the front line working with a range of partners to support licence holders and the city centre with the reopening of retail and hospitality. We will be looking to implement the best bits of how we deliver our service going forwards.

## **Major Developments Directorate**

The Directorate is involved in a wide range of projects which are vital to planning for the city's future and in meeting the objectives in Vision 2025. Progress and delivery are viewed as even more relevant and necessary to support the city's economic recovery, as well as supporting the Greater Lincolnshire and County Economy Recovery Plan objectives. Work has continued over much of the period since the easing of the first lockdown, and the team also led on the Business Support Service, set up to respond to the Covid-19 pandemic. Remote working has largely worked well for the team and will provide a strong basis for working in the future. The service is therefore very much up and running and working hard on plans to ensure the city makes a strong recovery. With this objective, the team has been working on a wide range of key projects including delivery of Western Growth Corridor, Lincoln Transport Strategy, Cornhill Square public realm improvements, Central Market & City Square and Tentercroft Street improvements, commissioning work on 'Becoming a Digital

City', development of a Growth Strategy and £25m Town Deal Programme, outlined in the Lincoln Investment Plan and a range of housing projects including former Markham House (five new homes completed), Queen Elizabeth Road (demolition and site clearance) and land off Rookery Lane (proposals for 42 new homes).

Further projects will be progressed once the outcome of the Town Deal bid is known in March 2021. The Lincoln Investment Plan sets out the potential projects to support economic growth proposed for delivery by a range of partners including the City Council. The Directorate also continues to lead on the administering the Climate Change Commission, with the appointment of a new Climate Change Manager to drive this agenda forward, with the focus on developing an action plan to enable the delivery of the road map and net zero objective by 2030.

### **Procurement**

COVID-19 hasn't impacted directly on the procurement service area over the last two lockdowns. This is mostly because many businesses the service area works with are now in a position to work with us to complete procurement exercises. In comparison to the first lockdown, many businesses had to re-prioritise their own service delivery and operation. Of course, impact of the current lockdown is still being felt due to a number of procurement exercises still having to be put on hold and now requiring re-procuring in the future.

### **Policy**

The Corporate Policy team has completed a range of activities since the quarter one/two report and has once again been involved in befriending. It has been agreed that the usual quarterly performance report be merged with quarter four, producing one report at year end due to the current lockdown and restrictions in place. The team continues to work remotely with no negative effect on its ability to do the job, and whilst we are currently categorised as "Fully Operational", the team has been able to respond to multiple different needs.

One change since the first lockdown in March 2020 is the increase in surveys our team is asked to support, perhaps due to this being the most practicable way to collect representative views in a COVID-19 safe manner. In May 2020 an allocation of £5,000 was made to the Crisis Fund from the Lincoln Lottery Community Fund. This was supported with a further allocation of £6,500 from the lottery fund in August 2020.



As mentioned in previous reports, Policy was an early adopter of Teams and mobile working, and we have now introduced new software, replacing some which is unable to be used remotely. This has supported the development of our team's skills and has

helped keep staff morale high. As of writing, the expectation is that the team will continue to work mostly remotely when restrictions are lifted.

### **Property Services**

In terms of how property services have responded, they have adapted with ease to the new arrangements that COVID-19 has presented, but that is not to say there have been no impacts. Property Services covers three areas: Facilities Management, Small Business Support and Estates/Surveying.

Our Facilities Management Team, which includes the maintenance of City Hall, have had to make several changes to how to manage the building to ensure COVID-19 secure status as well as changing things such as the cleaning regimes, likely to remain in place for the foreseeable future. Moving forward, our use of City Hall and how we better manage that with our changing work patterns will need to be considered as we move closer to a post COVID-19 world. The Facilities Management team also cover the maintenance of the council's corporate assets and this has continued during the lockdowns to ensure we meet our legal responsibilities to ensure our buildings safe.

Our Small Business Support Team, based at the Terrace and Greetwell Place, worked from home during the first lockdown, but have remained in the workplace during subsequent lockdowns to support businesses based at the premises. The role of the team has been vital in providing support and advice to small businesses in the city at a time of need. The team has also played a key role in supporting the business grant payments. The Estates and Surveying Team are largely working remotely. Their work has been impacted as a result of the council's diverse range of tenants with some leases not renewed, rent reductions sought and lease terms being re-negotiated.

### **Private Sector Housing**

The Private Sector Housing Team have had to change the way in which they undertake their work to minimise risk both to tenants and to staff. All intelligence relating to private rented property likely to give rise to health and safety issues is responded to, and if necessary, inspections are undertaken. However, where possible complaints are being dealt with remotely requiring evidence such as photographs to be supplied and contacting the landlord to see if they will make good anything deemed to be requiring attention. Those that can't be dealt with remotely are then visited and improvements notices continue to be issued if required. Whilst remote working can work in some cases investigations tend to take longer, particularly where landlords don't engage.



Disabled Facilities Grants (DFGs) – the team is still receiving recommendations and progressing in the same way i.e. getting contractors on site. Some applicants want to delay works and wait until there is less risk because of their situation, e.g. shielding, even though all contractors are COVID-19 safe and even bring their own toilets. It is hoped that concerns will ease once vaccinations have been fully rolled out

The licensing of unlicensed Houses in Multiple Occupation (HMOs) following a recent change in the law is now being proactively tackled in the city. Around 90 unlicensed HMOs have been identified and the team is starting to investigate these. In December landlords thought to be operating an unlicensed HMO were written to and invited to make an application. They were given six weeks to respond with action being taken at the end of January where no response has been received. This could mean serving a civil penalty notice or prosecution whichever is most appropriate. In summary therefore, Private Sector Housing has remained busy throughout the periods of lockdown with some temporary changes to procedures introduced which are unlikely to be retained in the longer term.

### **Public Toilets**

The bus station and Castle Square toilets have remained open during this period, as well as those in our main parks. Looking forward we are reviewing provision of public toilets, which will be submitted to and discussed by Policy Scrutiny Committee ahead of consideration by Executive.

### **Public Protection and Anti-Social Behaviour**

The team has continued to offer services to the public in the best way they can throughout the pandemic with the various challenges this has presented. They have mainly been working from home and have worked hard to adapt processes and procedures to help those who need us during this difficult time. The team are still on hand to assist and are still making visits where its safe and necessary to do so. Longer term it is likely some procedures will be permanently adapted, combining the best bits of what we did before and what we have done in lockdown to make the best use of resources and provide a great service to customers.

### **Revenues and Benefits Administration**

Revenues & Benefits has operated successfully in a largely homeworking environment, with facilities in place to accept and respond to a variety of e-forms, e-mails and telephone channels. Face-to-face services have been offered on an 'essential by appointment only' basis, however these have been minimal and only taken up by Welfare Team customers, to date. Despite an increase in Benefit claims due to the impact of COVID-19, the service has continued to process claims in an improved average number of days.

Revenues collection has, understandably, been a real challenge due to taxpayers and businesses financial circumstances, however the service has continued to collect monies, with a real focus on welfare, support and maximisation of incomes and business grants. Revenues visits were withdrawn at various points during lockdowns, including the national lockdown we are currently in. Staff wellbeing has been a key focus, with a variety of communication channels and support mechanisms in place.

It is envisaged that the service will still be able work remotely and on an agile basis. Availability for customers on a face-to-face basis, also working in partnership with Jobcentre Plus, is a feature of the service that will need to be considered moving

forward. Because customers have not been accessing face-to-face services to any significant degree, the concern is that there is latent demand for this from vulnerable customers.

Revenues visits and Welfare surgeries/home visits are key moving forward, in a COVID-19-secure, safe environment, to ensure we can help those residents who need our help most. Staff wellbeing will also remain key, with a need to ensure the 'One Council' approach, our Revenues and Benefits Shared Service has strived to achieve, will not be compromised – and a mix of homeworking, agile working and office-based presence will help to achieve this – with electronic methods of communication part of the solution.

### **Supported Housing**

Like that in Tenancy Services, physical visits are temporarily not in place as per the guidance distributed by central government. To ensure we are still offering a helpful and valuable service, telephone “visits” are now the new normal until restrictions are lifted further. The team is permitted to physically visit customer in cases of an emergency and whilst some customers have struggled without the physical visits, most have adapted well to our new telephone service. We are keen to reintroduce visits physically when we are advised it is safe to do so but this of course depends on the guidance given by central government. The team worked at home during lockdown one, but they have returned to the office during the second and third lockdowns to better support the businesses that are based at the premises. The role of the team has been vital in providing support and advice to small businesses in the city at a time of increasing need. The team have also played a key role in supporting the business grant payments.

### **Street Cleansing**

These services have continued throughout the COVID-19 period. Collection crews continue to work to their strict risk assessments to minimise the risk of transmission between colleagues and beyond. COVID-19 risk assessments in relation to our own staff continue to be used, for the safety of our staff and the public who they might come in to contact with. Since the latest lockdown, staff are avoiding door knocking and entering homes and are doing all they can to respond to complaints and enquiries without personal contact.

### **Waste and Recycling**

We have continued to run all waste collection services throughout the period. We have experienced delayed collections on one occasion when a collection crew were isolating due to one-member testing positive for COVID-19. On that occasion we focussed on ensuring that refuse was collected, and garden waste was slightly delayed. All affected collections were caught up within two days. We have plans in place in case we have further occasions when collection crews are not fully staffed, but of course it isn't possible to predict exactly what the impact would be until that happens – for example, how many staff are affected. Collection crews continue to work to their strict risk assessments to minimise the risk of transmission between colleagues

and beyond. We have worked closely with Communications throughout, in relation to COVID-19 and non-COVID-19 waste messages, keeping people informed. If collections are affected, communication of any changes will be key. COVID-19 risk assessments in relation to our own staff continue to be used, for the safety of our staff and the public who they might come in to contact with. Since the latest lockdown, staff are avoiding door knocking and entering homes and are doing all they can to respond to complaints and enquiries without personal contact.

## Temporarily Enhanced Services

These services have seen significant increases in their workload, and well as changes to the work required of the service, throughout the period of the pandemic

### Communications

Throughout the pandemic, we have looked at different ways to engage with our residents and businesses. We have continued with what we knew would be successful and delivered multiple messages to the public on social media enabling a wider reach. We are a responsive service, so in addition to our usual workload, we have continued to operate in the same way to ensure messages are communicated in the right way, to the right people. This has included information on business grants, advice from government, keeping people safe, work with universities, community testing videos, debunking myths, and other COVID-19 related messages. The main impact on the service has been adapting to different media to get quick and simple messages across, increasing the use of video and social media and no longer relying on press releases to engage with businesses and residents. As a trusted and reliable source people turn to us as an organisation for information, so our priority as a team is to ensure we get the message out and, during 2020/21, we reached 169% more people on Facebook, increasing from an average reach of 2,058 to 5,532.



### Food Health and Safety

The impact of the pandemic has had a huge impact on the Food Health and Safety service. The team has continued throughout with much of their usual business, responding to complaints from the public about food businesses. Whilst restaurants and pubs have been closed for much of the time over the past months, many are now operating takeaway services and supermarkets have been open as usual so the

workload has not significantly diminished – regular inspections have been suspended, but responding to allegations of premises operating giving rise to a risk to public health continue to be investigated. The team is also responsible for enforcing COVID-19 related complaints which has dramatically increase the workload. This includes complaints from the public relating to people not wearing face covering and businesses opening when they should be closed, all requiring extra visits.

In October COVID-19 Ambassadors were introduced into the city. Their role is to patrol business areas of the city helping and advising businesses on how to be COVID-19 compliant. In last three months the infection rate in Lincoln became a national concern and therefore the team, together with others have been involved in setting up two community testing stations – more detail is provided in the section on new services. Looking forwards the high workload will continue whilst restrictions remain in place and beyond in order to catch up on regular workload such as routine inspections.

### **Rough Sleeping**

The Rough Sleeping Team has always remained working out in the field and their work has not been impacted. However, the team has been able to offer more services to more people due to the allocation of funding from Central Government. This has included offering accommodation for everyone who presents themselves at risk of rough sleeping as well as funding for severe weather placements. Team members are currently working in bubbles to protect the continuity of the workforce, and ensuring the team is always available. The only changes for the team, similar to some other services, is that half the team is working remotely with the other half working from the office as well as team members working in pairs (rather than the usual 3) when out in the field to be COVID-19 secure. This has not affected the service the customer gets and is testament to the hard work of the team, minimising the impact they may feel from changes in process behind the scene. One impact has been that Hostels have not always been able to admit new rough sleepers. Little is expected to change as lockdown eases.

## **Looking forward – our targets for next year**

As part of looking forward to the coming year, with the hope that restrictions will be eased or lifted and there will be a return to a ‘new normal’ we are once again considering performance targets. These have not yet been finalised, but generally those responsible for measures have said it is difficult to properly review what targets should look like, due to 2020/21 being such an unrepresentative year, as well as the ongoing uncertainty likely to continue into at least the early part of 2021/22. Therefore, most targets are likely to remain unchanged. Whilst there may be some impact on measures, either through difficulties with collection or the data itself it is hoped this will settle down as the year progresses and will help us to better understand the impact of COVID-19. We are looking at how we present data to reflect the inevitable fluctuations that have occurred over the past year and will continue for some measures well into 2021/22. Further information on targets will be included as part of Quarter 4 reporting.

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**Present:** Councillor Gary Hewson (*in the Chair*),  
Councillor Thomas Dyer, Councillor Geoff Ellis, Councillor  
Jane Loffhagen, Councillor Rebecca Longbottom,  
Councillor Helena Mair, Councillor Ric Metcalfe,  
Councillor Christopher Reid and Councillor Pat Vaughan

**Apologies for Absence:** Councillor Laura McWilliams, Councillor Lucinda Preston  
and Councillor Loraine Woolley

1. **Declarations of Interest**

Councillor Pat Vaughan wished it recording that his granddaughter worked in the Council's finance department.

2. **Draft Medium Term Financial Strategy 2021-26**

The Budget Review Group considered the draft Medium Term Financial Strategy 2021-2026 and provisional 2021/22 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 highlighted that the main objectives of this meeting were to:

- examine the principles and planning process that underlay the proposed budget 2021/22 and Council Tax, and the Medium Term Financial Strategy 2021-26;
- 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.

A number of questions were provided in advance of the meeting which, together with responses provided, were noted as follows:

Question: Given the significant cost savings needed within the Communities and Environment Directorate, the ongoing situation with the Usher Gallery seemed to have disappeared from discussion. What was the Council's current strategy to ensure value for money was achieved for the tax payer?

Response: There were no cost savings needed specific to one Directorate, there was only the corporate target to be achieved. Ongoing discussions were still continuing with the County Council surrounding the future of the Usher Gallery and the collections.

Question: Did the contract signed with Nottingham City Council for the storage of artefacts represent long term value for money? Or were the offers from Lincolnshire County Council better value?

Response: This was a fluid situation and ongoing discussions continued with both Nottingham City Council and Lincolnshire County Council.

Question: Taking into account all the support schemes, what was the total funding the City of Lincoln Council had received from central Government by way of Covid-19 support?

Response: A detailed breakdown of support provided for 2020/21 and 2021/22 was set out as part of the presentation but equated to approximately £6,489,000 and £1,197,000 respectively.

Question: What is the total cost to COLC for the proposed staff pay award, including employer National Insurance and pension contributions?

Response: The Council was currently bound to collective bargaining through the National Joint Councils. There had been no pay claim yet presented for 2021/22. The Council's Medium Term Financial Strategy assumed an increase on the total pay budget but this was not a pay proposal, it was solely a budget provision of potential future pay claims. Details relating to assumed increases ranging from 1.5% up to 2% for each year of the Medium Term Financial Strategy and the total cost of such increases were outlined in the presentation.

Question: If Councillors were to freeze their allowances, including Special Responsibility Allowances, what savings would this equate to for the 2021/22 financial year?

Response: The Members' Allowances budget had been increased by inflation at 1.5% in 2021/22. This was equivalent to £3,720.

Question: How much revenue was generated by hiring the venue out and for tours at the Guildhall for the 2019/20 financial year?

Response: In 2019/20 £200 was received in respect of hire of the Guildhall. In terms of income from tours, these were free of charge unless they were outside of normal working hours or were private tours that interfered with public tours. No income was received in respect of these during 2019/20.

Question: Fixed penalty notices had remained the same for several years. Could the Council increase these?

Response: These fees were not designed to maximise income, their aim was to act as a deterrent. Based on the current economic climate it was felt that the level of the fees set were appropriate to achieve such a purpose.

Question: Does the Council intend to increase its lowest hourly pay rate to £10 an hour, as per the motion at the previous meeting of Full Council?

Response: The Council was currently bound to the outcomes of collective bargaining through the National Joint Councils and this was reflected in its contracts of employment and green book terms and conditions. The Council was committed to maintaining its Living Wage accreditation and would shortly seek Executive approval to implement the latest increase, as announced in November 2020, from £9.30 per hour to £9.50 per hour.

Question: What would be the increased cost to raise the lowest hourly rate to £10?

Response: Based on 2020/21 pay scales there were two pay scales currently earning less than £10 per hour. The cost to increase these all to £10 per hour, and removing any pay differential, would be approximately £33,000.

Question: In the 2018/19 financial year, the City of Lincoln Council spent almost £20,000 on trade union facility time. What was this cost in 2019/20 and 2020/21? How did the Council audit this time? Was there scope to reduce this, as it was understood that this was a voluntary payment?

Response: Each Trade Union representative had an agreed amount of time off for Trade Union activities and duties. The Council's Trade Union policy set out what representatives were entitled to be paid and the duties this covered. The payment, which was not voluntary, must either be the amount they would have earned had they worked during the time off or via their average hourly earnings. In 2018/19 the cost of trade union facility time was £9,165. In 2019/20 this was £10,463 and in 2020/21 the cost of trade union facility time was budgeted to be £10,870.

Question: The car parking strategy was to be refreshed. Was there a timescale?

Response: Car parking patterns in the city centre had changed as a consequence of the pandemic and hence changes in commuter behaviour. The car parking strategy was provisionally scheduled for review later this year, but timing would be critical. It should not be completed too early, otherwise the Council could review the strategy before commuter patterns had truly found their new baseline. Conversely, the Council did not wish to delay this for too long as it could leave parking stock underutilised. Currently, the Council was seeking to review the situation in September 2021 and decide then when would be the best time. The Council would hopefully have a more stable commuter pattern by then, and understand the new peak demand levels created from domestic tourism and other key sectors.

Question: Whilst the budget summary in the report showed a significant reduction within the Communities and Environment Directorate budget over the period of the Medium Term Financial Strategy, no further detail was provided by area. Could a cost summary please be provided for each area within the Communities and Environment Directorate, for example CCTV costs and public toilets, for example, in terms of cost, income and net summary, reflecting that some areas did generate revenue?

Response: The net cost of the Communities and Environment Directorate reduced over the Medium Term Financial Strategy due to two primary reasons, as follows:

- car parking income was forecasted to increase over the period as some of the impacts of Covid19 unwinded;
- the significant cost savings delivered through the Waste and Street Cleansing contract extension increased over the five-year period in addition to the cumulative impact of the change in inflation rate.

A full breakdown was also available.

Question: How financially stable are the City's biggest Business Rate contributors?

Response: Officers were unable to assess the financial stability of the city's biggest business rate contributors. However, the top ten Business Rate payers in the City, after mandatory/discretionary reliefs, were noted as follows:

1. United Lincolnshire Hospitals NHS Trust
2. Tesco
3. Sainsburys
4. William Morrison
5. B&Q Limited
6. Waitrose
7. Siemens Energy
8. City of Lincoln Council (carparks)
9. Marks and Spencers
10. Lincolnshire County Council

Question: To date, including staffing, in the Major Developments Team, what had the City of Lincoln Council spent on the Western Growth Corridor development?

Response: The Medium Term Financial Strategy, as a forward-looking strategy, included the following capital budgets in relation to Western Growth Corridor:

- Capital Expenditure: Phase 1a Infrastructure and Residential Units £10,697,000;
- Capital Receipts: Phase 1a Residential Sales £11,122,000;
- Capital Grants: Local Authority Accelerated Construction £1,724,000.

Question: In the Housing Revenue Account to what extent were tenants billed for damages of their own fault? For example, smashed windows. What income did this provide a year? Were repairs done at cost, or did the Council make a surplus?

Response: The Council had a Rechargeable Repairs Policy, last reviewed in 2017, which identified circumstances where repairs would be recharged to tenants. This included damage caused by the tenant. Repairs were charged on the established schedule or rates for the Housing Repairs Service. In 2019/20 the Council recharged repairs totalling £55,167 and, to date, in 2020/21 repairs of £25,946 had been recharged.

Question: How did the City of Lincoln Council ensure its external grants are being spent efficiently, such as those relating to the Brayford Trust and Dial-a-Ride, for example?

Response: Through the Annual General Meeting the Council nominates elected members to sit as representatives on each of the relevant boards of the bodies that the Council provided grant funding to. In addition, a number of the grants were supported by Service Level Agreements and were subject to the submission of Annual Reports and Business Plans prior to future grants being released.

Question: What were the potential savings following the Housing Revenue Account agreement regarding Kier?

Response: There were currently no savings built into the Medium Term Financial Strategy as a result of the termination of the Kier contract. The investment budgets remained at the same levels in the Housing Improvement Plan and

would be subject to the delivery of individual work packages through new contracts and/or in house resource.

Question: Had an assessment been done on the benefits of providing one hour free parking to help stimulate the high street?

Response: This had been suggested in the past but no detailed modelling had been undertaken on this option. A one-hour free parking initiative would have an impact on the financial position of the Council and so budgetary provision would need to be made. Work would also need to be done to ascertain the extent free parking would have on stimulating the High Street with additional visitors to the city centre. A worst case scenario would be that the price was relatively inelastic, resulting in no noticeable increase in footfall but reduced income for the City Council. This would be true if there were stronger pull factors leading to why people would or would not visit the high street after the pandemic. Resident surveys would be required to ascertain the key influencing factors.

Question: What were the approximate cost increases to hold the 2021 local elections?

Response: The Council was currently estimating an additional, high-level estimate, cost of approximately £50,000 for all three elections, the Council's direct share being one third. It was emphasised, however that this could significantly change in relation to the detailed risk assessments that needed to be undertaken for each process and for each venue used as part of facilitating the elections. On completion of this a more informed estimate could be prepared.

Question: If the Council was to freeze the pay for all staff earning over £30,000 and elected members' allowances, only providing the proposed pay increase to those below £30,000 (full time equivalent), what would be the saving? How much would this cost?

Response: The Council was bound to the outcomes of collective bargaining through the National Joint Councils and this was reflected in the Council's contracts of employment and green book terms and conditions. On the basis of the proposal above the saving against the Medium Term Financial Strategy provision for pay awards in 2021/22 would be approximately £121,000.

Question: When could members see what Vision 2025 consisted of? When were the 'refreshed' annual delivery plans likely to be ready? Were there any first thoughts on major changes?

Response: Vision 2025 was approved by Full Council in March 2020. Work was currently being undertaken to review the Annual Delivery Plans that provided the details of which schemes were being progressed in the forthcoming year. This was work predominately around phasing of schemes and supporting the recovery of the city, rather than fundamental change. Whilst this work was underway it had inevitably been affected by the pandemic and current national lockdowns.

Question: What were the 'core services that matter most'? Or conversely, which core services mattered least?

Response: The Council's key and core services were those that supported delivery of Vision 2025 and the strategic priorities of:

- 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.

Question: What were the levels presently the Council was looking to maintain short term and which income streams did it look to maximise long term? Would these be made clear regards their performance at future meetings of the Council's Performance Scrutiny Committee?

Response: The objective that this referred to was in relation to income from Council Tax and Businesses Rates. Ordinarily the objective was to seek to maximise these income sources, but this had been amended to reflect in the short term that, due to the current economic climate, the Council needed to seek to maintain levels as much as possible and protect them from falling further. Longer term as the economy recovered, the Council would seek to grow these income sources again. Both Council Tax and Business Rates collection rates were monitored through the Performance Scrutiny Committee and would be adjusted for 2021/22. This objective was not solely about collection rates though, it was about long term growth in the city's businesses and housing.

Question: Could you explain please the £5,124,000 retention which was lower than expected and the one-off gain of £428,000? What was the Council expecting and were both figures guaranteed?

Response: The Medium Term Financial Strategy 2020-2025 estimated Business Rates income of £4,696,000 in 2021/22. This had now been revised to £5,124,000, a gain of £428,000. This gain had only arisen due to a delay in the implementation of national reforms to the business rates funding mechanism for local authorities. The impact of this would see a significant reduction in the Council's retained income which it had forecasted would happen in 2021/22, but it was now delayed meaning the Council would not suffer the loss. The total amount of Business Rates forecasted to be collected had significantly reduced due to Covid and had resulted in less income being retained by the Council. The net impact of the two changes resulted in an overall gain for the Council. Business Rate income was not guaranteed and was dependent on actual levels of rates billed and collected including the impacts of awarding reliefs and appeals. Each year the Council was required to calculate the surplus or deficit on its Collection Fund, both for Council Tax and Business Rates, and absorb any gains or losses in the following financial year.

Question: There seemed to be a shortfall for the proposed savings and those expected to be implemented by £1,958,000. If this was correct, where were the rest of the savings expected to come from? Were you able to provide any more details on 'a new programme of proposals'?

Response: The savings target required was £1,750,000 per annum by 2022/23. An initial programme of reviews had been developed and would be brought forward for consideration during the course of the next twelve months. However, this programme was still subject to change as the business cases were developed and staff and public consultation took place. Some examples were the current reviews regarding public conveniences and allotment charges.

Question: Could you explain what One Council means please? Also, could you provide examples related to each of the four themes of 'One Council'?

Response: There was a specific section in Vision 2025 with further details on One Council. One Council had been established from the "Professional, high performing service delivery" theme of Vision 2020. One Council put the customer at the heart of everything the Council did, understanding their needs, wants and preferences. One Council also defined how the Council, as an organisation, would need to work in the future to meet these changing demands. The Council's focus would be on creating a joined-up experience for customers where they felt they were talking to one council rather than multiple departments. There were four themes of One Council, noted as follows:

- Best Use of Assets – work under this theme was around the future use of City Hall and how the Council's changing work patterns may alter its need for physical working space and also the needs of its customers to attend City Hall in person. Further expanding the public sector hub currently included as part of City Hall was provided as an example;
- Technology – work under this theme focused on adapting to a new remote way of working ensuring the Council was visible and accessible to its customers, ensuring that staff had the right tools for the job but also that the Council provided its residents with much easier direct access to council services, such as the use of Zoom/Office 365/Teams to facilitate remote working and access to online services;
- Organisational Development – this programme of work focused specifically on creating a workforce that was flexible and adaptable to the changing environment in which the Council worked, with the Lincoln Charter and virtual training and development cited as examples;
- Create Value Processes – this theme focused on a joined-up experience across all methods of using Council services, ensuring that digital services could become the default choice for customers due to the ease and efficiency they provided, such as repairs online and access to services via the Council's website.

Question: It was very interesting that 'the minimum prudent levels of reserves and balances that the Council should maintain are a matter of judgement.' It was assumed that the levels would be set by central government. So, what criteria had been used to determine these levels in the past? Was the criteria likely to change in the future?

Response: Local authorities should establish reserves including the level of those reserves based on the advice of their Chief Finance Officers. Authorities should make their own judgements on such matters taking into account all the relevant local circumstances. Such circumstances varied, hence why there were no levels set by Government. A well-managed authority, for example, with a prudent approach to budgeting should be able to operate with a level of general reserves appropriate for the risks (both internal and external) to which it was exposed. The Council therefore undertook a risk assessment against its key variable budget areas to assess the likelihood of and impact of changes in the budgeted amounts. This overall assessment determined the level of prudent reserves to be maintained.

Question: How was the Council reimbursed by the Government for the monies it paid out to the Internal Drainage Boards, or did it not receive anything back?

Response: The Council did not receive any specific direct funding from central Government for the Internal Drainage Board levies. Account of costs was taken into consideration as part of the Government's assessment of the Council's 'relative needs' and formed part of the calculation of the amount of business rates the Council could retain. This was not a direct reimbursement, it was just a factor in an assessment of need.

Additional questions asked at the meeting, and their respective responses, were noted as follows:

Question: When would the Council know about Lincoln's Town Deal Fund submission? Would it be successful?

Response: The Council had recently been notified that this would form part of the budget and would therefore be notified of the outcome of the Lincoln Town Deal application on 3 March 2021. In terms of the success of the application, the Chief Executive reported that she believed it represented a very strong submission acknowledging, however, that it was part of a competitive process.

Question: Communication and liaison with the public was extremely important and, whilst the Council sought to streamline its services and move to more online solutions, it should be noted that 20% of residents in the city did not have access to the internet. Could reassurance be given that the Council would not be preventing access to services in respect of those people?

Response: One of the rationales behind the One Council approach was to enable people to be more self-sufficient and access services online, which would then free-up officers who could dedicate more support to those who were unable to access online services, facilitating more face-to-face meetings or longer telephone calls to resolve issues. This was at the centre of proposals relating to One Council, so an assurance was given that those people unable to access the internet would not be prevented from accessing the Council's services.

Question: The Council, like other organisations, had changed the way in which it worked as a result of the Covid-19 pandemic and staff had responded stunningly in terms of their flexibility and adaptability particularly in relation to remote working. A concern, however, was that a sense of pride in working for the City Council and belonging that people had as part of working as a team could potentially be lost, with remote working not being the preference of all staff. Would this be considered as part of the Council's review of the way in which it would operate in future?

Response: The Council did have a core staff base that were really proud to work for the authority and enjoyed that sense of belonging. Working from home or working remotely was not everyone's preference and, moving forward, the Council would ensure inclusivity with its staff in order to take into account and accommodate different circumstances.

Question: When were fixed penalty charges last increased? Other fees and charges, such as rent and car parking, were regularly increased whereas fixed penalty charges, acting as deterrents for those activities where people negatively contributed to the city, remained unchanged. If these did not increase in keeping with other fees and charges and the current economic climate, surely the level of deterrent would decrease? This appeared to be counterintuitive.



Response: Fixed penalty notices, covering things such as littering and dog fouling, had not increased at least in the last five years. Further clarity would be provided on the last time they had been increased. The Council did not seek to maximise from such activities and did not rely on this as an income stream, it was solely a deterrent to prevent such instances occurring.

Question: The car parking strategy was scheduled for review in September 2021. Perhaps the proposed increase of car parking fees and charges should be deferred until the review had been undertaken?

Response: The parking strategy would be critical in terms of managing a key income stream for the Council but also considering whether all of the City Council's car parks were all necessary or in the most suitable locations. Maintaining the baseline of car parking income was essential, with any change to that baseline having a direct impact on a large amount of other areas of the Council's business.

Question: Was there any measure of the impact the Council's initiatives had in respect of car parking during the easing of Covid-19 restrictions last year in terms of attracting people back into the city?

Response: Unfortunately there was no accurate measure that could be put in place to assess the impact of the Council's initiatives in this respect.

Question: With regard to the proposed increase in stall fees for the Christmas Market, had any consultation been undertaken with stallholders?

Response: The proposed increase in stall fees was about maintaining a base which, if could not be maintained, would need to be supported from other service budgets. Lots of correspondence had been shared with stallholders but it was unclear whether specific consultation regarding a proposed increase in fees had taken place. Further information relating to this would be provided in due course.

Question: Was there a timescale in place for when savings would come forward?

Response: The programme in place to achieve savings consisted of projects which themselves comprised a business case, options appraisal and the undertaking of a review, some of which would require public consultation. Outcomes and projected deliverability would therefore differ from project to project, so there was no set timescale at this stage with a lot of detail in relation to each project yet to be worked up. The majority of the projects within the programme would only require internal reviews as opposed to public consultation, which would be less time consuming, but it was still too early to place any specific timescales around deliverability.

Question: Taking into account the recent public consultation in respect of public conveniences, could members of the opposition group be briefed prior to such consultations being placed in the public domain?

Response: The Leader of the Council could see no reason why the opposition could not be properly briefed prior to the undertaking of public consultation on any scheme.

Question: In line with the discounts provided to Christmas Market stallholders who demonstrate a commitment to fair trade, could a similar discount be considered in relation to environmentally friendly stallholders for those who were plastic-free, for example?

Response: This suggestion would be taken forward for consideration as part of planning for the Christmas Market.

Question: What support was the Council putting in place for those businesses who were tenants within its managed workspaces?

Response: The Council had been working closely with its tenants at managed workspaces at Greetwell Place and The Terrace, with Council staff having returned to work from there since June in order to provide advice, guidance and support. This core element of staff had been part of the Council's Business Support Cell which had facilitated the payment of government grants to businesses, so they had been able to offer advice on eligibility in that respect as well. Rent reductions had not been offered to tenants but they had been offered payment holidays.

Question: What plans were being put in place to encourage people back to the city centre when restrictions were lifted?

Response: Significant plans had been and would continue to be in place, however, these would continue to change and adapt in response to latest government guidance and, essentially, which areas of the economy opened first as lockdown restrictions were lifted. Members were provided with an assurance that, whatever happened, a range of measures and incentives would be on offer for people in order to attract them back into the city. An important aspect of this would be a focus on the city centre as a place, ensuring that people wanted to visit for its attractiveness and the experience it had to offer. The quality of public spaces, public events and the greening of the city centre all had a role to play in encouraging people to visit.

Question: The Public Works Loans Board had changed its rules regarding the lending of money, with more attractive interest rates on offer. Would the Council have an appetite to invest in the city as part of its Covid-19 recovery?

Response: The Public Works Loan Board and updated prudential code from the Chartered Institute of Public Finance and Accountancy rules had changed the way in which local authorities could utilise borrowing. Debt for yield schemes, for example, where money was borrowed for commercial schemes, such as the Travelodge in Lincoln, would no longer be acceptable with the expectation that capital receipts be used instead. Borrowing to stimulate economic growth or development, however, was acceptable and would form part of the Council's Vision 2025. It was anticipated that this would be an essential part of delivering the objectives of the Town Fund through match-funding.

Question: What was the cost of running public urinals in the uphill area of the city?

Response: This information would be provided in due course.

Question: Was there a strategy to free up space in the City Council's buildings in response to the new way of working demonstrated in response to the Covid-19 pandemic?

Response: The Council's Best Use of Assets pillar of One Council was developing this as it was clear that the Council no longer required the office space it currently occupied in City Hall, for example. Conversations would continue with public sector organisations with a view to building upon the public services hub already in place at City Hall. It was acknowledged, however, that this would be a very tough market with lots of other organisations being in a similar position.

Question: Had any funding been allocated in preparation for potential local government reform or devolution deal proposals?

Response: No specific funding had been set aside for local government reform or devolution deal proposals. A significant amount of work had been undertaken last year in response to potential local government reform and devolution proposals which could be drawn upon in the future if necessary.

Question: In relation to the Council's proposal to move its collections from the Usher Gallery to Nottingham City Council under a one or two year contract, what would the cost be to the Council to release itself from that contract?

Response: There was ongoing daily dialogue on this issue but, at present, no contracts had been signed with Nottingham City Council so no costs in that respect would be incurred as there was no contract in place for the City of Lincoln Council to release itself from.

Question: If someone in the city was granted a scrap metal license, would they only be able to operate within the boundaries of the city?

Response: This information would be provided in due course.

RESOLVED

That the Budget Review Group:

- (1) Agreed 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 were identifiable and designed to improve services in the Council's strategic priority areas.
- (2) Agreed to provide its comments to the Performance Scrutiny Committee and Executive on the draft Medium Term Financial Strategy 2021-26 and 2021/22 budget and Council Tax proposals to the Performance Scrutiny Committee and Executive prior to formal consideration by Council at its meeting on 23 February 2021.

Councillors Thomas Dyer and Christopher Reid requested that their abstentions from voting be noted.

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