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EXECUTIVE

Monday, 18 January 2021	5.00 pm	Virtual Meeting via Zoom

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

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

Virtual Meeting

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MINUTES AND EXTRACTS

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2. Declarations of Interest

   Please note that, in accordance with the Members' Code of Conduct, when declaring interests members must disclose the existence and nature of the interest, and whether it is a disclosable pecuniary interest (DPI) or personal and/or pecuniary.

OUR PEOPLE AND RESOURCES

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QUALITY HOUSING

REMARKABLE PLACE

Executive **4 January 2021**

Present: Councillor Ric Metcalfe *(in the Chair)*, Councillor Donald Nannestad and Councillor Bob Bushell

Apologies for Absence: Councillor Chris Burke, Rosanne Kirk and Councillor Neil Murray

59. Confirmation of Minutes - 14 December 2020

RESOLVED that the minutes of the meeting held on 14 December 2020 be confirmed.

60. Declarations of Interest

No declarations of interest were received.

61. Localised Council Tax Support Scheme - 2021/22

Purpose of Report

To enable the Executive to review consultation responses and consider proposed changes to the Localised Council Tax Support Scheme 2021/22, as well as proposals made in relation to the Exceptional Hardship Scheme and Council Tax premium.

Decision

That the Executive:

(1) Notes the consultation responses relating to the Localised Council Tax Support Scheme for 2021/22.

(2) Notes the proposed options to the core element of the Council Tax Support Scheme for 2020/21, as set out in section 6 and paragraph 6.5 of the report, and agrees setting a capital reduction rate of £6,000.

(3) Agrees the proposed change to the Council Tax technical premium as set out in section 6 paragraph 6.6 of the report, that from 1 April 2021 any property empty over ten years will receive a premium of 300%, incurring a 400% charge.

(4) Approves the continuation of the £20,000 Exceptional Hardship Fund for 2021/22 to top up Council Tax Support awards in appropriate cases.

(5) That the request from the Police and Crime Commissioner to implement a Council Tax exemption for Special Constables be not supported at this time.

Alternative Options Considered and Rejected

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

Reason for Decision

Consultation on the revised Localised Council Tax Support scheme commenced on 28 October 2020 until 9 December 2020 following consideration by the Executive at its meeting on 26 October 2020. This was undertaken with major precepting authorities, stakeholders and residents through a variety of methods as set out in the report.

A total of 85 surveys were completed, with responses also having been received from Lincolnshire County Council and the Lincolnshire Police and Crime Commissioner as the main preceptors. All responses were included as appendices to the report and the Policy Scrutiny Committee had also considered the proposed scheme options at its meeting on 24 November 2020.

The Executive considered the options set out in the report together with propositions for amendments to the current Localised Council Tax Support Scheme.

Councillor Ric Metcalfe was of the view that to alter the scheme significantly at this stage and expect further contributions from some of the city's lowest income groups in the current circumstances would be unacceptable and potentially generate further collection issues for the authority at greater resource and cost.

In terms of the capital reduction rate, Councillor Metcalfe proposed that this be set at a rate of £6,000 which was supported by the Executive. He added that it was sensible to retain the support scheme, particularly the Exceptional Hardship Fund which he was keen to see continue in order to support the city's most vulnerable people. He was also supportive of the proposition that any property empty over ten years would receive a premium of 300%, incurring a 400% charge.

Councillor Metcalfe had sympathy with the Police and Crime Commissioner's proposal to implement a Council Tax exemption for Special Constables in that it was not necessarily the cost associated with the proposal but more the difficult position the Council would be placed in whereby it was seen as selecting and supporting a specific group of people in this way. He acknowledged that there were a great number of volunteers supporting the public sector in the current circumstances, so setting a precedent could become problematic for the authority.

Councillor Donald Nannestad supported Councillor Metcalfe's comments, especially the proposition in relation to long term empty properties and continuation of the Exceptional Hardship Fund.

Councillor Bob Bushell felt that the proposed reimbursement of Special Constables would be a good way of showing appreciation for the important work they had done for communities during the pandemic. He acknowledged, however, the position the Council could be placed in and noted that this was the concern of some other authorities in the county.

62. Collection Fund Deficit - Council Tax

Purpose of Report

To inform the Executive of the estimated balance for the Council Tax element of the Collection Fund and the surplus or deficit to be declared for 2020/21.

Decision

That the action of the Chief Finance Officer to declare a Council Tax deficit of £1,105,616 be confirmed.

Alternative Options Considered and Rejected

None.

Reason for Decision

Prior to setting the Council Tax for 2021/22 the City Council was required to estimate whether there was to be surplus or deficit on the Council Tax element of the collection fund for the current financial year 2020/21.

The Council would declare a deficit on Council Tax of £1,105,616 for the financial year 2020/21, with the City Council's share being £165,680.

63. Council Tax Base 2021/22

Purpose of Report

To provide the Executive with an opportunity to consider the Council Tax Base for the financial year 2021/22.

Decision

That the Executive recommends to Council that it:

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

(2) Approves the Chief Finance Officers' calculation of the Council Tax Base for the financial year commencing 1 April 2021 and ending 31 March 2022, as set out in Appendix B of the report.

(3) Approves, in accordance with the Chief Finance Officers' calculation, and pursuant to the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended), that the Council Tax Base for the 2021/22 financial year is 24,372.38.

Alternative Options Considered and Rejected

None.

Reason for Decision

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

The calculation of the Council Tax base, detailed in Appendix B to the report, showed the number of Band D equivalent chargeable dwellings as being 24,372.38. This was based on the Regulations in paragraph 3.1 of the report and assumed that 97.75% of the Council Tax due for 2021/22 would be collected. The Council Tax base number of Band D equivalent chargeable dwellings for 2021/22 had been calculated as 29,072.16, less 4,699.78 deduction calculated for the Localised Council Tax Support Scheme. This resulted in a proposed Council Tax base for 2021/22 of 24,372.38.

64. Human Resources Policies (Redundancy and Pensions)

Purpose of Report

To seek approval for the implementation of proposed policy changes which must be made to ensure the Council complied with The Restriction of Public Sector Exit Payments Regulations 2020.

Decision

That the proposed policy changes be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

On 4 November 2020 The Restriction of Public Sector Exit Payments Regulations came into force, which placed a £95,000 cap on all exit payments.

The report provided an overview of the changes the Council must make to existing policy, namely the Redundancy Policy and Pension Policy, in order to comply with the new regulations.

The respective policies had been updated in line with the new regulations, however, the Unions, Lawyers in Local Government and Association of Local Authorities Chief Executives had issued judicial review proceedings against the Government seeking to quash the Exit Pay Cap Regulations. They had citied procedural flaws and substantive issues on which the regulations had been made, some of which affected the draft pension regulations. It was noted that the Council's Human Resources Team would continue to review any changes in guidance on these regulations and review the Council's policies again once a decision had been made on any additional reforms.

Item No. 3

EXECUTIVE **18 JANUARY 2021**

SUBJECT:	**DRAFT MEDIUM TERM FINANCIAL STRATEGY 2021 - 2026**
DIRECTORATE:	**CHIEF EXECUTIVE AND TOWN CLERK**
REPORT AUTHOR:	**JACLYN GIBSON, CHIEF FINANCE OFFICER**

1. Purpose of Report

1.1 To recommend to the Executive the draft Medium-Term Financial Strategy for the period 2021-2026 and the draft budget and council tax proposal for 2021/22, for consultation and scrutiny.

1.2 To present the draft Capital Strategy 2021-2026 for consideration.

2. Executive Summary

2.1 The financial landscape for local government presents an unprecedented challenge to the Council. The Covid19 pandemic is having immediate effects on the Council's budgets as a result of increases in spending on local services and plummeting income from sales, fees and charges and commercial activities. Beyond the immediate impact the crisis will cast a longer term shadow on the Council's finances. The Government has pumped billions of pounds into the economy to support the response phase of the pandemic and to protect jobs and services. In the medium-term the levels of additional national borrowing and the UK's budget deficit will need to be managed down at the same time as meeting ongoing needs to invest in recovery to achieve the growth required to repay the national deficit. The Government's strategy to address this challenge is not yet known, nor what it will mean for local government funding more generally. Furthermore, there remains potential longstanding impacts on the Council's local income sources if behaviour, working practices and spending patterns in the city continue to change.

2.2 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. Historically less than 20% of the Council's funding sources were subject to any level of volatility, for 2021/22 90% is now subject to volatility and emphasises the financial risk that the Council faces from its income streams.

2.3 In addition the Council faces further financial uncertainty surrounding significant national reforms to the allocation funding to local government though the Fairer Funding Review, the implementation of the 75% Business Rates Retention (BRR) scheme and Business Rates reset, all of which will affect the Council's MTFS. These reforms intended for implementation in 2021/22 have now been delayed with no firm date set.

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

2.5 Although there is a significant level of uncertainty about future funding, based on what is currently known, or can be reasonably assumed, there still remains a current projected budget gap of £1.750m which the Council must close to ensure it's financial sustainability. Although closing a gap of this size is a huge challenge it is not unprecedented, and the Council should have the confidence that it has a track record of delivering strong financial discipline and that it can rise to the challenge once again. However, as a result of the previous level of savings delivered and with a reduced number of alternatives from which to deliver reductions, the Council is left with little option but to revert to a more traditional cost cutting measures approach in order to deliver the scale of reductions required within the short lead in time. It will also require the careful use reserves and balances in the short term.

2.6 The Council will ultimately have to make some difficult decisions over the next 12 months as it prioritises which services it can afford to continue to deliver. The Council will continue to build on its successful financial planning to date and will seek to protect the core services for the people of Lincoln, whilst at the same time allowing for significant investment in the City, and its economy, and delivery of the Council's Vision. Adopting this approach will ensure that it carefully balances the allocation of resources to its vision and strategic priorities, whilst ensuring it maintains a sustainable financial position.

2.7 Prior to submission of the MTFS 2021-2026 and budget and council tax proposal for 2021/22 to Full Council, on 23rd February 2021, this initial draft will be subject to public consultation and member scrutiny.

3. Background

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

3.2 The MTFS integrates revenue allocations, savings targets and capital investment and provides the budget for the next financial year and provides indicative budgets and future council tax and housing rent levels for the period covered by the strategy.

3.3 In light of the unprecedent impact of Covid19 on the Council's finances the existing objectives of the MTFS have been reviewed to ensure they remain relevant. This review has highlighted the key overriding objective to be;

- To continue to drive down the net cost base, in line with available resources, to ensure the Council maintains a sound and sustainable financial base, delivering a balanced budget over the life of the MTFS;

The further objectives that the MTFS seeks to achieve are as follows:

- To ensure the Council uses its reserves and balances carefully, seeking to maintain robust levels and replenishing where necessary, to address any future risks and unforeseen events without jeopardising key services and the delivery of outcomes;

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

- To seek to maximise income levels, including maintaining in the short term and growing over the medium term, the Council Tax and Business Rates tax bases, whilst ensuring that Council Tax rate increases are kept an acceptable level;

- To ensure the Council provides efficient, effective and economic services which demonstrate value for money.

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

3.5 In response to this challenging financial environment the Council has embraced a forward thinking, ambitious and commercial approach in maintaining a sound financial position. This is an approach that has served the Council well and allowed savings in excess of £9m to be delivered over the last decade.

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

4. The General Fund

4.1 The Council's spending requirement, after capital charges and contributions to/from reserves are taken into account, for 2021/22 amounts to £12.377m which is £0.518m (4%) lower than the current year's budget. The provisional forecast spending requirements for the remaining four years of the MTFS are, £11.795m for 2022/23, £11.377m for 2023/24, £11.329m for 2024/25 and £11.497m for 2025/26.

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

4.3 **Provisional Finance Settlement 2020/21**
The provisional Local Government Finance Settlement for 2021/22 is the first and only year of the Spending Review 2020 and sets out the Council's Core Spending Power which consists of; it's Settlement Funding Assessment (SFA) made up pf Revenue Support Grant (RSG) and Business Rates baselines figures; along with other specific grant allocations; and an assumed level of Council Tax. Overall, the Council's Core Spending Power has increased by 0% in comparison to an increase of 4.5% across all English local authorities.

4.4 **Revenue Support Grant**
In terms of the Council's RSG element of the SFA, as a result of the delays in the implementation of the new 75% BRR scheme and Fairer Funding Review, the grant has been extended for a further year and is at the same level as the 2020/21 allocationsbut uplifted by 0.55% in line with CPI inflation. Although historically RSG was the Council's core source of funding this has now been replaced by the BRR scheme and as such RSG has dramatically reduced, and for 2021/22 is now only £0.023m. Beyond 2021/22 RSG is no longer assumed in the MTFS.

4.5 **Business Rates Retention**
The calculation of income to be received through BRR is critical in determining the amount of resources that the Council will have available to fund local services. The level of net rates payable by businesses in the City has significantly reduced during 2020/21 due to a significant number of Government funded reliefs as well as an increase in empty property reliefs and business closures. Furthermore, there has been a significant increase in the level of appeals due to the impact of Covid. These reductions in net retainable rates will continue to impact over the period of the MTFS until the City's economy is able to recover and once again grow.

4.6 The Council has undertaken an assessment of the amount of business rates that it expects to collect during 2021/22, based on this and after allowing for the allocation of resources to Central Government and to the County Council it is estimated that £5.124m of the £42.046m of business rates generated within the City will be retained by the Council. Beyond 2021/22, assumptions have been made in relation to the reform of the BRR system, these will continue to be assessed as further details of the changes are released by the Government. Although no specific implementation date has yet been confirmed the MTFS assumes this will be effective from 2022/23. However, as much of the design and relative starting positions in the new scheme are as yet unknown it is extremely challenging to forecast the likely level of resources.

4.7 As reported elsewhere on this agenda the Business Rates element of the Collection Fund has declared a deficit in relation 2020/21 of £30.071m of which the Council's share is £12.028m. Whilst this is a significant deficit, £26.398m (£10.557m City Council share) of the deficit is offset by Government grants received to compensate local authorities in respect of the expanded retail rate reliefs awarded to business in response to the Covid19 pandemic. The remaining £3.673m deficit, of which the Council's share is £1.469m, has arisen primarily due to an increase in provision for business rates appeals and an increase in empty property reliefs, both of which have been adversely affected by the Covid19 pandemic and will in part be funded through a Government compensation scheme (as per para 4.13).

4.8 This level of retained business rates is calculated on the basis that the Council participates in the Lincolnshire Business Rate Pool in 2021/22. The pool consists of this Council, Lincolnshire County Council and five other Lincolnshire District Councils (excluding South Holland District Council). Membership of this pool allows the Council to retain an element of growth that would have otherwise been payable via a levy to the Government, this equates to retained resources of £0.418m in 2021/22.

4.9 Forecast business rates in the draft MTFS 2021-26 are based on the most recent available estimates of Lincoln's business rates base. However, until the business rates base for 2021/22 is finalised at the end of January 2021 the estimates in the draft MTFS are subject to change.

4.10 **Council Tax**

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

4.11 In view of this and taking into consideration the Council's need to protect its financial position from further decline and maintain its local income streams, the MTFS for consideration proposes a 1.90% rise in Council Tax for 2021/22, and a further 1.9% p.a. in each of the subsequent years. An increase of 1.9% in 2021/22 equates to an additional 7p per week for a Band A property and 8p per week for a Band B property (80% of properties fall within Band A and B).

The Council Tax base on which the Council Tax yield is calculated has reduced for 2021/22 due to an increase in the working age claimant numbers under the Local Council Tax Support scheme. This increased caseload is set to gradually reduce over the period of the MTFS as the City's economy begins to recover.

4.12 **Other Specific Grants**

In addition to RSG the Council also receives other specific grants. Further New Homes Bonus allocations for 2021/22 have been announced and the Council will receive £0.213m. The Provisional Settlement also announced a new Lower Tier

Services grant, aimed at supporting lower tier authorities and ensuring that no one authority suffered a reduction in core spending power. This is an unringfenced, one-off grant. The Council's provisional allocation for 2021/22 is £0.266m.

4.13 **Covid19 Support**

Alongside the SFA and specific grant announcements the Government also announced a package of financial support in response to the pressures Local Authorities face in 2021/22 due to Covid19. This package included:

- A further £1.55bn of unringfenced grant in 2021/22, to respond to expenditure pressures e.g. homelessness, election 2021 etc. The Council's provisional allocation is £0.640m.

- An extension of the income compensation scheme to provide reimbursement, after a 5% deductible and offset of expenditure savings, of 75% of irrecoverable income. This extension of the scheme continues from 2020/21 until June 2021, i.e. covering the first quarter of 2021/22. This announcement proposes that the scheme in 2021/22 will compare losses during quarter 1 to the 2020/21 budgeted levels. Based on this the MTFS assumes compensation in 2021/22 of £0.357m

- Recognising the reduction in Council Tax income as a result of increased LCTS claimant numbers, £670m of grant funding was announced, to broadly meet the additional costs in 2021/22. This funding is un-ringfenced and can be used to provide other support to vulnerable households as well as offsetting the loss in Council Tax income. The Council's provisional allocation for 2021/22 is £0.200m and will be used to offset the loss in Council Tax income.

- A new local tax income guarantee for 2020/21. This proposed scheme will compensate councils for 75% of irrecoverable losses incurred during 2020/21. Based on the Collection Fund deficits declared, it is estimated that £1.1m of compensation would be due to the Council.

4.14 **Fees & Charges**

The fees and charges levied by the Council are an important source of income, however as a result of Covid19 many sources of fees and charges have plummeted, and whilst some have begun to recover, others are still detrimentally impacted and are unlikely to return to their pre-Covid levels in the short term, and in some cases are likely to be permanently eroded. The forecast of income levels for 2021/22 is £2.362m less than the levels previously assumed for 2021/22, this is a total reduction in income of c20%. The biggest reduction is in forecast car parking income. As set out in paragraph 4.13 the Government are extending the income compensation scheme until June 2021, based on this the Council is forecasting to receive £0.357m of compensation against the forecast reduction of over £2m.

4.15 **Spending Plans**

The annual delivery plans that support the overall Vision 2025 are now currently in the process of being refreshed to reflect the impact the pandemic has had on the Council, the City, it's residents and business, to ensure that the correct priority areas are focussed upon.

4.16 The following other key assumptions have been used in formulating the draft General Fund revenue estimates for 2021/22 – 2025/26 as follows:

- Non-Statutory fees and charges mean average increase is 2.3% in 2021/22 with a 3% p.a. increase in yield thereafter. Although individual service income budgets have been re-based to reflect the impact of Covid19, with significant reductions forecasted.
- An increase in employer pension contribution rates capped at 1% p.a. for the period 2020/21 to 2022/23.
- A provision for pay awards of 1.5% p.a. for 21/22 and 22/23 and 2.0% p.a thereafter.
- A provision for inflation of 3% p.a. for contractual commitments linked to RPI based
- A provision for 2% p.a. for general inflationary increases and contractual commitments linked to CPI
- Average interest rates on investments have been assumed at 0.18% in 2021/22, 0.18% in 2022/23, 0.25% in 2023/24, 0.25 in 2024/25 and 0.25% in 2025/26.
- Staff turnover targets of 1% pa

Towards Financial Sustainability

4.17 The Council has a successful track record in delivering savings and has, over the last decade, delivered £9m of annual revenue savings. Despite this success, the Council faces the challenge of having to further reduce its net cost base if it is to remain financially sustainable.

4.18 As part of developing the MTFS 2021-26, due to significant changes in key assumptions, it has been necessary to increase the existing savings target with new targets from 2021/22 onwards, as follows:

2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
850	**1,350**	**1,750**	**1,750**	**1,750**

4.19 The key mechanism for delivering the required budget savings is through the Towards Financial Sustainability (TFS) Programme, which seeks to bring net service costs in line with available funding. Despite the previous success of the TFS programme, it is becoming much more difficult to find additional efficiency savings and some being considered need to be delivered as part of longer-term transformational changes to the organisation, the Council is taking a more prudent approach to commercial ventures; and it cannot deliver the benefits from economic development measures in the short term. It is therefore left with little option but to revert to a more traditional cost cutting measures approach in order to deliver the scale of reductions required within the short lead in time.

4.20 The focus of the TFS programme will now be on two key strands:

- “One Council” – One Council defines how the Council, as an organisation, will need to work in the future to meet changing demands. Through four themes of; organisational development; technology; creating value processes’ and better use of resources, cross organisational programmes of work will explore common to all issues and how these can best be combined to a deliver a ‘one organisational’ approach more efficiently and cost effectively.

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

4.21 Alongside this programme the Council believes that the longer-term approach to finding efficiencies, to close the funding gap, is fundamentally through economic growth and investment. This is ever more critical in light of the crippling effect Covid19 has had on the local economy. As part of the recovery of the City from Covid19, the Council, through Vision 2025, will continue to seek ways to maximise its tax bases by creating the right conditions for the economy to recover and grow, to increase Business Rates income; and to encourage housebuilding to meet growing demand, generating additional Council Tax.

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

Robustness and Adequacy of the Budget and Reserves – General Fund

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

4.24 The level of earmarked reserves is shown in Appendix 6, which shows the estimated closing balances at the end of each of the next five financial years. These reserves will only be used for the specific purposes for which they were set up. In response to the financial challenges the General Fund faces there are a number of earmarked reserves, having been established for such a purpose, that will be used in 2022/23 and 2023/24 to support the General Fund whilst the ongoing reductions in the net cost base are delivered. Having reviewed the level of earmarked reserves the Chief Finance Officer has concluded that they are adequate to fund the planned expenditure identified by the Council.

4.25 As a result of the level of financial risk currently faced by the Council and the threat this poses to the Council’s financial position the prudent minimum level of general reserves remains at an increased level. Based on an assessment of the estimated exposure, likelihood and possible mitigation of the financial risks that the Council faces it is deemed prudent to hold general reserves around £1.5m-£2m. Over the MTFS general reserves are maintained in line with this prudent minimum and show an estimated balance of £2.403m by the end of 2025/26.

4.26 Whilst the overall level of balances will still be maintained over the period of the MTFS there are planned uses of balances in the General Fund of £0.744m in 2021/22 and £0.438m in 2023/24. This use of balances, along with the application of specific earmarked reserves will provide the Council the opportunity to deliver ongoing reductions in its net cost base, which will by the end of the MTFS period leave the General Fund in the position of making a positive contribution of £0.858m to balances. The careful use of balances, along with earmarked reserves, in supporting the General Fund is seen as a short-term measure only to ensure a balanced budget position is maintained whilst savings are delivered, it is not foreseen as a long-term solution.

5. The Housing Revenue Account

5.1 The Council's Housing Revenue Account Business Plan 2016-2046 was approved in February 2016. This Business Plan is scheduled for review during 2021, following completion of refreshed stock condition surveys, agreement of a Lincoln housing specification, refresh of the Lincoln Standard to reflect low carbon/climate change, progression of the Social Housing White paper and to ensure the priority schemes from Vision 2025 are all fully reflected. Pending update of the Business Plan, the MTFS is based on the 2016-2046 Plan, updated for revised financial assumptions reflecting current market conditions and expectations, subsequent government policy changes, updated development and investment profiles and other emerging service factors.

5.2 **Housing Rents**

Housing Rent increases are assumed to increase by CPI+1%, in line with the Government's Social Rent Policy that requires, from April 2020, social rents to increase by CPI+1% for 5 years. The approach from 2025 remains uncertain but there is an expectation that social rent increases will remain at this level.

5.3 The Council proposes to set the rent levels for 2021/22 in line with the requirement to increase rents by CPI + 1% for general purpose accommodation and also increase sheltered accommodation and affordable rents, by the same. The average 52 week rent will be £70.84 per week for general purpose accommodation, £69.87 per week for sheltered accommodation, and £109.43 for affordable rents.

5.4 **Financing the capital programme**

Under HRA self-financing, the primary sources of funding for capital investment in the Council's housing stock is from the revenue account through asset depreciation charges and direct revenue contributions. This has however been lessened to some extent by the removal of the HRA borrowing cap, but based on the current Housing Investment Programme (HIP), the need for £54.795m of revenue support is still anticipated over the MTFS period.

5.5 The following other key assumptions have been used in formulating the HRA estimates for 2021/22 – 2025/26 as follows:

- Assumptions for price inflation, interest rates, pay awards, vacancy savings and employer pension contributions are as per the General Fund
- Average Garage Rents increase of 3% pa
- Housing voids assumed at 1.0% pa.
- A collection rate of 99% p.a.
- Additional rental income from 75 new build properties.

- Additional rental income from 50 Purchase and Repair Properties
- Additional rental income from 10 Next Steps Programme properties

Robustness and Adequacy of the Budget and Reserves – HRA

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

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

5.8 The prudent level of general reserves on the Housing Revenue Account is considered to be £1m - £1.5m. Whilst in 2021/22 and 2022/23 the level of reserves is marginally below this prudent level, by the end of the MTFS period they are forecasted to be significantly in excess of this level, with an estimated balance of £2.609m at the end of 2025/26. During 2021/22 and 2022/23, and at the end of 2020/21, any underspends on the HRA budget will be prioritised to replenish general reserves.

6. The General Investment Programme

6.1 The General Investment Programme (GIP) for the period 2021/22 – 2025/26 is included within the MTFS at Appendix 2. The total allocated capital programme over the next five years is £19.711m of which £16.603m is estimated to be spent in 2021/22.

6.2 The GIP includes the delivery of key legacy schemes from Vision 2020 (some of which were delayed due to Covid19), new schemes from Vision 2025, with a focus on supporting the recovery of the City; or key One Council projects, and investment in existing assets to either maintain service delivery or existing income streams. Of the total £19.711m programme there are three key schemes:

- Western Growth Corridor Phase 1a - £9.7m
- Crematorium Investment - £4.7m
- Heritage Action Zone - £1.3m

6.3 Further schemes in support of the Vision 2025 are currently delayed until year 3-5 of the Vision and will be included in the GIP at the relevant stage in their development e.g. grant funding secure, design stage completed etc.

6.4 In addition, the Council is awaiting the outcome of the Lincoln Town Investment Plan submission, which if approved will have significant implications for the GIP. The Plan has the potential to secure £24.75m of funding to support proposals to deliver long-term economic growth in the City, of which £7.22m would be delivered directly by the Council.

7. The Housing Investment Programme

7.1 The Housing Investment Programme (HIP) for the period 2021/22 – 2025/26 is included within the MTFS at Appendix 4. The total allocated capital programme over the next five years is £69.336m of which £22.387m is estimated to be spent in 2021/22.

7.2 The 5-year HIP is based on the HRA 30 year business plan, updated to reflect revised spending and funding profiles of approved schemes as detailed schemes are developed. The key elements of the HIP are split into housing strategy and housing investment. In terms of housing strategy, the focus continues to be on maximising the use of 1-4-1 retained right to buy receipts, assessing the use of prudential borrowing and seeking government grant funding for new build schemes or purchase & repair schemes that generate a rental stream and delivering the De Wint Court Redevelopment. In relation to housing investment the HIP will continue to focus on the allocation of resources to the key elements of decent homes and supporting the Lincoln Standard.

7.3 Future spending plans for the HIP are expected to include capital investment in further progression of the Council House New Build Programme, initiatives through the Council's carbon neutral ambition, other new schemes emerging through Vision 2025 and implications arising from the anticipated Social Housing White Paper, particularly a revision to Decent Homes Standard. As set out above the HRA 30 year business plan is due to be refreshed during 2021, which will shape the direction of the HIP and its priority areas.

7.4 As set out in paragraph 5.3 above, the primary sources of financing for the HIP are from depreciation, with financing of £36.904m over the 5-year period and from revenue contributions, totaling £20.942m over the 5-year period. In addition the HIP is set to utilise £5.208m of prudential borrowing to fund the Council House New Build Programme this is further supported by capital receipts (including Right-to-Buy receipts) of £4.077m.

8. Capital Strategy

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

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

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

8.3 A draft Capital Strategy is attached at Appendix B.

9. Consultation and Scrutiny

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

1. Highlight the proposed budget and Council Tax for 2021/22, seeking views on the proposed increase.

2. Outline the scale of significant financial challenges facing the Council.

9.2 In terms of member budget scrutiny an all member workshop will be undertaken during January 2021, albeit virtually, to ensure that as large a number of members as possible have the opportunity to fully understand the financial position of the Council. This will be followed by a Budget Review Group who will focus on the detail of the draft MTFS, proposed budget and Council Tax recommendation.

9.3 Consultation and scrutiny comments and responses will be considered when the Executive makes its final budget recommendations on 22nd February 2021.

10. Strategic Priorities

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

11. Organisational Impacts

11.1 Finance - There are no direct financial implications arising from the approval of the Draft MTFS 2021-2026 for consultation and scrutiny. The strategy provides information on the Council's spending, income and key financial challenges.

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

- making prudent allowance in the estimates for services; and

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

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

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

11.5 Equality, Diversity and Human Rights –

This report provides a summary of the financial planning activities across the Council. As a consequence of the approval of the MTFS and budget for 2021/22 there may be an impact on certain council services which will be subject to review. Planning work undertaken to develop the Towards Financial Sustainability Programme and strands and investment in the Vision 2025 and strategic priorities, set out above, involves taking an overview of the potential cumulative impact. This is further expanded and built upon as the specific reviews and projects are developed and so detailed equalities implications will be assessed at the individual service level.

12. Risk Implications

12.1 The Council has a very proactive approach to managing risk and there are effective arrangements for financial control already in place. That said, there is always a risk that the Council will become liable for expenditure that it has not budgeted for or face a reduction in resource available (as has been experienced during 2020/21), the impact of which must be mitigated by holding reserves. Due to the significant reduction in forecast income levels, forthcoming changes in core funding mechanisms for local authorities and uncertainty around future funding settlements, the level of volatility and risk to which the Council is exposed has increased exponentially, the MTFS therefore needs to remain flexible and the council's reserves resilient.

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

13. Recommendation

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

- The Draft Medium Term Financial Strategy 2021-2026, and;
- The Draft Capital Strategy 2021-2026

Including the following specific elements:

- A proposed council tax Increase of 1.9% for 2021/22.
- A proposed housing rent increase of 1.5% for 2021/22.
- The Council is member of the Lincolnshire Business Rates Pool in 2021/22

- The Draft General Fund Revenue Forecast 2021/22-2025/26 as shown in Appendix 1 and the main basis on which this budget has been calculated (as set out in paragraph 4).

- The Draft General Investment Programme 2021/22-2025/26 as shown in Appendix 2, and the main basis on which the programme has been calculated (as set out in paragraph 6).

- The Draft Housing Revenue Account Forecast 2021/22-2025/26 as shown in Appendix 3 and the main basis on which this budget has been calculated (as set out in paragraph 5).

- The Draft Housing Investment Programme 2021/22-2025/26 as shown in Appendix 4, and the main basis on which the programme has been calculated (as set out in paragraph 7).

13.2 That Executive agree to delegate to the Chief Finance Officer approval of the final Business Rates Base for the financial year commencing 1st April 2021 and ending 31st March 2022 and submission of the base (via the NNDR1 return) to the DCLG by 31st January 2021. All changes to the base estimated in the Draft MTFS 2021/26 will be reported to the Executive as part of the Final MTFS 2021-26 on 22nd February 2021.

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

List of Background Papers: Medium Term Financial Strategy 2019-24 – Executive 25th February 2019
Setting the 2020/21 Budget and Medium Term Financial Strategy 2020-25 – Executive 28th October 2019

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APPENDIX A

DRAFT Medium Term Financial Strategy

2021/22 - 2025/26

Together, let's deliver
Lincoln's ambitious future

For more information visit:
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Foreword

Welcome to this latest version of the City Council's Medium Term Financial Strategy covering the period 2021-2026.

The City of Lincoln Council is a high-performing and innovative organisation, focussed on providing quality services and delivering outcomes that matter. It's Vision 2025 is an ambitious strategic plan that is helping to transform both the Council and the City through it's five strategic priorities.

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

The development of this latest strategy needs to be seen in the context of significant inherent uncertainty for the Council against the backdrop of the long term, and in many cases unknown impact of the Covid19 pandemic on income and expenditure assumptions, and a lack of any form of clarity of future funding settlements from government.

The Covid19 pandemic has fundamentally affected the way in which the Council works and will have long term and societal impacts. Elements of this change which relate directly to the response phase will, in time, revert largely back to normal. However, an event of this magnitude undoubtedly means the Council will need to consider closely how its business and services should operate in the future.

As a result of the pandemic the Council is facing an unprecedented financial detriment. The measures introduced nationally to combat the virus have had direct and indirect negative impacts on the Council's finances which will need to be managed over future years. The Government has pumped billions of pounds into the economy to support the response phase of the pandemic and to protect jobs and services. In the medium-term the levels of additional borrowing and the budget deficit will need to be managed down at the same time as meeting ongoing needs to invest in recovery to achieve the growth required to repay the deficit. The Government's national strategy to address this challenge is not yet known, nor what it will mean for local government funding more generally. Furthermore, there remains potential longstanding impacts on the Council's local income sources if behaviour, working practices and spending patterns in the city continue to change.

The financial implications are challenging to estimate with certainty, there continues to be a number of unknowns; from how long, and to what extent restrictions will continue; to what measures will remain to combat the spread of the virus; and to what recovery will look like, such as how customers/residents/businesses will behave over time.

The financial challenges created by the impact of Covid19, coming on top of a decade of austerity in local government, cannot be underestimated.

Although there is a significant level of uncertainty about future funding, based on what is currently known, or can be reasonably assumed, the Council will need to make further reductions in the net cost base of the General Fund of £1.75m by 2023/24.

This is a significant target for the Council to achieve, particularly in light of the annual revenue reductions of £9m that have been delivered over the past decade. This level of savings has been achieved by re-investing in more efficient ways of working; adopting a more commercial approach; and prioritising resources for economic development measures, whilst making careful use of reserves to meet funding gaps.

However; it is becoming much more difficult to find additional efficiency savings and some being considered need to be delivered as part of longer-term transformational changes to the organisation, the Council is taking a more prudent approach to commercial ventures; and it cannot deliver the benefits from economic development measures in the short term. The Council is left with little option but to revert to a more traditional cost cutting measures approach in order to deliver the scale of reductions required within the short lead in time, as well as using reserves in the short term. The Council will ultimately have to make some difficult decisions over the next 12 months as it prioritises which services it can afford to continue to deliver. It will also require the use of the Council's earmarked reserves as a short-term response.

Although closing a gap of this size is a huge challenge it is not unprecedented, and the Council should have the confidence that it has a track record of delivering strong financial discipline and that it can rise to the challenge once again.

In this current exceptionally uncertain period and funding position the Council's overriding financial strategy therefore continues to be, to drive down it's net cost base to ensure it maintains a sound and sustainable financial position. The key mechanism for carrying out this strategy is through the Towards Financial Sustainability Programme which seeks to bring service costs in line with available funding and, alongside this over the medium term, using the Council's influence and direct investment through it's capital programmes to create the right conditions for the City's economy to recover and once again grow.

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

Jaclyn Gibson, FCCA
Chief Finance Officer

Section 1 – Introduction

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

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

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

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

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

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

Objectives

In light of the unprecedent impact of Covid19 on the Council's finances the existing objectives of the MTFS have been reviewed to ensure they remain relevant. This review has highlighted the key overriding objective to be;

- To continue to drive down the net cost base, in line with available resources, to ensure the Council maintains a sound and sustainable financial base, delivering a balanced budget over the life of the MTFS;

The further objectives that the MTFS seeks to achieve are as follows:

- To ensure the Council uses its reserves and balances carefully, seeking to maintain robust levels and replenishing where necessary, to address any future risks and unforeseen events without jeopardising key services and the delivery of outcomes;

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

- To seek to maximise income levels, including maintaining in the short term and growing over the medium term, the Council Tax and Business Rates tax bases, whilst ensuring that Council Tax rate increases are kept an acceptable level;

- To ensure the Council provides efficient, effective and economic services which demonstrate value for money.

Policy and Financial Planning Framework

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

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

Section 2 – Context

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

Economic Climate

Covid19 has had an unprecedented impact on the economy locally, nationally and internationally. In August it was confirmed that the UK economy had entered an official recession for the first time in 11 years. GDP fell by 2.2% in the first quarter of 2020, as the economy began to feel the effects of lockdown and then suffered its biggest slump on record during the second quarter with GDP shrinking 20.4%, as the lockdown brought many areas of the economy to a complete standstill. As lockdown restrictions eased from June onwards, the official technical recession (the deepest recession on record) ended with very strong growth in June and July. But, the economy's bounce back from the pandemic shutdowns slowed from August through to October with a lower than expected figure for growth, raising fears about the recovery petering as the factors that supported the pick-up begin to fade. Latest predictions from analysts are that the coming months were likely to see growth slackening further because of new tier restrictions, more consumer caution and the end of the furlough. It is inevitable that the growth experienced in the third quarter will go into reverse during the last three months of 2020 with forecasters predicting that it may take to between 2021 and 2024 for the economy to return to pre-crisis levels.

As a result of the economic crisis and due to the billions of pounds pumped into the economy to support the response phase of the pandemic and to protect jobs and services, public sector borrowing is now at a level not experienced since the 1950's, following the end of WWII. Under normal circumstances Government would face the unpalatable choice of dealing with the deficit directly through a new round of austerity measures or through tax rises in order to 'balance the books'. However, due to the historically low cost of government debt, in a world of low interest rates public debt has a limited fiscal cost, neither of these approaches have had to be adopted in the short term. This provides the opportunity to avoid, for now, the need for any fiscal tightening and to maintain a higher level of public expenditure, supporting the economy. This position can though only be maintained in the short term, and whilst interest rates remain low.

In usual circumstances if the economy is not growing strongly enough, the Bank of England would consider lowering interest rates to encourage firms to invest and savers to spend. However, interest rates are already close to zero after two emergency rate cuts in March, firstly from 0.75% to 0.25%, followed swiftly by a further cut to 0.10%, the lowest rate in the Bank's 325-year history. Discussions have taken place around the use of negative interest rates to further stimulate the economy with the Bank recently writing to all UK banks asking them how ready they are if interest rates were cut to zero or turned negative. The Bank has also signaled that it had no intention of raising interest rates until "significant progress" had been made in getting inflation back to the Bank's 2% target.

As at November, the rate of CPI is currently at a low of 0.3%, having increased from a 5-year low of 0.2% in July. The Bank said it did not expect inflation to return to target levels for another two years.

Whilst Covid19 has had an immediate impact on the UK economy, Brexit, the end of transition period in December 2020 and agreement of a new trade deal, has continued to dominant the economy's future outlook during 2020. With the UK and EU having now reached a trade agreement, avoiding the threat of a no deal Brexit, the years of extreme uncertainty on both sides have ended. However, economists have warned that the costs of Brexit are still large and will hamper the UK economy in the years to come. Whilst the uncertainty has been removed, that has caused UK firms to delay investment and hiring, the 'certainty dividend' it will receive from this may not be large enough to account for the additional costs of leaving the EU. In the long-term economists expect the UK to be richer than it would have been under a hard Brexit but substantially poorer than if it hadn't left the EU at all.

With certainty over Brexit now achieved, once the path of the economy's recovery from Covid19 has been firmly established, addressing the UK's structural deficit and putting the public debt-to-GDP ratio on a downward path will be critical. The Government's national strategy to address this challenge is not yet known but this will undoubtedly impact on plans for borrowing, taxes, and public expenditure, including Local Government. This threat along with the impact on other indicators highlighted throughout this strategy make financial forecasting beyond 2021/22 very difficult.

National Priorities

Covid19 has fundamentally impacted on the UK economy and on the political agenda of the Government. The Spending Review 2020 set out the key priorities of the Government to be; responding to the pandemic; investing in the UK's recovery and delivering on it's promises to invest in key public services. A key part of the Government investment strategy is to continue it's commitment to level up opportunity across all of the UK regions.

Spending Review 2020

On 24th November 2020 the Chancellor announced details of the Spending Review 2020. Originally intended to be a multi-year settlement the Review only set out the detailed resource departmental expenditure limits for 2021/22. This showed a substantial additional funding for public services to support the response to Covid19 and a continued increase in day-to-day departmental spending. The review also set out a significant level of capital investment for 2021/22 supported by a new National Infrastructure Strategy.

The review contained the following significant points effecting Local Authorities:

- In relation to national pay bargaining public sector pay increases are paused for one year except for NHS staff and public sector employees on low pay. Those employees on less than £24k per annum will receive a pay increase of £250.

- Core spending power i.e. the Governments assessment of increased income to Local Authorities is reported to have increased by 4.5% (£2.2 bn). This increase is largely due to the ability of social care authorities to increase their council tax bills by up to 5 percent.

- Revenue Support grant will continue for a further year and will increase in line with inflation.

- The referendum threshold for increases in Council Tax will be 2% in 2021/22. District Council have in the past few years been able to increase Council Tax by up to 2% or £5 whichever is the higher. For district councils the referendum level is exceeded if Council Tax is to be increased by 2% or more and more than £5.00 on a Band D property – i.e. an increase of more than 2% is permitted as long as it does not exceed £5.00 on a Band D property.

- Social care authorities will be able to charge an adult social care precept of up to 3%

- £300 million of new grant funding for adult and children's social care, in addition to the £1bn announced at SR19 that is being maintained in 2021/22

- Maintaining the existing New Homes Bonus scheme for a further year with no new legacy payments. The scheme will be changed in 2022/23 subject to a consultation although no further details are given.

- There will be £16m to support modernisation of local authorities' cyber security systems.

- £0.8bn of funding for tax revenue losses; this is intended to cover 75% of irrecoverable loss of council tax and business rates revenues in 2020/21 that would otherwise need to be funded through local authority budgets in 2021/22 and later years (i.e. collection fund deficits being dispersed).

- Extending the existing Covid19 sales, fees and charges reimbursement scheme for a further three months until the end of June 2021

- £1.55bn to meet additional expenditure pressures as a result of Covid19

- £670m of unringfenced grant funding to enable Councils to continue to reduce Council Tax bills for those least able to pay, including households affected by Covid19.

- £254m for rough sleepers and those at risk of homelessness during Covid19

- Business rates multiplier for 2021/22 will not be increased and there is no update on Business Rates Funding Reform, which is still listed as 'delayed', with no revised implementation date proposed. There is confirmation that there will not be a reset in 2021/22, as expected, given the lack of data to allow baselines to be set, which are reflective of the impact of the pandemic.

- Announced the outcome of the consultation on reforms to the Public Works Loan Board, intended to prevent the trend of Local Authorities taking on debt to buy assets primarily for income, and lowered the interest rate on PWLB lending by 100bps.

- A £4bn levelling up fund, which will invest in local infrastructure that has a visible impact on people and their communities and will support economic recovery.

Beyond 2021/22 the Review assumes a path of annual increases in departmental expenditure limits of 2.1% in real terms, in line with the assumption at Budget 2020. In terms of capital expenditure this has been kept at the same levels as set out at Budget 2020.

With no further details of the expenditure plans beyond 2021/22 available, the annual real terms increase of 2.1% is unlikely to applied uniformly to all departments, Local Government has no future certainty of funding levels. As set out above the Governments fiscal respond to the current economic crisis will be key in determining how future resources are allocated to Local Government. With the NHS, defence and school budgets expected to be protected, non-protected areas, including Local Government, could face significant pressures on their resources if the approach mirrors the austerity policies of the previous decade

Spending Review 2021

With the Spending Review 2020 concentrating on departmental budgets for 2021/22 a full multi-year Spending Review is due to be carried out in 2021. This is set to encompass a full departmental spending review setting out the departmental allocations across government including setting the quantum of funding for local government and will take into account the impact of the Brexit trade agreements and impact of Covid19 on the economy, and will set out the Government's fiscal response. The time period to be covered by the review is unknown but is expected to be up to 3-4 years.

The Institute for Fiscal Studies (IFS) independently reviewed the future funding outlook for councils prior to the Spending Review 20, including 'business as usual' pressures, cost impacts of the pandemic that might be permanent and the potential long-term impact of the economic changes on local income, such as local taxes, sales, fees and charges. The IFS's upper estimates of all the pressures councils were facing as well as challenges of recovering self-raised income suggest that the funding gap could end up being as high as £9.8 billion by 2023/24. These pre-existing pressures and new legacy impacts of the pandemic bring significant risks to councils' financial stability which needs to be addressed through additional national funding. Work continues through a range of organisations to continue to make the case ahead of the next Spending Review for further, substantial, financial support to ensure the financial resilience of Local Authorities is not undermined.

Other Reforms

Whilst the Spending Review will set the overall quantum for local government funding the specific allocation of funding to individual authorities is affected by a number of mechanisms. Prior to the outbreak of Covid19 the Government had intended on making a number of significant reforms these mechanisms, which will have significant impacts on the level of funding each Local Authority. These reforms had previously been delayed by one year from 2020/21 due to the impact of Brexit. These reforms are:

- The Fairer Funding Review
- Business Rates System Reset and introduction of 75% Rates Retention

Due to the impact of Covid these reforms have now been further delayed, however no specific date for implementation has been announced, creating a further extended period of uncertainty for local authorities. Updates on each of these key reforms are set out in the following paragraphs.

Fairer Funding Review

The Fairer Funding Review will create a new formula for the distribution of resources across local authorities by establishing new baselines at the start of the 75% Business Rates Retention scheme. The Review was expected to be completed last year alongside a multi-year Spending Review, to revise the formula for calculating how government funding is split between local authorities. The review was set to focus on three key elements;

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

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

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

Although previous technical consultations had been published, which indicated a shift in resources from district councils towards statutory social services a county and unitary level, there had been no consultation on the proposed new formula.

However, in releasing funding to support local authorities with Covid19 expenditure pressures in 2020/21 the MHCLG decided to use a new formula based on elements of the Fair Funding Review, perhaps indicating the possible outcomes of the review.

It is likely too that the Review will now also take into consideration any new policy decisions on what the focus of local government funding should be in light of any revised Government priorities following the pandemic.

Business Rates Retention Reform

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

100% as previously announced. The government has stated though that it is still committed to a long-term aspiration of 100% retention of business rates.

At the point of introduction of a 75% retention scheme a full business rate baseline reset will also take place, to better reflect how much Local Authorities are actually collecting in business rates. This reset has the effect of wiping out any business rate gains that individual authorities have built since the launch of the current system in 2013/14. Until the onset of the current pandemic it had been assumed that at a national level the total gains would be redistributed through the system of baseline need so it was likely that the Council would receive an element of this. The impact of Covid19 across the country is now likely to have wiped out many of the gains local authorities had been experiencing and now leave little for redistribution.

Alongside the publication of the fairer funding review in December 2018 the government published the consultation paper "Sharing risk and reward, managing volatility and setting up the reformed system". This was the first consultation on 75% retention and reset, and included proposals to update the balance of risk and reward and to mitigate volatility in income and simplify the system, this allowed local authorities to assess to some degree how the future system would work and the likely financial implications. Although there is an established technical steering group and a number of sub-groups that provide information and expert advice on the setting up and implementation of the new system, the work of these groups has been disrupted by the pandemic and as such no further technical papers or consultation documents have been recently issued.

As well as significant uncertainties around Government policy in terms of the Fairer Funding Review and Business Rates Retention there are also potentially other major reforms with Green Papers on Social Care and White Papers on Devolution and Recovery and possible Planning reform due in the forthcoming year. However one such White Paper, with implications for Local Authorities, that was released during 2020 was the Social Housing White Paper.

Social Housing White Paper

The Government's Social Housing White Paper was announced in November 2020 and set out a 'new deal' for social housing residents. Overall, there are seven themes all linked by one common thread – that the safety, wellbeing and opinions of social housing residents is paramount, and it's down to landlords to demonstrate engagement and performance to their residents. The seven themes are:

- Be safe in your home
- To know how your landlord is performing
- To have your complaints dealt with promptly and fairly
- To be treated with respect, backed by a strong consumer regulator for tenants
- To have your voice heard by your landlord
- To have a good quality home and neighbourhood to live in
- To be supported to take your first steps towards ownership

The White Paper sets out wide ranging and compulsory changes to how social housing organisations operate, which includes Local Authorities.

The impact to the social housing sector cannot be underestimated. Not only are operational activities and performance measures under increased scrutiny by The Regulator, there are new requirements for resident engagement and complaints and a pledge to review the Decent Homes Standard.

Local Priorities

City Profile

Lincoln is a cathedral city, and is one of the oldest cities in Britain, with a population of around 99,299 (1% increase on the previous year). Lincoln is one of seven Districts in Lincolnshire and, being an urban area located within a predominantly rural county, faces both unique challenges and opportunities.

Although the population of Lincoln is around 99,299, almost twice as many people visit the city during the daytime as live here, boosting the local economy but also putting immense pressure on local services and infrastructure.

In the last ten years Lincoln has seen a significant increase in the number of people who live here at 9.3% from 2010 to 2020, with a larger proportionate increase than England (8.1%) as a whole. Lincoln has also had a bigger increase proportionately than many cities and towns in England that are considered characteristically similar.

There continues to be an increase in the number of residents aged 20-29, influenced by the expanding universities. There are well over 18,000 students at the University of Lincoln and Bishop Grosseteste University. Lincoln has a higher than average proportion of its population aged in their 20's. This age group accounts for 20.8% of the city's total population, compared to only 13.1% nationally.

In terms of the economy, the City faces a number of challenges. Before the pandemic the City's business base had been growing consistently for some years. Through the pandemic the Council has worked hard to mitigate business failure and unemployment rates, distributing grants to businesses, working with partners across the City to support the High Street, through direct investment in the City and progression of the Towns Fund bid as well as other measures. Nevertheless, lockdowns and ongoing restrictions have had a major impact on the local economy with many businesses forced to close or make staff redundant.

The number of Local Council Tax Support claimants had reduced year on year since April 2013, reducing from 11,018 in April 2013 to 8,524 in April 2020. However, as a direct result of the pandemic claimant numbers as at the end of November 2020 had increased by 5.3% with working age claimants increasing by 9%. Overall, approximately 19.33% of council tax payers receive Housing Benefit and/or Council Tax support. Only around 0.4% of properties fall within council tax bands G and H, and 80% fall within the lowest bands A or B. This low Council Tax base, compounded by the increased cost of the LCTS scheme, has a significant limiting impact on the Council's ability to raise revenue via the Council Tax and creates a higher dependency on other sources of income.

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

Both male and female life expectancies are in line with national averages with male life expectancy decreasing a little to 76.9 years while female life expectancy reduced slightly to 80.6 years. Early deaths due to heart disease and cancer had been reducing but rates have seen an increase and Lincoln still ranks high amongst our nearest neighbours.

In addition Lincoln's child poverty rate is above the county, regional, and national rate and fuel poverty rates are above the regional and national average.

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

The impact of Covid19 has been felt, and will continue to be felt hardest, by the most vulnerable members of the City. Those who are most economically disadvantaged have experienced the pandemic differently as it interlinks with existing health inequalities and social conditions and increases that existing adversity: financial difficulties, unemployment, loneliness, social isolation, have been intensified by the pandemic.

These factors place significant demands on key services and resource allocation and are a key driver in the development of the Council's Vision for the future of the City, its strategic priorities and it's response to the recovery of the City and it's economy following the Covid19 pandemic.

Vision 2025

Following the successful completion of the three-year strategic plan 'Vision 2020' in late 2019, a new five-year strategic plan 'Vision 2025' was developed and adopted by Executive on 24th February 2020, although due to the onset of the pandemic was not fully launched. It sets out the Council's vision for the future of the City, strategic priorities and core values.

The Council's current vision for 2025 is;

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

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

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

These five strategic priorities will be supported in Vision 2025 by a programme called One Council, which replaces the Professional High Performing Service Delivery section in Vision 2020. One Council is made up of the following pillars:

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

It aims to put the customer at the heart of everything the Council does, understanding their needs, wants and preferences. One Council will also define how the Council will need to work in the future to meet those changing demands and to work in an effective and efficient way.

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

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

The development of Vision 2025, prior to the Covid19 pandemic, provided the priorities and aspirations as well as a high-level view of how these would be achieved. It included a mix of exciting, high profile projects to shape the future of the city, with a range of other projects in keeping with the financial and officer capacity available at that time. The detail of what needed to be done each year to work towards the end goal was to be delivered through a specific Annual Delivery Plan for each year, in which individual projects would be agreed for each priority.

The year one Annual Delivery Plan was in the process of gaining approval when in March 2020 Covid-9 arrived and severely impacted the council's ability to delivery anything more than critical services and respond to the impacts of the pandemic. As the year moved on there was some ability to restart work on key projects without affecting services, but much of the other planned project work ceased.

The annual delivery plans that support the overall Vision are now currently in the process of being refreshed to reflect the impact the pandemic has had on the Council, the City and it's residents and business, to ensure that the correct priority areas are focussed upon. A key element of this will be officer resource to support the delivery of the increased savings programme, whilst also ensuring that resource is available to maximise external funding opportunities to bring forward new development to support the City and its economy.

The Annual Delivery Plan for year 2, 2020/21, is currently being developed, but due to the financial and resource effects of the Covid-19 impact, it is not possible to completely pick up were the Council was. The new plan has been developed with the following key assumptions in order of priority:

- Remobilisation of critical and then other services
- Agreed savings projects to be progressed
- Key legacy projects (already underway) to be completed
- Key One Council projects that will kick start new ways of working
- Necessary new projects that do not affect the ability of achieving the first four criteria and contribute towards key goals
- All other projects to be delayed for consideration in Year 3-5 Annual Delivery Plans

Section 3 – Revenue (General Fund)

Impacts of Covid19

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 cumulative impact of these challenges has resulted in significant shortfalls, assessed as at the end of September 2020 to be c£7m, on the General Fund.

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£2.980m through the income compensation scheme along with further specific grant support of c£0.4m,

Despite this financial support package announced by the Government the General Fund could not absorb the level of budget shortfalls without having to take some measures to reduce some areas of expenditure. Decisive action was therefore taken by the Council to; undertaken a budget review; access the Coronavirus Job Retention Scheme; review revenue funding of the capital programme; and allocate earmarked reserves. This allowed the Council to be able to continue to deliver its critical services in 2020/21 and to ensure it's balances remain at an adequate level to provide resilience for future years.

The impacts of Covid19 are not though simply restricted to the 2020/21 but will have a significant impact over the period of the MTFS and possibly beyond.

The impact of Covid19 increases the risks and uncertainty associated with the level of government funding available from 2022/23 onwards; effects demand for services; increases business rate appeals; increases cost pressures; detrimentally impacts on Council Tax and Business Rate bases and reduces income receivable from sales, fees and charges. A summary of high-level financial pressures that are set to arise in future years include:

- **Ongoing increased service demand –** it is likely that there will be a number of service demands and cost pressures that will arise as a result of the economic impact that Covid19 has had, based on increased experience following the last recession, there is likely to be:
    - An increase in homelessness cases and demands on the Housing Solutions Team in both the short and long term.
    - An increase in demand for Council Housing
    - A longer term impact on the Council's pension fund contributions.
    - An increase in demands on the Customer Services Team and Welfare Advice Team as more customers rely on the Council's Services in the longer term.

- An increase in arrears and a requirement to set aside further contributions to bad debt provisions.

It is the threat to the Council's income streams, through local sources (Council Tax, Business Rates, Fees & Charges) that poses the most significant risk to the MTFS. 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.

- **Ongoing reductions in discretionary income levels** – although many of the discretionary income areas will bounce back in the medium term there are some income areas that are unlikely to ever return to their pre-Covid levels. This will be as a result in a change in people's habits and preferences as well as the way businesses operate. The largest of these reductions will be in carparking income which is set to drop permanently.

- **Impacts on local taxation** - in 2020/21 there will be no direct budgetary implications of any reductions in Council Tax or Business Rates bases due to the operation of the Collection Fund with pre-set precepts which must be distributed to the General Fund and major preceptors (LCC, PCC and Government).

  But from 2021/22 there will be a budgetary implication for both Council Tax and Business Rates. A significant deficit on the Collection Fund has been declared, ordinarily these deficits would be required to be charged to the General Fund in the 2021/22, however MHCLG implemented new regulations to allow these deficits to be spread over a three-year period.

  In addition to the distribution of the deficit there is also forecast to be ongoing reductions in the Council Tax and Business Rates bases, reducing resources from 2021/22 onwards.

- **Future financial settlement and funding mechanisms -** there is a significant amount of uncertainty around future reforms of local government funding as well as the impact of the current economic outlook on future public expenditure levels and ultimately local government finance settlements.

As set out further in this section the Provisional Local Government Finance Settlement announced a number of specific funding packages to support Local Authorities with the financial pressures they face in 2021/22. However, this financial support does not address all of the challenges the Council faces in 2021/22 and does not provide any additional resources in future years. The MTFS therefore forecasts a significant, ongoing, financial detriment to its income streams, which will need to be addressed through ongoing reductions in its net cost base.

Spending Plans

The MTFS is central to identifying the Council's financial capacity to deliver its vision and strategic priorities, this requires a balance to be struck between the need to support the delivery of the vision with the need to maintain a sustainable financial position. This balance has become extremely difficult given the impact of Covid19 on the Council's financial position and a need to continue to reduce it's net cost base.

The Year 2 Annual Delivery Plan of Vision 2025 recognises the need to reduce the Council's net cost base and prioritises this, alongside remobilisation of services, and completion of legacy schemes, ahead of further new investment. The majority of new investment that is included in the Delivery Plan for 2021/22 is primarily of a capital nature, aimed at supporting the recovery of the City, with little or no revenue implications. With the exception of key One Council projects required to kick start new ways of working all other schemes are delayed until years 3-5 of the Vision.

For these future years the General Fund has retained a specific earmarked reserve of £1.2m for further revenue investment.

Spending Assumptions

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

Inflation – Pay and Prices

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

	2021/22 % per year	2022/23 % per year	2023/24 % per year	2024/25 % per year	2025/26 % per year
Pay	1.5%	1.5%	2.0%	2.0%	2.0%
General	2.0%	2.0%	2.0%	2.0%	2.0%
RPI linked Contractual Commitments	3.0%	3.0%	3.0%	3.0%	3.0%
Non domestic rates	0%	2.0%	2.0%	2.0%	2.0%

These rates have been based on the Bank of England's target rate of inflation of 2% and a forecast of RPI, at the time of revising the MTFS assumptions, of 3.0% for 2021/22 onwards. A number of the Council's contractual commitments are linked to the CPI or RPI at a defined date in the year, primarily December and March; any movement in these indices by these dates will result in either an inflationary pressure for budget saving for the Council.

Employer's Pension Fund Contributions

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

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

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

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

Net Interest Receipts

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

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

Interest rates are forecast to remain at low levels until late 2022 and then the expectation is for a very slow recovery in the money markets. This is reflected in investment income forecasts in the MTFS.

Borrowing costs incurred on any short-term borrowings are minimal and the Council's portfolio of long-term borrowings currently includes 4 loans that are due to be repaid during the coming five financial years. The council has short term loans which mature in 2021 and 2022. All other loans mature after 2024/25 and are fixed rate loans. Six of these loans have lender options to vary their terms at six monthly intervals.

Sensitivity to changes in interest rates is linked more markedly to investments rather than to the portfolio of borrowing as all borrowing is at fixed interest rates. As an indication, a change in interest rates of +/- 0.5% would have an estimated combined impact of approximately £35k.

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

	2021/22 %	2022/23 %	2023/24 %	2024/25 %	2025/26 %
Interest Rate	0.18	0.18	0.25	0.25	0.25

Based on the current forecasts for interest payable on new borrowing (averaging around 2%) and receivable on investments (averaging around 0.18%), and the estimated level of balances available for investment, it is currently anticipated that new borrowing will be taken to fund the borrowing requirement for the General Fund over the 5 year strategy. Internal balances will be used to fund the existing borrowing requirement where it remains financially advantageous to do so, reducing the amount of interest that would have been payable on new debt, partially offset by a reduction in interest receivable (due to reduced balances available for investments).

Resource Assumptions

Settlement Funding Assessment: Revenue Support Grant/National Non-Domestic Rates

The Provisional Local Government Finance Settlement for 2021/22 sets out the distribution of centrally allocated resources for local authorities and provides authorities with a combination of grant allocations and their baseline figures within the BRR scheme.

With the 2021/22 figures being for a single year only and the deferral on the Fairer Funding Review, New Homes Bonus reform and the Business Rates Reset for a further year, the 2021/22 settlement is similar to the 2020/21 settlement. The majority of the headlines for this provisional settlement are also similar to 2020/21, albeit with the added policy and funding announcements around Covid19.

The Settlement is based upon the funding levels announced in the Spending Review with individual authority allocations based on Spending Review 2015 and subsequent funding allocations.

Core Spending Power

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

The table below shows the national changes to Core Spending Power between 2015/16 and 2021/22 and the breakdown across the various funding sources.

Overall, spending power will increase by £2.2bn from £48.999bn to £51.210bn, an overall increase for the period 2015/16 to 2021/22 of 14.7%. However within this, the Settlement Funding Assessment (SFA) will reduce by £6.440bn (30%) and NHB by £0.578bn (48%), which is largely offset by the governments estimate of council tax increasing by £9.109bn (41%).

England	**2015/16**	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**
	£bn	**£bn**	**£bn**	**£bn**	**£bn**	**£bn**	**£bn**
Settlement Funding Assessment	21.250	18.602	16.633	15.574	14.560	14.797	14.810
Under-indexing business rates multiplier	0.165	0.165	0.175	0.275	0.400	0.500	0.650
Council Tax	22.036	23.247	24.666	26.332	27.768	29.227	31.145
Improved Better Care Fund	0	0	1.115	1.499	1.837	2.077	2.077
New Homes Bonus	1.200	1.485	1.252	0.947	0.918	0.907	0.622
Transition Grant	0	0.150	0.150	0	0	0	0
Rural Services Delivery Grant	0.016	0.081	0.065	0.081	0.081	0.081	0.085
Lower Tier Services Grant	0	0	0	0	0	0	0.111
Adult Social Care Support Grant	0	0	0.241	0.150	0	0	0
Winter Pressures Grant	0	0	0	0.240	0.240	0	0
Social Care Support Grant	0	0	0	0	0.410	1.410	1.710
Core Spending Power	**44.667**	**43.730**	**44.296**	**45.098**	**46.213**	**48.999**	**51.210**
Change %		**-2.1%**	**1.3%**	**1.8%**	**2.5%**	**6.0%**	**4.5%**
Cumulative change %		**-2.1%**	**-0.8%**	**1.0%**	**3.5%**	**9.7%**	**14.7%**

Although the national level of Core Spending Power is forecast to increase by 4.5% the variation between individual authorities and types of authority is significant. The calculation also contains assumptions around council taxbase changes and increased which may not be reflected in local projections.

Shire Districts, including Lincoln have experienced the worst reductions in core spending power, due to changes in the distribution of RSG and due to the top slicing of NHB to redirect towards social care pressures and the allocation of other specific grants towards upper tier or rural authorities. Lincoln's position is as set out in the table below, this shows a total reduction in core spending power of 15.2% over the six year period to 2021/22, with a 0% increase for 2021/22.

Lincoln	**2015/16**	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
SFA	6.048	5.188	4.543	4.197	3.775	3.837	3.837

Council Tax;	5.637	5.916	6.145	6.393	6.679	6.915	7.160
Other grants	2.120	2.335	1.709	1.090	0.843	0.924	0.678
Core Spending Power	**13.804**	**13.439**	**12.396**	**11.680**	**11.297**	**11.676**	**11.676**
Change over the period (£m)							**-2.104**
Change (%)							**0%**
Cumulative Change (%)							**-15.2%**

Settlement Funding Assessment

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

	2015/16	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
RSG	2.585	1.698	0.981	0.000*	0.022	0.023	0.023
Baseline BR Funding Level	3.463	3.491	3.562	4.197	3.753	3.814	3.814
SFA	**6.048**	**5.188**	**4.543**	**4.197**	**3.775**	**3.837**	**3.837**
Change over the period (£m)							**-2.211**
Change over the period (%)							**-36.6%**

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

Revenue Support Grant

In terms of the Council's RSG element of the SFA, as a result of the delay in the implementation of the new 75% BRR scheme, the figures announced in the Provisional Finance Settlement are at the same level as the 2020/21 allocations uplifted by 0.5% in line with CPI inflation. Over the 6-year period from 2015/16, the Council's allocation has reduced by 99.1% from £2.585m in 2015/16 to £0.023m in 2021/22, as shown in the table below.

	2015/16 £m	**2016/17 £m**	**2017/18 £m**	**2018/19 £m**	**2019/20 £m**	**2020/21 £m**	**2021/22 £m**
RSG	2.585	1.698	0.981	0.528*	0.022	0.023	0.023
Change %		-34.3%	-42.2%	-46.2%	-95.8%	1.63%	0.55%
Cumulative change %		-34.3%	-62.1%	-79.6%	-99.1%	-99.1%	-99.1%

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

Beyond 2021/22 it is assumed that there will be no further RSG payable by the Government.

Business Rates Retention

The Council has undertaken an assessment of the amount of business rates that it expects to collect during 2021/22 and based on the principles of the current 50% Business Rates Retention scheme it's estimate of the level of NDR to be retained is set out in the table below.

The level of outstanding appeals continues to create a high level of uncertainty both in respect of the outstanding appeals from the 2010 and 2015 ratings lists already lodged with Valuation Office, but also in relation to appeal to the 2017 list that are submitted under the new Check, Challenge Appeal process. The Collection Fund is required to fully provide for the expected result of all appeals and using external assessments as to the likely level and value of these appeals. The current provision of outstanding appeals stands at £5.687m, of which the Council's share is £2.275m. Compounding this further is an increase in businesses submitting business rates appeals on the basis of a material change in circumstances arising from Covid19, this requires additional provisions to be set aside at a cost reducing the level of business rates retained by the Council and increasing the provision for appeals.

In addition to the backdated element of these appeals there is also an ongoing impact due to the reduction in the business rates base, which ultimately reduces the level of income to be retained in the future by the Council. As indicated abovethe number of appeals lodged citing a material change in circumstances as a result of Covid19 has been significant. This will have a further detrimental impact on the business rate base, this impact has been assumed at £2m p.a.in the BRR forecasts set out below.

For 2021/22 the Council along with the County Council, who are a top up authority, and five other Lincolnshire District Councils have received designation to act as a BRR pool. The governance arrangements for the pool allow for the allocation of any retained levy to be allocated 40% to the County Council and 60% allocated to the District Council that has generated the business rates growth. The estimated benefit of this to the Council is £418k in 2021/22.

An adjustment has however been made from 2022/23 onwards to remove the gains that are currently received from pooling as this element of the scheme will cease to exist in a 75% retained system.

Beyond 2021/22 forecasting the level of Business Rates income to be retained is extremely challenging due to the introduction of the new 75% retention schemes and full reset of the Business Rates baselines, with many of the parameters still unclear and the timing of it's introduction still not set. These changes, when implemented, will wipe out gains the Council has built up since the launch of the current system in 2013/14. Until the onset of the current pandemic it had been assumed that at a national level the total gains would be redistributed through the system of baseline need so it was likely that the Council would receive an element of this. The impact of Covid19 across the country is now likely to have wiped out many of the gains Local Authorities had been experiencing and now leave little for redistribution, these further reduces the future level of resource the Council can expect to receive.

The MTFS therefore assumes a continuation of the existing 50% scheme, and BR pool in 2021/22 and then from 2022/23 has been developed on the basis of a 75%

retention scheme, a full reset of the system and with only a small element of assumed redistribution of the total national gain. These forecasts will continue to be assessed as further information regarding the design and implementation of the scheme is made available.

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

Income Forecast	**2021/22 £m**	**2022/23 £m**	**2023/24 £m**	**2024/15 £m**	**2025/26 £m**
Forecast retained Income	5.124	4.140	4.532	4.951	5.373

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

Council Tax

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

In light of the financial position of the Council and in accordance with the referendum thresholds to be applied for 2021/21, the MTFS assumes the following indicative council tax increases and subsequent overall yields:

	2021/22	**2022/23**	**2023/24**	**2024/25**	**2025/26**
% Increase	1.9%	1.9%	1.9%	1.9%	1.9%
Council Tax Base	24,372	25,129	25,593	26.059	26.483
Council Tax Yield	£6.956m	£7.307m	£7.583m	£7.868m	£8.149m
Band D	£285.39	£290.79	£296.28	£301.95	£307.71
Band D £ Increase	£5.31	£5.40	£5.49	£5.67	£5.76

For 2021/22 the Council Tax amount for a Band D property (excluding County Council and Police Authority precepts) is £285.39, a 1.9%/£5.31 increase from 2020/21.

Following implementation of the localised council tax support scheme (LCTS) in April 2013 (which changed support from being a benefit to a council tax discount) the council tax base is now directly affected by the number of council tax support claimants. The more council tax support that is awarded the more the taxbase is reduced, therefore limiting the ability to raise council tax.

Since the introduction of the scheme in 2013 the number of claimants had as at April 2020 decreased by over 20%. However, between April 2020 and the end of November 2020 caseload had increased by 5.3%, with working age claimants increasing by 9%. This increase has been bought about due to the impact of Covid19 on household incomes. Although it is difficult to assess with any certainty what further increases in claimant numbers may be, due to the number of unknowns around economic recovery, current tier restrictions, etc, it can be reasonably assumed that there will be a further increase in claimants over the reminder of the financial year and that this level of increased claimant numbers will persist during 2021/22 before gradually reducing over the period of the MTFS.

The MTFS has been prepared on the basis of a further increase in working age claimant numbers of 3% for 2021/22, with a gradual reduction of 2% p.a. over the period of the MTFS. The council tax base in the table above reflects these estimated changes in caseload.

Recognising the reduction in Council Tax income as a result of increased LCTS claimant numbers, the Provisional Local Government Finance Settlement announced £670m of grant funding to broadly meet the additional costs in 2021/22. This funding is un-ringfenced and can be used to provide other support to vulnerable households as well as offsetting the loss in Council Tax income. The Council's provisional allocation for 2021/22 is £0.200m and will be used to offset the loss in Council Tax income.

New Homes Bonus

The New Homes Bonus grant was introduced in 2011/12 and rewards local authorities based on the levels of new homes being built, particularly affordable homes, and empty properties returned into use. This grant is top sliced from the overall national level of funding for local government which creates a direct incentive for local authorities to promote growth and development or else risk a reduction in resources.

Previously been announced that a Spring 2020 consultation on the future of the scheme would be undertaken, stating that 'it is not clear that the New Homes Bonus in its current form is focused on incentivising homes where they are needed most' and the consultation will 'include moving to a new, more targeted approach that rewards local authorities where they are ambitious in delivering the homes we need, and which is aligned with other measures around planning performance'. Although this consultation did not take place the Provisional Settlement announced stated 'we will soon be inviting views on how we can reform the scheme from 2022/23 to ensure it is focussed where homes are needed the most'.

Due to the delay in the implementation of the reform of the scheme a further years allocation for 2021/22 has been announced, similar to the 2020/21 allocations there will be no future legacy payments attached to the allocation.

The MTFS is based on the allocations announced in the Provisional Settlement as follows:

2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
213	50	0	0	0

Lower Tier Services Grant

Included in the Provisional Finance Settlement was the announcement of a new (one off) Lower Tier Services grant of £111m for 2021/22. This is an unringfenced grant and the Council's provisional allocation is £266,061.

Covid19 Support

During 2020/21 the Government have provided Local Authorities with unringfenced Covid19 grant allocations of £4.553bn to contribute towards additional costs incurred, this is in addition to a number of specific grants for specific purposes e.g. compliance and enforcement. The Council received allocations of £1.877m in 2020/21.

Recognising that Local Authorities will continue to face additional costs in 2021/22 the Provisional Local Government Finance Settlement announced a further £1.55bn of unringfenced grant in 2021/22. The Council's provisional allocation is £0.640m. Although unringfenced the announcement stated that whilst recognising that Local Authorities are best placed to determine local priorities, it is expected that the funding will be focussed on a similar set of priority pressures as previously set out for 2020/21 unringfenced funding. These are: adult social care, children's services, public health services, household waste services, shielding the clinically extremely vulnerable, homelessness and rough sleeping, domestic abuse, managing excess deaths, support for re-opening the country and, in addition, the additional costs associated with the local elections in May 2021. This funding should be used in planning to cover any Covid related costs for the priority pressures above and any further Covid costs in 2021/22. Councils should plan on the basis of not receiving any additional funding for the above pressures.

Fees and Charges

The fees and charges levied by the Council are an important source of income, however as a result of Covid19 many sources of fees and charges have plummeted, and whilst some have begun to recover, others are still detrimentally impacted and are unlikely to return to their pre-Covid levels in the short term, and in some cases are likely to be permanently eroded. This will be as a result of changes in people's habits and preferences as well as the way business operate.

As part of the normal, annual, budget cycle fees and charges income budgets are increased by 3% per annum for their total yield. This increase of 3% does not preclude individual fees and charges being increased by more or less than 3%. Due to the impact of Covid on these income sources each area of fees and charges income has be assessed to model the likely impact of Covid on overall yield levels and the level of increase that can be sustained for each individual fee and charge.

This assessment has identified a reduction income levels of £2.362m from the levels previously assumed for 2021/22 to those levels now assumed to be achievable, the biggest reduction being in car parking. This is a total reduction in income of c20% and has had a significant impact on the MTFS. Although many sources of fees and charges are expected to bounce back to their pre-covid levels it is the car parking income that poses the greatest financial risk to the Council's MTFS. Whilst initial assumptions have been made over the 5-year period, at this stage there is a significant level of uncertainty has to how these income sources will perform.

In response to the financial pressures Local Authorities face from fees and charges losses the Government announced an income compensation scheme in 2020/21 to provide reimbursement, after a 5% deductible and offset of expenditure savings, of 75% of irrecoverable income. The Provisional Local Government Finance Settlement announced an extension of the scheme until June 2021, i.e. covering the first quarter of 2021/22. This announcement confirmed that the scheme in 2021/22 will compare losses during quarter 1 to the 2020/21 budgeted levels, based on this the MTFS assume compensation in 2021/22 of £0.357m.

The MTFS now assumes that the Council will raise £9.384m from fees and charges in 2021/22. The mean average overall increase in the non-statutory fees and charges is 2.3%, however this includes some fees that have been increased by higher and lower percentages.

Bridging the Gap

The previous MTFS 2020-25 was included a savings target of £0.5m in 2020/21, increasing to £0.850m in 2021/22 and £1.250m p.a. rom 2022/23 onwards. Despite the onset of the pandemic the Council has still been able to make significant progress towards these targets, achieving the target for 2020/21 and over 80% of the ongoing target, as set out below:

	2021/22 £'000	**2021/22 £'000**	**2022/23 £'000**	**2023/23 £'000**	**2024/25 £'000**
Savings required as per MTFS 2020-25	500	850	1,250	1,250	1,250
Savings delivered in 2020/21	(559)	(758)	(897)	(997)	(1,005)
Balance of savings to be achieved	**(59)**	**92**	**353**	**253**	**245**

However, as a result of the financial impacts of the Covid19 pandemic on the Council, it is once again, faced with a significant budget gap to address. Although the this MTFS highlights all of the uncertainties in terms of financial planning the Council must continue to focus on measures to drive down it's net cost base to ensure it maintains a sound and sustainable financial position.

On the basis of the revised financial planning assumptions assumed in this MTFS, further savings targets are required, as set out below:

2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
850	1,350	1,750	1,750	1,750

These revised targets incorporate the balance of savings required from the existing programme along with the impact of the revised financial planning assumptions.

The key mechanism for delivering the required budget savings is through the Towards Financial Sustainability (TFS) Programme, which seeks to bring net service costs in line with available funding. Over the last decade, through it's TFS Programme and precursor programmes, the Council has delivered annual savings in excess of £9m, a significant amount in comparison to its overall net budget.

This level of savings has been achieved by re-investing in more efficient ways of working; adopting a more commercial approach; and prioritising resources for economic development measures, whilst making careful use of reserves to meet funding gaps. However; it is becoming much more difficult to find additional efficiency savings and some being considered need to be delivered as part of longer-term transformational changes to the organisation, the Council is taking a more prudent approach to commercial ventures; and it cannot deliver the benefits from economic development measures in the short term. It is left with little option but to revert to a more traditional cost cutting measures approach in order to deliver the scale of reductions required within the short lead in time.

Work has now commenced on developing a new programme of proposals. Every possible effort is being made to find the least painful solutions and minimise the impact on jobs and services, but it will simply not be possible to achieve the level of savings required through the more forward thinking of ambitious approaches previously adopted. Inevitably there has had to be some withdrawal of services the Council has tried to keep this to a minimum and has sought to protect its core services that matter most.

The focus of the TFS programme will now be on two key strands:

- "One Council" – One Council also defines how the Council, as an organisation, will need to work in the future to meet changing demands. Through four themes of, organisational development, technology, creating value processes and better use of resources, cross organisational programmes of work will exploring common to all issues and how these can best be combined to a deliver a 'one organisational' approach more efficiently and cost effectively.

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

Individual, specific proposals will be presented to the Executive in due course for consideration.

Alongside this programme the Council still believes that the longer-term approach to finding efficiencies to close the funding gap is fundamentally through economic growth and investment. This is evermore critical in light of the crippling effect Covid19 has had on the local economy. As part of the recovery of the City from Covid19 the Council, through Vision 2025, will continues to seek ways to maximise it's tax bases by creating the right conditions for the economy to recover and grow, to increase Business Rates income and to encourage housebuilding to meet growing demand, generating additional Council Tax. As well as continuing to support these the Council will also seek through direct intervention, such as through; its Council House New Build Programme; Towns Fund submission; and HAZ scheme, to enhance the economic prosperity of the City. Although not directly contributing towards the TFS savings targets in the short term these measures allow future assumptions of growth in the Council's resources to be factored into the revenue forecasts and work towards the Council's objective of being financially sustainable.

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

Revenue Forecast

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

Risks to the Revenue Budget

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

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

- Fluctuations in fees and charges income and commercial income, particularly due to the legacy impacts of Covid19
- Fluctuations in the Business Rates Taxbase, particularly due to the legacy impacts of Covid19
- Implementation of revised BRR Scheme including full reset
- Future levels of Central Government funding e.g Fair Funding Review, New Homes Bonus etc.
- Implications of Brexit on national and local economies
- Implications of national government policies on the economy
- Delivery of challenging savings targets
- Impact of economic climate on demand for services
- Changes to other key assumptions within the MTFS
- Financial and budget management issues

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

Section 4 – General Investment Programme

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

Capital Spending Plans

The capital spending plans for the next five years include the delivery of key legacy from Vision 2020 (some of which were delayed due to Covid19), new schemes from Vision 2025, with a focus on supporting the recovery of the City or key One Council projects, and investment in existing assets to either maintain service delivery or existing income streams.

Total planned expenditure over the 5-year programme is estimated to be £19.711m of which there are the following key schemes:

- Western Growth Corridor Phase 1a - £9.7m
- Crematorium Investment - £4.7m (scheme costs currently under review)
- Heritage Action Zone - £1.3m
- Disabled Facilities Grants - £1.5m
- Planned asset maintenance - £1m

In addition, the Council is awaiting the outcome of it's Lincoln Town Investment Plan submission, which if approved will have significant implications for the GIP. The Plan has the potential to secure £24.75m of funding to support proposals to deliver long-term economic growth in the City, of which £7.22m would be delivered directly by the Council.

Further schemes in support of the Vision 2025 are currently delayed until year 3-5 of the Vision and will be included in the GIP at the relevant stage in their development e.g. grant funding secure, design stage completed etc.

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

Spending Pressures

The Council's corporate property portfolio comprises operational properties and investment properties with a combined asset value of £130 million.

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

Allocation of the annual planned capitalised works budget (£200k p.a.) to maintain specific assets will be determined by the structured approach being undertaken and will also be influenced by the outcomes of the continual review programme of all assets as part of the Best Use of Assets pillar of the One Council programme. Outcomes of this include the potential re-configuration of operational assets which as a result of changes in working practices following Covid19 are no longer required on such a scale; as well as the potential disposal/transfer of specific assets which may in turn relieve the Council on the ongoing repair liability.

Resources

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

Due to revisions in the Public Works Loan Board (PWLB) lending terms, Local Authorities can now longer borrow from the PWLB with the intention to buy assets for yield. Authorities will still be able to access the PWLB for spending to improve or maintain existing properties and the Council will in the absence of capital receipts consider prudential borrowing for this purpose, particularly if additional income can be generated. The use of long-term prudential borrowing to fund other key projects, given the additional revenue costs this creates and the current financial challenges the General Fund is facing, will only be considered in exceptional circumstances.

Due to an ongoing lack of capital receipts and the lack of revenue resources to fund prudential borrowing it is essential that other sources of funding such as grant allocations and partner contributions continue to be sought. External grant funding has in recent years is enabling the delivery of a considerable number of capital schemes for the Council e.g. Local Authority Accelerated Construction funding for Western Growth Corridor, Heritage Lottery Fund for Re-imaging Greyfriars and English Heritage for the High Street Health Action Zone. The Council will continue to seek further external grant funding to support the delivery of its Vision and priorities and has recently submitted Lincoln's Town Investment Plan and is currently developing further Heritage Lottery Fund schemes and seeking funding for further phases of the Western Growth Corridor development. The Council is mindful though that whilst the additional resources that external funding brings are clearly beneficial to local people, there is the danger that schemes funded may not be the Council's highest priorities and the Council must consider carefully how to allocate its capacity, within its reduced resources, to support such schemes. Furthermore, the Council needs to carefully consider whether it is able to meet the outputs and outcomes required from external grant support.

Capital Receipts

As part of the Best Use of Assets pillar of the One Council programme and as sound asset management practice the Council continually reviews its land and property assets in order to:-

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

The GIP assumes a capital receipt from a current land disposal in 2021/22, although this is earmarked it has not yet been allocated for use in financing the programme, this receipt and any further receipts from asset disposals will be prioritised for allocation to schemes in accordance with the Capital Strategy. In addition, there are current £0.458m of unapplied capital receipts.

Further capital receipts are forecasted in 2021/22 and 2022/23 from land/property disposals as part of the development of Western Growth Corridor Phase 1a. These receipts, assumed at £3.374m, will be retained within the scheme to contribute towards the upfront capital costs of further phases of the development.

Prudential Borrowing

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

The MTFS includes an unsupported prudential borrowing requirement of £12.376m over the period 2021/22-2025/26. This includes £4.59m temporary borrowing relating to Western Growth Corridor Phase 1a and £4.7m borrowing for the crematorium (although the final costs for this scheme are being reviewed and the funding package has yet to be finalised, and is still being considered for the use of capital receipts. Until such time the revenue implications arising from prudential borrowing are not factored into the revenue forecasts).

The use of long-term prudential borrowing will only be used as a funding mechanism for key projects (following a full financial assessment) in exceptional circumstances. It may however be used as a short-term measure to fund capital expenditure prior to a capital receipt being received.

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

Capital Grants

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

Over the 5 year planning period of the MTFS £4.4m is expected to be received from external capital grants, which is largely for Disabled Facilities Grant £1.5m, Western Growth Corridor Phase 1a £1.4m and for Heritage Action Zone projects of £1.3m. Subject to approval of the Lincoln Town Investment Plan the level of external funding could sustainably increase.

Projected Capital Resources

Resources to fund the General Investment Programme 2021/22-2025/26 are estimated to be approximately £19.711m, as follows:

	£'000
Capital Grants	4,656
Capital Receipts	2,534
Direct Revenue Financing	145
Prudential borrowing	12,376
TOTAL	**19,711**

General Investment Programme Forecast

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

Risks to the General Investment Programme

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

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

- Loss of anticipated external resources
- Inability to secure further external funding.
- Increased project costs (including increased costs arising from Brexit).
- Unplanned emergency maintenance to Council's corporate properties

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

Section 5 – Housing Revenue Account (HRA)

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

Housing Revenue Account Business Planning

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

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

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

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

Impacts of Covid19

Similar to the General Fund, Covid19 has taken its toll on the financial resilience of the Housing Revenue Account as income streams are under threat 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 cumulative impact of these challenges has resulted in shortfalls, assessed as at the end of September 2020 to be c£0.560m, on the Housing Revenue Account.

Although the Government have allocated additional grant and income compensation schemes covering General Fund income and expenditure, there has been no financial support provided to Housing Revenue Accounts. The Council has therefore had to take decisive action to; undertake a budget review; access the Coronavirus Job Retention Scheme; and allocate earmarked reserves. This has allowed the Housing Revenue Account to be able to continue to deliver its critical services in

2020/21 and to ensure it's balances remain at an adequate level to provide resilience for future years.

The impacts of Covid19 are not though simply restricted to the 2020/21 and will have implications over the period of the MTFS although to a lesser degree.

Spending Plans

The HRA Business Plan

A key element of the self-financing regime is the Council's30 year Business Plan. The Council's latest Housing Revenue Account Business Plan 2016-2046, was approved in February 2016 following a fundamental review of resources, investment requirements and priorities. The Business Plan reflected the impact of government policy changes, the results of stock condition surveys and financial assumptions at the time. The Business plan sets out:

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

The current Business Plan was scheduled for review during 2020, following completion of refreshed stock condition surveys, agreement of a Lincoln housing specification, refresh of the Lincoln standard to reflect low carbon/climate change and to ensure the priority schemes emerging from Vision 2025 were fully reflected. However due to the impact of Covid19 on officer resources this refresh has now been delayed until 2021. This review will now also need to take into consideration the implications arising from the Social Housing White Paper published in November 2020.

Spending Assumptions

A review of the financial planning assumptions the Council over the period of the MTFS has been undertaken, this information has been drawn from experience in previous years, the advice of Directors and Assistant Directors, the current economic climate and other local and national issues that are likely to influence the financial outcomes. The HRA includes a number of assumptions in line with the General Fund, primarily inflation, pension contributions and interest rate forecasts. Set out below are expenditure and income assumptions specific to the HRA.

Repairs and Maintenance

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

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

Funding the Capital Programme

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

There is a reliance on the HRA to support the capital programme to the value of £54.795m over the 5-year MTFS period through depreciation and direct revenue financing.

Resource Assumptions

Rents

The MTFS has been prepared on the basis of annual rent increases from 2021/22 of CPI+1%. This is in line with the Government's announcement in October 2017, followed by a consultation paper in September 2018, that from April 2020 social rents will increase by CPI+1% for 5 years. The approach from 2025 remains uncertain but there is an expectation that social rent increase will remain.

Included in the Council's housing stock are a number of properties that were partly funded by HCA grants on the condition that they are to be let on the basis of an affordable rent rather than on social rents. In addition, there are a number of other dwellings that are let on the basis of an affordable rather than social rent, including the assumed delivery of a number of new homes, including 70, 1 and 2 bedroom units at De Wint and 10 Next Steps Accommodation Programme properties. Affordable rents are not subject to Government Rent Restructuring Policies and are let at 80% of market rent levels in the local area. The MTFS assumes rental increases in line with social rents for its affordable rents.

Additionally, the MTFS 2021-26 assumes 20 Buy Back properties over the next year, again included at affordable rent levels.

The Council proposes to set the rent levels for 2021/22 in line with the requirement to increase rents by CPI + 1% for general purpose accommodation and also increase sheltered accommodation and affordable rents by the same. The average 52 week rent will be £70.84 per week for general purpose accommodation, £69.87 per week for sheltered accommodation, and £109.43 for affordable rents.

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

Average rent increase per property by number of bedrooms per week as 17/12/2020	
No. of beds	Increase per week
1 & bedsits	0.94
2	2.06
3	2.18
4	2.25
5	2.29
6+	2.43

Covid19 will undoubtedly affect the level of arrears as household incomes reduce and the effects of the Government response measures unwind. In order to provide early assistance, the Council undertook a number of positive actions to help keep rent arrears in a positive position. To date this has had the desired impact with arrears, as at the end of November 2020 £0.43k lower than the same point last year. 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), this will require an increase in bad debts provision in 2020/21. The non-collection rate from 2021/22 onwards has though been maintained at 1%.

Net Interest Receipts

The HRA receives investment interest on the balances it holds (HRA balances are made up of General Balances, earmarked reserves and the Major Repairs Reserve). The MTFS 2021-26 includes interest income into the HRA based on the level of HRA balances assumed in the MTFS 2021-26. The HRA is sensitive to changes in interest rates linked to it's investments, as an indication a change in interest rates of +/- 0.5% would have an estimated combined impact of approximately £18k.

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

Releasing Resources

The HRA Business plan 2016-46 identified revenue resources to be released to support priority capital investment in council house new build and the Lincoln Standard. Although there is no specific savings target in the HRA the Council will continue to pursue the strands of its Towards Financial Sustainability Programme, where there are financial benefits for the HRA, releasing further resources for re-investment, it will also continue to ensure it's costs are contained so that expenditure levels do not put pressure on the required revenue contributions to the capital programme.

Housing Revenue Account Forecast

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

Risks to the Housing Revenue Account Budget

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

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

- Risk of further government announcements limiting the flexibilities and freedoms offered by the HRA Self -Financing regime particularly housing rent levels
- Delivery of new build programme and associated rental streams
- Longer term impact of Covid19 on housing rent arrears.
- Implications for service delivery arising from the Social Housing White Paper.
- Changes to key assumptions within the MTFS e.g. interest rates.
- Financial and budget management issues.

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

Section 6 – The Housing Investment Programme

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

Capital Spending Plans

The 5-year HIP has been drawn up to ensure that the Council meets its legal obligations as a landlord. The Council has already invested significant resources over recent years to achieve the Decent Homes Standard and now seeks to maintain an enhanced Lincoln Standard.

In terms of housing strategy, the focus continues to be on maximising the use of 1-4-1 retained right to buy receipts, assessing the use of prudential borrowing and seeking government grant funding for new build schemes or purchase & repair schemes that generate a rental stream. In relation to housing investment the HIP will continue to focus on the allocation of resources to the key elements of decent homes and supporting the Lincoln Standard.

The 5-year housing programme amounts to £69.336m and comprises the following main areas of work:

- Maintenance of the Decent Homes and the Lincoln Standard, £42.717m

- New Build Programme including use of retained 1-4-1 right to buy receipts, £17.265m (this is not yet allocated to specific schemes and will be dependent on approval of individual schemes) and the re-development of De Wint Court to an extra care sheltered housing scheme

As set out in the Section 5 above the 30-year HRA Business Plan is due to be refreshed during 2021, in light of updated development and investment profiles, Vision 2025 priorities, updated assumptions and the Social Housing White paper which pledges to review the Decent Homes Standard.

Resources

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

Major Repairs Reserve

The Major Repairs Reserve (MRR) is the main source of capital funding and the mechanism by which timing differences between resources becoming available and being applied are managed. The MRR may be used to fund capital expenditure and to repay existing debt. Depreciation is a real charge on the HRA and is paid into the MRR from the Housing Revenue Account to fund capital expenditure. The total charge to the revenue account over the 5-year MTFS period through depreciation is £33.75m.

Revenue Contributions

The 5-year MTFS includes contributions of £21.045m of direct revenue finance over the five year period of which £20.942m is planned to be utilised.

Grants and Contributions

The 5-year MTFS includes grants and contributions of £2.2m (from Homes England and Lincolnshire County Council) received over the five-year period, all of which is planned to be utilised.

Capital Receipts

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

In August 2018, alongside publication of the Social Housing Green Paper, the Government published a consultation on options for reforming the restrictions on the use of RTB sales to make it easier for councils to replace properties. Although the Social Housing White Paper was published in November 2020 there was no further reference to any planned reforms.

The proceeds of dwelling sales under the Right-to-Buy scheme provide a regular source of capital receipts with the number of sales increasing in recent years. The MTFS assumes 50 sales per year. However, this is a difficult area to predict accurately as it is affected by external factors, such as interest rates, property prices and Government initiatives aimed at further stimulating Right-to-Buy sales. Receipts of £3.4m are assumed over the MTFS period.

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

Prudential Borrowing

The Prudential Code allows the Council to take borrowing if it can demonstrate that such borrowing is affordable, sustainable and prudent in its Prudential Indicators (detailed in the Treasury Management Strategy). Although the revision to PWLB lending terms prohibits borrowing from it to finance assets for yield it does still allow access to the PWLB for land release, housing delivery, or subsidising affordable housing. This follows on from the removal of the housing borrowing cap in 2018 and continues to allow significant opportunities for the Council to to invest in new house building programmes and the potential redevelopment of areas of existing housing stock. This increased flexibility will be considered as part of the Business Plan refresh.

The Capital Financing Requirement (CFR) is forecast to rise to £72m by the final year of the MTFS with additional borrowing included in the MTFS and no allowance made for the repayment of existing debt. Actual borrowing utilised will be £5.2m to fund the new build programme alongside 1:4:1 receipts and borrowing taken during the MTFS period will be £5.2m.

Projected Capital Resources

Resources to finance the proposed £69.336m Housing Investment Programme 2021/22 – 2025/26, are currently estimated to be as follows:

	£000
Major Repairs Reserve (depreciation)	36,904
Direct Revenue Financing	20,942
Grants and Contributions	2,205
Capital Receipts (inc RTBs)	4,077
Borrowing	5,208
TOTAL	**69,336**

Housing Investment Programme Forecast

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

Risks to the Housing Investment Programme

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

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

- Generation of sufficient revenue surpluses to resource required investment
- Achievement of capital receipts (including Right to Buy sales) targets
- Future building costs (including increased costs arising from Brexit).
- Condition of existing stock
- Interest rate increases impacting on future borrowing costs
- Implications from the change in delivery of the housing planned maintenance service
- Implications of the Social Housing White Paper, specifically the revision of the Decent Homes Standards

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

Section 7 – Reserves and Balances

Some reserves and balances are essential for the prudent management of the Council's financial affairs. These will provide a working balance to cushion the impact of uneven cash flow, a contingency for the impact of unexpected events or emergencies (as experienced with Covid19) and allow the creation of earmarked reserves to meet known liabilities. The consequences of not keeping a minimum level of reserves can be serious and is therefore one of the considerations taken into account when setting the MTFS.

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

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

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

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

Data for 2019/20 has not yet been published due to a delay in the completion of many local authorities, including this Council's, audit opinions. Once available the data will be reviewed, particularly in light of the Council's intentions to use reserves and balances as a short term measure to support the General Fund.

The Council has always maintained a very proactive approach to managing risk and there are effective arrangements for financial control already in place. However, as a result of the significant changes to local government funding, which saw a shift towards self –sufficiency and dependence on local funding sources, levels of volatility and risk have significantly increased. Given the threat that this posed to the Council's financial position the prudent minimum level of general reserves was increased to a level greater than previously held.

This increase in level of reserves has allowed the Council to be able to cushion the impact that Covid19 has had on it’s finances and will continue to so in future years. Whilst the overall level of balances will still be maintained over the period of the MTFS there are planned uses of balances in the General Fund of £0.744m in 2021/22 and £0.438m in 2023/24. This use of balances, along with the application of specific earmarked reserves will provide the Council the opportunity to deliver ongoing reductions in it’s net cost base, which will by the end of the MTFS period leave the General Fund in the position of making a positive contribution of £0.858m to balances. The careful use of balances, along with earmarked reserves, in the supporting the General Fund is seen as a short-term measure only to ensure a balanced budget position is maintained whilst savings are delivered, it is not foreseen as a long term solution.

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

The general reserves at the end of each year for 2021/22 to 2025/26 are summarised in the table below.

	2021/22 £’000	**2022/23 £’000**	**2023/24 £’000**	**2024/25 £’000**	**2025/26 £’000**
General Fund	1,778	1,885	1,447	1,544	2,403
Housing Revenue Account	936	971	1,280	1,621	2,610

The overall levels of General Fund and Housing Revenue Account balances in 2025/26 are in line with the prudently assessed minimum level of balances.

Earmarked reserves are sums specifically held to enable funds to be built up to meet known or predicted liabilities. A review of reserves and balances has been undertaken as part of the budget process and a schedule presenting the estimated closing balances at the end of each of the next five financial years is contained within Appendix 6. This includes the application of a number of specific reserves to support the General Fund during 2022/23 and 2023/34 whilst the ongoing reductions in the net cost base are delivered. The specific reserves being utilised to support the General Fund are: the insurance reserve, the Covid response reserve, the Covid recovery reserve and the income volatility reserve.

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

Appendix 1

GENERAL FUND BUDGET SUMMARY 2021/22 - 2025/26

	2021/22 Estimate £	2022/23 Estimate £	2023/24 Estimate £	2024/25 Estimate £	2025/26 Estimate £
Chief Executive & Town Clerk	3,234,050	3,292,680	3,354,030	3,467,660	3,520,490
Communities & Environmental Services	5,867,950	5,137,940	4,624,290	4,434,800	4,523,530
Major Developments	447,530	469,520	476,880	483,920	490,960
Housing & Regeneration	818,890	737,680	752,370	762,380	771,030
Corporate	2,008,980	2,158,050	2,169,060	2,180,460	2,191,470
	12,377,400	**11,795,870**	**11,376,630**	**11,329,220**	**11,497,480**
Capital Accounting Adjustment	3,043,130	3,157,640	3,157,630	3,152,280	3,026,200
Base Requirement	**15,420,530**	**14,953,510**	**14,534,260**	**14,481,500**	**14,523,680**
Specific Grants	(1,319,870)	(50,250)	0	0	0
Contingencies	25,730	(173,370)	(176,580)	(179,550)	(181,910)
Savings Targets	(850,000)	(1,350,000)	(1,750,000)	(1,750,000)	(1,750,000)
Transfers to/(from) earmarked reserves	(11,094,380)	(2,083,650)	(598,450)	155,650	56,850
Transfers to/(from) insurance reserve	(478,250)	(480,520)	17,120	14,690	14,700
Total Budget	**1,703,760**	**10,815,720**	**12,026,350**	**12,722,290**	**12,663,320**
Use of Balances	(743,850)	106,590	(437,940)	97,200	858,710
NET REQUIREMENT	**959,910**	**10,922,310**	**11,588,410**	**12,819,490**	**13,522,030**
Business Rates	5,124,030	4,140,620	4,531,540	4,491,110	5,372,920
Business Rates Surplus	(11,066,100)	(481,140)	(481,140)	0	0
Revenue Support Grant	22,840	0	0	0	0
Council Tax Surplus	(76,490)	(44,600)	(44,590)	0	0
Council Tax	6,955,630	7,307,430	7,582,600	7,868,380	8,149,110
Total Resources	**959,910**	**10,922,310**	**11,588,410**	**12,819,490**	**13,522,030**
Balances b/f @ 1st April	**2,522,218**	**1,778,368**	**1,884,958**	**1,447,018**	**1,544,218**
Increase/(Decrease) in Balances	(743,850)	106,590	(437,940)	97,200	858,710
Balances c/f @ 31st March	**1,778,368**	**1,884,958**	**1,447,018**	**1,544,218**	**2,402,928**

Appendix 2

HOUSING REVENUE ACCOUNT SUMMARY 2021/22 - 2025/26

	2021/22 Estimate £	2022/23 Estimate £	2023/24 Estimate £	2024/25 Estimate £	2025/26 Estimate £
Income					
Gross Rental Income					
- Dwellings rents	(28,980,310)	(30,077,030)	(30,840,370)	(31,564,330)	(32,301,700)
- Non-Dwelling rents	(650,370)	(662,700)	(675,400)	(688,490)	(707,660)
Charges for Services & Facilities	(311,540)	(320,800)	(330,340)	(340,170)	(350,250)
Contributions towards Expenditure	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Total Income	**(29,992,220)**	**(31,110,530)**	**(31,896,110)**	**(32,642,990)**	**(33,409,610)**
Expenditure					
Repairs Account Expenditure	9,090,660	9,260,580	9,427,620	9,581,580	9,581,580
Supervision & Management:	7,339,460	7,466,580	7,606,910	7,730,480	7,852,470
Contingencies	55,880	54,830	52,680	50,520	48,320
Rents, Rates and Other Premises	98,170	98,400	98,640	98,880	99,150
Insurance Claims Contingency	62,760	264,630	66,570	68,570	70,630
Depreciation of Fixed Assets	6,750,000	6,750,000	6,750,000	6,750,000	6,750,000
Debt Management Expenses	11,920	11,920	11,920	11,920	11,920
Increase in Bad Debt Provisions	304,880	311,880	318,880	318,880	318,880
Total Expenditure	**23,713,730**	**24,218,820**	**24,333,220**	**24,610,830**	**24,732,950**
Net cost of service	**(6,278,490)**	**(6,891,710)**	**(7,562,890)**	**(8,032,160)**	**(8,676,660)**
Loan Charges Interest	2,669,050	2,750,340	2,793,900	2,855,800	2,855,800
- Investment Interest	(20,350)	(9,290)	(5,000)	(5,490)	(5,490)
- Mortgages Interest	0	0	0	0	0
Surplus on HRA for the year	**(3,629,790)**	**(4,150,660)**	**(4,773,990)**	**(5,181,850)**	**(5,826,350)**
DRF used for Financing	3,514,370	3,931,420	4,281,530	4,658,620	4,658,620
Contribs to/(from) Reserves:					
- Insurance Reserve	187,240	185,370	183,430	181,430	179,370
- Capital Fees Equalisation	(56,910)	0	0	0	
- Strategic Priority Reserve	0	0	0	0	
(Surplus)/deficit in year	**14,910**	**(33,870)**	**(309,030)**	**(341,800)**	**(988,360)**
Balance b/f at 1 April	(951,569)	(936,659)	(970,529)	(1,279,559)	(1,621,359)
Balance c/f at 31 March	**(936,659)**	**(970,529)**	**(1,279,559)**	**(1,621,359)**	**(2,609,719)**

GENERAL INVESTMENT PROGRAMME - 2021/22 to 2025/26

	2021/22 Estimate £	2022/23 Estimate £	2023/24 Estimate £	2024/25 Estimate £	2025/26 Estimate £
Expenditure Programme					
Chief Executives	787,025	208,033	208,033	200,000	200,000
Directorate of Communities and Environmental Services	1,035,224	757,468	740,000	300,000	300,000
Directorate of Major Developments	9,515,778	194,625		0	0
Directorate of Housing	330,137	0	0	0	0
Schemes Under Review	4,934,954	0	0	0	0
Total Programme Expenditure	**16,603,118**	**1,160,126**	**948,033**	**500,000**	**500,000**
Capital Funding					
Contributions from Revenue					
Opening balance	149,340	20,149	12,116	4,083	4,083
Received in year	0	0	0	0	0
Used in financing	(129,191)	(8,033)	(8,033)	0	0
Closing balance	**20,149**	**12,116**	**4,083**	**4,083**	**4,083**
Capital receipts					
Opening balance	628,050	2,128,050	5,352,029	5,352,029	5,352,029
Received in year	7,210,800	5,560,800	0	0	0
Used in financing	(2,339,385)	(194,625)	0	0	0
Used to repay temporary borrowing	(3,221,415)	(2,142,196)	0	0	0
Used to reduce the CFR	(150,000)	0	0	0	0
Closing balance	**2,128,050**	**5,352,029**	**5,352,029**	**5,352,029**	**5,352,029**
Grants & contributions					
Opening balance	256,705	0	(0)	(0)	(0)
Received in year	2,339,332	720,000	740,000	300,000	300,000
Used in financing	(2,596,037)	(720,000)	(740,000)	(300,000)	(300,000)
Closing balance	**0**	**0**	**0**	**0**	**0**
Unsupported borrowing					
Opening balance	0	0	0	0	0
Received in year	11,538,505	237,468	200,000	200,000	200,000
Used in financing	(11,538,505)	(237,468)	(200,000)	(200,000)	(200,000)
Closing balance	0	0	0	0	0
Total Capital Funding	**(16,603,118)**	**(1,160,126)**	**(948,033)**	**(500,000)**	**(500,000)**
Available Resources c/f	**2,148,199**	**5,364,145**	**5,356,112**	**5,356,112**	**5,356,112**

HOUSING INVESTMENT PROGRAMME - 2021/22 - 2025/26

	2021/22 Estimate £	2022/23 Estimate £	2023/24 Estimate £	2024/25 Estimate £	2025/26 Estimate £
Capital Programme					
Decent Homes	7,810,555	8,058,580	8,274,372	8,432,741	8,854,378
Health & Safety	408,588	413,798	420,017	388,337	407,754
New build programme	12,536,352	4,100,458	712,699	46,953	47,892
Lincoln Standard	250,000	250,000	250,000	261,450	274,523
Other schemes	1,561,120	1,564,017	1,891,919	1,127,657	1,171,540
Total Programme Expenditure	**22,386,795**	**14,386,853**	**11,549,007**	**10,257,138**	**10,756,087**
Capital funding					
Major Repairs Reserve					
Opening balance	8,713,547	1,959,088	1,150,508	1,126,136	693,395
Depreciation received in year	6,750,000	6,750,000	6,750,000	6,750,000	6,750,000
Depreciation used in financing	(9,034,346)	(7,558,580)	(6,774,372)	(7,182,741)	(6,354,378)
DRF received in year	3,514,370	3,931,420	4,281,530	4,658,620	4,658,620
DRF used in financing	(7,271,020)	(2,227,815)	(4,061,936)	(3,027,444)	(4,353,816)
Closing balance	2,672,551	2,854,113	1,345,730	2,324,571	1,393,821
Capital receipts					
Opening balance	557,194	9,179	159,179	396,480	1,099,527
Received in year	500,000	650,000	750,000	750,000	750,000
Used in financing	(1,048,015)	(500,000)	(512,699)	(46,953)	(47,892)
Closing balance	9,179	159,179	396,480	1,099,527	1,801,635
1-4-1 receipts					
Opening balance	1,920,972	1,430,137	200,001	0	0
Used in financing	(490,835)	(1,230,136)	(200,000)	0	0
Closing balance	1,430,137	200,001	0	0	0
Grants & contributions					
Opening balance	0	0	0	0	0
Grants & contributions received in year	2,205,000	0	0	0	0
Used in financing	(2,205,000)	0	0	0	0
Closing balance	0	0	0	0	0
Borrowing					
Opening balance	18,412	30,832	10,511	10,511	10,511
Borrowing taken in year	2,350,000	2,850,000	0	0	0
Used in financing	(2,337,580)	(2,870,321)	0	0	0
Closing balance	18,412	30,832	10,511	10,511	10,511
Total Capital funding	(22,386,796)	(14,386,852)	(11,549,007)	(10,257,138)	(10,756,086)
Available Resources c/f	**4,142,698**	**3,937,266**	**4,169,789**	**6,071,271**	**7,473,805**

Appendix 5

BUDGET RISK ASSESSMENT

No.	Budget Item	Risk	2021/22 Risk score	2022/23 - 2025/26 Risk Score	Containment
1	Business Rates Base	Reduction and/or fluctuations in income against budget variation in: – Recovery/growth compared to forecasts – Changes in the NNDR base – Changes in rateable values (e.g. appeals, economic downturn, changes in use, material change in circumstances) – Collection rates – Ongoing impact on the NNDR base of successful appeals - Estimates of appeals provision higher/lower than actually required – Changes nationally to the valuation assessments of certain property/infrastructure – Introduction of 75% retained Business Rates and reform of the system – Reset of the Business Rates Retention system from 2022/23	**Total Score: 12** Likelihood: 4 Impact: 3	**Total Score: 12** Likelihood: 4 Impact: 3	• In year monitoring of the NNDR base, Collection Fund, collection rates, growth assumptions and rateable value appeals. • Produce monthly collection rate statements – monitored via the Revenues and Benefits Operational Board, and Revenues and Benefits Management Team. Also report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee if targets are not being met, increased recovery action or further initiatives to increase collection • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • A Business Rate Volatility Reserve is maintained to provide a degree of protection from fluctuations in Business Rate Income • Quarterly monitoring of the Lincs NNDR Pool by Lincs Finance Officers • Independent specialist assessment made of the required level of NNDR appeals provision • Specialist advice sought to assist in budgeting assumptions and assessment of implications of changes to the funding system • Delivery of key schemes in Vision 2025 to support recovery of the High Street, City and the economy, including direct investment by the Council.

2	Fairer Funding Review	Assessment of relative need and relative resources results in a baseline need below current level. Transitional arrangements are not sufficient to mitigate impacts. Impact of Government's strategy to address UK debt, impacting on Spending Review 2021.	**Total Score: 2** Likelihood: 1 Impact: 1	**Total Score: 12** Likelihood: 4 Impact: 3	• Assessment of Government consultations with responses where appropriate • Lobby through national groups, respond to national consultations • Work with Association of Lincolnshire Finance Officers and the Society of District Treasures • Work with external funding specialists to identify and assess the impact of proposed funding changes (e.g. New Homes Bonus)
3	Capital Expenditure	Slippage in the project, Increased project costs including labour and material costs post Brexit. Inflationary impacts. Failure of contractor i.e. contractor goes into liquidation. Demand for improvement grants. Sunk costs of aborted schemes Achieving levels of projected costs in the HRA Business plan	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Regular budget monitoring and reporting to Capital Programme Board and Housing Delivery Group • Ensure correct project management procedures followed (Lincoln Model) • Quarterly budget monitoring and reporting to Performance Scrutiny and the Executive • Financial procedure rules are followed, including financially vetting of all contractors • Use of collaborative contracts/framework agreements where possible e.g. EMPA • Support from Procurement engaged at an early stage • Carry out post implementation reviews • Ensure risk assessments completed for all significant schemes before commencing • Value engineering used to contain project costs • Cost estimates obtained ahead of procurement exercises.

4	Income from Fees & Charges/ Rents: • Car Parking • Crematorium / Cemeteries • Development Control • Building Control • Land Charges • Control Centre • Lincoln Properties • Industrial Estates • Xmas Market	Reduction in the usage of the service/activity levels due to ongoing Covid restrictions and public confidence. Over optimistic income targets Increasing reliance on income within the MTFS New competitors entering the market (e.g. Crematorium). Fees and Charges levels reduces demand Changes in treatment of VAT status of individual fees and charges. Impact of wider policy changes on demand for services e.g. Lincoln Transport Strategy impact on car usage	**Total Score: 12** Likelihood: 4 Impact: 3	**Total Score: 12** Likelihood: 4 Impact: 3	• Car Parking Strategy to be refreshed. • Produce regular monitoring statements for major income sources which are reported monthly to Corporate Management Team. • Identify reasons for any income reductions and take corrective action where possible • Application of Corporate Fees and Charges Policy to ensure correct charging policies are applied and the impacts are assessed • Report quarterly to the Executive and Performance Scrutiny Committee on forecast for key income streams • Specific projects/business plans in progress to sustain income streams. • Assess impact of new competitors in the marked (e.g. new crematoria). • Delegated powers to portfolio holder to make responsive changes to fees and charges • Rebase income budgets to reflect current trends • Active void management • Watching brief on CIPFA Committee/HMRC discussions • Maximise Government SFC Income Compensation Scheme

5	Capital Financing - Long Term Borrowing	Balances unavailable for internal borrowing External borrowing costs above interest rates in MTFS	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Continue to monitor the cost effectiveness of utilising internal balances instead of taking external borrowing • Actively monitor the achievement of the capital receipts target and potential additional borrowing requirement • Actively monitor the cost effectiveness of asset disposals compared to Prudential Borrowing • Ongoing monitoring of cashflows from major sources of income • Regular review of current and future predicted borrowing rates to inform timing of borrowing decisions • Actively monitoring the cash flow on a daily basis.
6	Repairs & Maintenance on Corporate Properties	Unplanned emergency maintenance is required on the Council's Corporate Properties Increase in demands to meet statutory requirements and to minimise risks of adverse claims. Impact of works on income and service delivery.	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Updated stock condition surveys for all corporate properties to undertaken • Comprehensive asset management planning in place (including identifying assets with large repairs and maintenance liabilities for disposal) • Produce regular budget monitoring reports – report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Properties with large maintenance liabilities are reviewed for potential disposal • New capital schemes allow for whole life costing. • Responsible Officer system in place.

7	Revenue Savings Targets	The required savings targets are not achieved nor required efficiencies delivered	**Total Score: 8** Likelihood: 2 Impact: 4	**Total Score: 12** Likelihood: 3 Impact: 4	• TFS7 programme developed with timescales agreed. • The Council's strategy focuses on a two key strands approach to realise the required savings in the revenue budgets with the primary focus on service withdraawl and 'one council'. • TFS7 delivery is a priority in Vision 2025 year 2 Annual Delivery Plan • Report monthly to Programme Team and Programme Board (CMT) and quarterly to Executive and Performance Scrutiny Committee
8	General Budget Assumptions	CPI and RPI inflation exceed rates assumed in the budget Actual establishment exceeds 99% Implications from Brexit or no on economy and general budget assumptions. Implications from Government Policy in response to Covid19 legacy.	**Total Score: 6** Likelihood: 3 Impact: 2	**Total Score: 8** Likelihood: 4 Impact: 2	• Set prudent but realistic projections based on analysis of economic commentators and Bank of England predictions • Monthly monitoring of RPI and CPI index changes • Make use of expert forecasts of future RPI and CPI trends • Produce regular budget monitoring reports – report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Set a prudent but realistic estimate in line with Government announcements • Monitor significant changes in economic indicators • Monitor the pension fund position through discussions with Lincolnshire County Council and Lincolnshire Finance Officers • Report any changes to Members as soon as officers become aware • Pension Fund Stabilisation Approach adopted

9	HRA Repairs and Maintenance Costs	Assumed reductions in repairs and maintenance costs as a result of continued investment in the Council Housing Stock do not materialise The Housing Repairs Service (HRS) does not continue to modernise and achieve efficiencies	**Total Score: 6** Likelihood: 3 Impact: 2	**Total Score: 6** Likelihood: 3 Impact: 2	• Council housing capital investment is carried out • Produce regular budget monitoring reports and HRA revenue and capital budgets reported and monitored together • Report quarterly to Departmental Management Team, Corporate Management Team, Executive and Performance Scrutiny Committee • Results of recent stock condition surveys informing future maintenance requirements
10	Demand for services	Impact of Covid19 legacy on service demands, e.g. homelessness, revenues and benefits, customer services, council housing etc Impact of Brexit on status of EU nationals and ability to access services. Impact of Social Housing White Paper on requirements of housing function The increase in property numbers and development of the City Centre results in additional cost pressures within the Services that have not been built into the budget Increasing demands for housing tenant support as other providers withdraw services	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Identification and drawdown of additional funding made available from Government and others to support additional demand • Lean systems approach taken to identify efficiencies in service delivery (e.g. benefits service) • Collaboration and joint working arrangement opportunities identified with local partners to help meet additional service demands • Consistent monitoring of service demands. • Assessment of White Paper impacts to be undertaken. • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee

11	Housing Rents and Property Voids	Increased arrears due to impact of Covid19 on household incomes More Council House disposals than anticipated and/or slower than anticipated progress on the council house new build programme Void properties exceeding the allowance included in the budget (1% p.a.), particualry due to impacts of Covid19 on turnaround times. CPI inflation less than budgeted rate (from 2022/22)– reducing rental income Impact of future interventions by Govt to alter Social Rent Policy.	**Total Score: 9** Likelihood: 9 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Produce regular budget monitoring reports • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Directorate ongoing monitoring is a performance indicator • Monthly monitoring of RPI and CPI index changes • Make use of expert forecasts of future RPI and CPI trends and the impact on housing rents • 30 year Business Plan to undergo a refresh. • Continual monitoring of arrears and void positions. • Housing Rents Hardship Fund established. • Monthly New Homes Board meeting of cross directorate officers monitoring progress of New Build programme and capital & revenue funding

12	Capital Funding	Shortfall in the actual amount of Capital Receipts (i.e. Council House Sales, other HRA assets, GF assets) against the targets set within the HIP & GIP Revenue contributions are not sustainable in the revenue accounts of the HRA or General Fund Increase in borrowing costs (covered in separate risk – see no.5 & no. 13) Reductions in grant funding (covered in separate risk – see no. 15).	**Total Score: 6** Likelihood: 2 Impact: 3	**Total Score: 6** Likelihood: 2 Impact: 3	• Undertake regular monitoring of the capital receipts position • Capital Receipts targets incorporated in the Asset Management Plan & Capital Strategy • Property Section fully informed of current targets within the GIP & HIP • Review of the most cost effective funding options (e.g. capital receipts compared to prudential borrowing) • Monitor and report on the revenue and capital budgets together to ensure both capital and revenue impacts are identified • HRA Business plan includes allowance for full funding of capital requirements over 30 years, including revenue contributions.
13	Cashflow Management (Investments and short term borrowing)	Available cash flow surpluses less than anticipated and/or interest rates lower than forecast Reduction in cash flow results in deficits and/or rising interest rates Impact of major sources of income not being received when expected.	**Total Score: 3** **Likelihood: 3** **Impact: 1**	**Total Score: 6** Likelihood: 3 Impact: 2	• Monitor the average interest rate being achieved against the budget target and the level of balances available for investment • Actively monitoring the cash flow on a daily basis • Ongoing monitoring of cashflows from Business rates • Quarterly monitoring of Collection Fund forecast balances • Take account of economic analysts and Bank of England predictions and advice from Treasury Management Consultants • Hold regular Treasury Management meetings • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee

14	Government Grants (including RSG and New Homes Bonus)	Cash reductions in Government Grant which are in excess of the levels assumed in the MTFS The Council is unable to sustain sufficient levels of growth and future levels of funding are reduced Amount and timing of receipt of some grants not as assumed in the MTFS	**Total Score: 2** Likelihood: 1 Impact: 1	**Total Score: 3** Likelihood: 3 Impact: 1	• Regular review and reporting of new home figures • The Council will seek to realise the benefits of the financial incentives available • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Regular review of grant figures and distribution mechanisms. • Lobby through national groups, respond to national consultations • Work with Association of Lincolnshire Finance Officers and the Society of District Treasures • Work with external funding specialists to identify and assess the impact of proposed funding changes (e.g. New Homes Bonus) • Budget assumptions assume no further new funding beyond 2021/22

15	External Funding of Capital Programme	Loss of anticipated external resource to support the capital programme Including ○ Changes to the allocation of grant funding for Disabled Facilities Grants (DFG) from the City Council to County Council, while the City Council retains statutory duty to provide services. Inability to attract/gain further external grant funding/partner contributions to deliver schemes included in Vision 2025 e.g. Towns Fund	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 12** Likelihood: 3 Impact: 4	• Ensure grant conditions are complied with throughout scheme • Continue to seek alternative funding sources and make appropriate grant applications. • Continue to work with partner organisations to secure additional funding opportunities. • Produce regular grant monitoring statements • Regular budget monitoring and reporting to Capital Programme Board • Ongoing discussions with the County Council to ensure the provision of DFG's meet the Council's funding requirements. • New schemes not approved until external funding secured.

16	Council Tax Base & Council Tax Support Scheme	In year variations to budget not containable within Collection Fund balances Costs to Council increased due to (including impact of Covid19): – Actual CT base different to estimate – Collection rates/bad debt provisions – Increase in LCTS caseload or reduction not as anticipated. – Referendum rate of CT increases below budgeted rate	**Total Score: 4** Likelihood: 2 Impact: 2	**Total Score: 6** Likelihood: 3 Impact: 2	• Monthly monitoring of the Collection Fund - collection rates, CT discount caseload, council tax base. • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Produce quarterly collection rate statements – monitored via the Revenues and Benefits Operational Board, and Revenues and Benefits Management Team. Also report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee if targets are not being met, increased recovery action or further initiatives to increase collection • The proposed 2021/22 Council Tax is below referendum limit of 2%. Future increases are below 2% in years 2022/23 to 2025/26. • Annual increases in Council Tax considered alongside national expected increases • Additional Govt financial support provided in 2021/22 to offset increase in LCTS costs and fund 75% of irrecoverable Collection Fund losses.
17	Sundry Debtors and Housing Benefit Overpayments	The Council's existing Bad Debt provision proves insufficient to meet any increase in the value of debts written off.	**Total Score: 4** Likelihood: 2 Impact: 2	**Total Score: 4** Likelihood: 2 Impact: 2	• Follow established debt recovery and write off procedures • Monitor age debt profile of debts against bad debt provision • DWP Consultancy support engaged for Housing Overpayments – positive impacts on reducing outstanding debt and increasing in-period collection

18	Housing Benefits/Subsidy	Increase in payments that do not attract 100% subsidy i.e. overpayments and local authority errors Failure to comply with complex legislative requirements Lack of audit trail to substantiate grant claim Backlog of work Pressures from customer demands and complex enquiries due to welfare changes	**Total Score: 4** Likelihood: 2 Impact: 2	**Total Score: 4** Likelihood: 2 Impact: 2	• Regular monitoring of claims being processed • Undertake staff training and sample accuracy checks • Ensure system back ups are carried out and historic information is recoverable • Implementation of new systems, processes and structures following Lean Systems Intervention
19	Loss of income from partners	Key partners end existing agreements with the Council	**Total Score: 4** Likelihood: 2 Impact: 2	**Total Score: 4** Likelihood: 2 Impact: 2	• Ongoing discussions and negotiations with key partners by senior officers and members
20	Housing Investment Requirements	Implications arising from Social Housing White Paper including additional investment requirements and pledge to revise Decent Homes Standard. Implications arising from change in planned maintenance contractor.	**Total Score: 4** Likelihood: 2 Impact: 2	**Total Score: 9** Likelihood: 3 Impact: 3	• Assessment of White Paper implications • Refresh of HRA Business Plan in 2021 • Project team established to manage insourcing of planned maintenance programme. • Use of collaborative contracts/framework agreements where possible e.g. EMPA • Ensure risk assessments completed for all significant schemes before commencing • Value engineering used to contain project costs • Cost estimates obtained ahead of procurement exercises.

Appendix 5

GENERAL FUND EARMARKED RESERVES FORECAST 2020/21 – 2025/26

Description	**Balance @ 31.03.21**	**Balance @ 31.03.22**	**Balance @ 31.03.23**	**Balance @ 31.03.24**	**Balance @ 31.03.25**	**Balance @ 31.03.26**
Carry Forwards	105,254	75,254	75,254	75,254	75,254	75,254
Air Quality Initiatives	10,570	16,080	21,590	27,100	32,610	38,120
Active Nation Bond	83,000	83,000	83,000	83,000	83,000	83,000
Birchwood Leisure Centre	25,970	25,970	25,970	25,970	25,970	25,970
Business Rates Volatility	13,645,877	1,979,775	998,636	797,496	867,496	867,496
Christmas Decorations	13,870	13,870	13,870	13,870	13,870	13,870
City Hall Sinking Fund	60,460	60,460	60,460	60,460	60,460	60,460
Commons Parking	27,302	27,302	27,302	27,302	27,302	27,302
Corporate Training	45,300	45,300	45,300	45,300	45,300	45,300
Covid-19 Recovery	1,047,237	1,047,237	0	0	0	0
Covid-19 Response	353,654	353,654	353,654	0	0	0
DRF Unused	145,250	16,060	8,030	0	0	0
Electric Van replacement	19,364	23,794	28,224	32,654	37,084	41,514
Funding for Strategic Priorities V2020	173,740	89,240	14,240	14,240	14,240	14,240
Grants & Contributions	846,817	775,467	702,517	654,757	606,277	556,950
Invest to Save	259,578	275,028	275,608	275,608	275,608	275,608
IT Reserve	123,940	152,430	216,020	278,880	340,990	402,340
Mayoral car	27,099	27,099	27,099	27,099	27,099	27,099
Mercury Abatement	317,171	264,891	214,441	165,821	119,031	74,111
MSCP & Bus Station Sinking Fund	60,000	104,160	149,210	195,160	242,030	289,840
Private Sector Stock Condition Survey	27,460	39,460	51,460	3,460	15,460	27,460
Section 106 interest	31,795	31,795	31,795	31,795	31,795	31,795
Strategic Growth Reserve (WGC)	56,580	56,580	56,580	56,580	56,580	56,580
Tank Memorial	10,000	10,000	10,000	10,000	10,000	10,000
Tree Risk Assessment	125,930	145,930	165,930	185,930	205,930	225,930
Vision 2025	404,200	1,213,200	1,213,200	1,213,200	1,213,200	1,213,200
Western Growth Corridor Planning	100,000	100,000	100,000	100,000	100,000	100,000
TOTAL GENERAL FUND	**18,147,417**	**7,053,035**	**4,969,389**	**4,370,935**	**4,526,585**	**4,583,438**

Appendix 6

HOUSING REVENUE ACCOUNT EARMARKED RESERVES FORECAST 2020/21 to 2025/26

Description	Forecast Balance 31.03.21 £	Forecast Balance 31.03.22 £	Forecast Balance 31.03.23 £	Forecast Balance 31.03.24 £	Forecast Balance 31.03.25 £	Forecast Balance 31.03.26 £
Capital Fees Equalisation	110,030	110,030	110,030	110,030	110,030	110,030
De Wint Court Reserve	73,480	73,480	73,480	73,480	73,480	73,480
Housing Business Plan	76,559	76,559	76,559	76,559	76,559	76,559
Housing Repairs Service	125,710	125,710	125,710	125,710	125,710	125,710
HRA Repairs Account	500,000	500,000	500,000	500,000	500,000	500,000
HRA Strategic Priority Reserve	150,967	94,057	94,057	94,057	94,057	94,057
HRA Invest to Save	132,546	132,546	132,546	132,546	132,546	132,546
Rent Hardship Fund	0	0	0	0	0	0
Strategic Growth Reserve (WGC)	100,590	100,590	100,590	100,590	100,590	100,590
TOTAL HOUSING REVENUE ACCOUNT	**1,269,886**	**1,212,976**	**1,212,976**	**1,212,976**	**1,212,976**	**1,212,976**

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CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
GUILDHALL				
ROOM HIRE:				
Guildhall Room Hire Fee	200.00	206.00	**212.00**	
Private & Specialist Tours (Charge per person)				
- Classification 1 (minimum booking of 10 people) *				
Monday to Saturday 60-90 minutes	5.00	5.20	**5.40**	**inc VAT**
Monday to Saturday 120-180 minutes	9.00	9.30	**9.60**	**inc VAT**
- Classification 2 (minimum booking for 15 people)**				
Monday to Sunday 60-90 minutes	7.50	7.70	**8.00**	**inc VAT**
Monday to Sunday 120-180 minutes	7.80	8.00	**8.30**	**inc VAT**

* Where a private tour is booked during the day and interferes with public tours
** Where a tour is outside of normal working hours - evenings Monday-Friday all day Saturday and Sunday) & Any other Specialist tours, talks & events

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
CITY HALL				
ROOM HIRE:				
Charities & organisations with Council representation (per half day)				
- City Hall (Large Committee rooms, 1 and 2)	33.00	34.00	**35.00**	**inc VAT**
- City Hall (Small Committee rooms, 3 and 4)	23.00	24.00	**25.00**	**inc VAT**
Lincs non-profit making organisations (per half day)				
- City Hall (Large Committee rooms, 1 and 2)	56.00	58.00	**60.00**	**inc VAT**
- City Hall (Small Committee rooms, 3 and 4)	33.00	34.00	**35.00**	**inc VAT**
Other users including Government and Court use (per half day)				
- City Hall (Large Committee rooms, 1 and 2)	132.00	136.00	**140.00**	**inc VAT**
- City Hall (Small Committee rooms, 3 and 4)	89.00	92.00	**95.00**	**inc VAT**
Supplement for evening use	20%	50%	**50%**	
Drinks (per delegate per half day)	2.00	2.50	**2.60**	**inc VAT**
Cancellation Fee	10.00	10.00	**10.00**	
COMMITTEE SERVICES				
- Supplying a copy of or extract from a document (excluding site plans or planning decision notices) (plus postage)	7.60	7.80	**8.00**	**inc VAT**
- Council Summons (per year) (Incl postage & packing)	191.20	196.90	**202.80**	

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	**CURRENT 2020/21 £**	**PROPOSED 2021/22 £**	
ELECTORAL SERVICES				
STATUTORY:				
Public Sales				
- Sale of Electoral Register per 1000 names, or part (plus postage & packing)				
Paper copy				
- initial fee	10.00	10.00	**10.00**	
- per 1000 names, or part	5.00	5.00	**5.00**	
Data				
- initial fee	20.00	20.00	**20.00**	
- per 1000 names, or part	1.50	1.50	**1.50**	
- Copies of Candidate's Expenses (per side)	0.20	0.20	**0.20**	
NON-STATUTORY:				
- Index to Register of Electors	20.80	-	**-**	
- Postage & Packing of Register of Electors	21.80	22.50	**23.20**	
- Hire of Ballot Boxes	8.80	9.10	**9.40**	**inc VAT**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	

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

HACKNEY CARRIAGES

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
- Vehicle Licence/Renewal (one year)	133.00	135.00	**137.00**	
- Plates Deposit (refundable)	13.00	13.00	**13.00**	
- Replacement Plate(s)	16.00	16.00	**16.00**	
-Test Certificate admin fee	16.50	16.50	**17.00**	
- Change of Vehicle/HV/Reg	67.00	68.00	**70.00**	
-Change of Owner (Previously in above)	48.00	48.00	**46.00**	
- Driver Licence (one year)	121.00	128.00	**129.00**	
- Driver Licence (three year)	209.00	224.00	**229.00**	
- Drivers Knowledge Test	35.00	36.00	**37.00**	
-DBS check (enhanced)	44.00	40.00	**40.00**	
-DBS check (standard)	26.00	23.00	**23.00**	
-DVLA Check	6.00	3.00	**3.00**	**plus VAT**
-DVLA Check - (Non UK driving licences)	6.00	15.00	**15.00**	**plus VAT**
- Badge Deposit (refundable)	6.00	6.00	**6.00**	
- Badge Replacement (previously in above)	8.00	8.00	**8.00**	

PRIVATE HIRE

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
- Vehicle Licence/Renewal (one year)	105.00	109.00	**113.00**	
- Plates Deposit (refundable)	13.00	13.00	**13.00**	
- Replacement Plate(s)	16.00	16.00	**16.00**	
-Test Certificate admin fee	16.50	16.50	**17.00**	
- Change of Vehicle/Operator/HV/Reg	67.00	68.00	**70.00**	
-Change of Owner (Previously in above)	48.00	48.00	**46.00**	
- Driver Licence (one year)	86.00	91.00	**95.00**	
- Driver Licence (three year)	174.00	187.00	**195.00**	
- Drivers Knowledge Test	35.00	36.00	**37.00**	
-DBS check (enhanced)	44.00	40.00	**40.00**	
-DBS check (standard)	26.00	23.00	**23.00**	
-DVLA Check	6.00	3.00	**3.00**	**plus VAT**
-DVLA Check - (Non UK driving licences)	6.00	15.00	**15.00**	**plus VAT**
- Badge Deposit (refundable)	6.00	6.00	**6.00**	
- Badge Replacement (previously in above)	8.00	8.00	**8.00**	
- Operators Licence (five years) 10 Vehicles or More	922.00	1,050.00	**1,071.00**	
- Operators Licence (five years) less than 10 Vehicles	294.00	335.00	**347.00**	

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
LICENCES AND CERTIFICATES				
Dangerous Wild Animals	415.00	448.00	**488.00**	
Dangerous Wild Animals Renewal	157.00	179.00	**201.00**	
Horse Registration Fee	60.00	60.00	**62.00**	
Sex Establishment New Licence Application Fee	451.00	489.00	**504.00**	
Sex Establishment New Licence Issue Fee	181.00	206.00	**209.00**	
Sex Establishment Renewal Application Fee	193.00	192.00	**201.00**	
Sex Establishment Renewal Issue Fee	181.00	179.00	**186.00**	
Sex Establishment Transfer Application Fee	307.00	82.00	**85.00**	
Sex Establishment Transfer Issue Fee	169.00	192.00	**201.00**	
Sex Establishment Variation Application Fee	331.00	325.00	**349.00**	
Sex Establishment Variation Issue Fee		27.00	**31.00**	
STREET TRADING				
Street Trading Consent - Initial Applicaction				
- Initial Administration Fee	283.00	297.00	**318.00**	
- Initial Annual Consent Fee	24.00	27.50	**31.00**	
Renewal Consent Fee				
- Renewable Annual Administation Fee	24.00	27.50	**31.00**	
- Renewable Annual Consent Fee	24.00	27.50	**31.00**	
ANIMAL ACTIVITIES LICENCE				
Animal Activities Licence	250.00	299.00	**300.00**	plus Vet Fees
Request Re-Inspection for Star Review	105.00	130.00	**130.00**	
Requesting Variation of the Licence	95.00	115.00	**118.00**	
Performing Animals Licence*	220.00	250.00	**255.00**	plus Vet Fees

* 10% Discount for Charities

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £
LICENCES AND CERTIFICATES			
Scrap Metal Dealers & Motor Salvage Operators			
New Application	881.00	924.00	**948.00**
Site Renewal	712.00	694.00	**743.00**
Collectors Licence	229.00	261.00	**271.00**
Variations			
- Add New Site Manager (Existing within LA area)	10.50	10.50	**10.50**
- Add New Site Manager (Not Existing within LA area	69.00	69.00	**69.00**
- Remove Site Manager (Existing within LA area)	10.50	10.50	**10.50**
- Duplicate Licence	10.50	10.50	**10.50**
- Change of Trading Name	10.50	10.50	**10.50**
Remove a Site			
- Refund In Year 1**	288.00	304.00	**284.00**
- Refund In Year 2**	131.00	139.00	**129.00**
- In Year 3	15.00	15.00	**15.00**
Add a Site			
- In Year 1	470.00	508.00	**511.00**
- In Year 2	313.00	344.00	**344.00**
- In Year 3	157.00	179.00	**201.00**
Collectors Licence to Site Licence			
- In Year 1	627.00	567.00	**630.00**
- In Year 2	518.00	457.00	**497.00**
- In Year 3	410.00	347.00	**351.00**
Site Licence to Collectors Licence			
- Refund In Year 1**	59.00	43.00	**13.00**
- In Year 2**	98.00	121.00	**142.00**
- In Year 3	229.00	261.00	**271.00**
Surrender Collectors Licence			
- Refund In Year 1**	96.00	110.00	**124.00**
- Refund In Year 2**	48.00	55.00	**62.00**
- In Year 3**	-	-	**-**

**** This is a Refund**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £
LICENCES AND CERTIFICATES			
Premises Licence - Grant/Variation (Not change of name/address or premises supervisor)			
- NDRV £0 - £4,300	100.00	100.00	**100.00**
- NDRV £4,301 - £33,000	190.00	190.00	**190.00**
- NDRV £33,001 - £87,000	315.00	315.00	**315.00**
- NDRV £87,001 - £125,000	450.00	450.00	**450.00**
- NDRV £125,001 and over	635.00	635.00	**635.00**
Premises Licence - Annual			
- NDRV £0 - £4,300	70.00	70.00	**70.00**
- NDRV £4,301 - £33,000	180.00	180.00	**180.00**
- NDRV £33,001 - £87,000	295.00	295.00	**295.00**
- NDRV £87,001 - £125,000	320.00	320.00	**320.00**
- NDRV £125,001 and over	350.00	350.00	**350.00**
Premises Licence - Variation Fee in Transition			
- NDRV £0 - £4,300	20.00	20.00	**20.00**
- NDRV £4,301 - £33,000	60.00	60.00	**60.00**
- NDRV £33,001 - £87,000	80.00	80.00	**80.00**
- NDRV £87,001 - £125,000	100.00	100.00	**100.00**
- NDRV £125,001 and over	120.00	120.00	**120.00**
For premises used exclusively or primarily in the business of selling alcohol for consumption on the premises and within bands D & E - the following multiplier applies - Band D x 2, Band E x 3			
Premises Licence - Grant/Variation (Not change of name/address or premises supervisor)			
- NDRV £87,001 - £125,000	900.00	900.00	**900.00**
- NDRV £125,001 and over	1,905.00	1,905.00	**1,905.00**
Premises Licence - Annual			
- NDRV £87,001 - £125,000	640.00	640.00	**640.00**
- NDRV £125,001 and over	1,050.00	1,050.00	**1,050.00**
Club Premises Certificates -Grant/Variation (Not change of name, alteration of club rules or registered address)			
- NDRV £0 - £4,300	100.00	100.00	**100.00**
- NDRV £4,301 - £33,000	190.00	190.00	**190.00**
- NDRV £33,001 - £87,000	315.00	315.00	**315.00**
- NDRV £87,001 - £125,000	450.00	450.00	**450.00**
- NDRV £125,001 and over	635.00	635.00	**635.00**
Club Premises Certificates - Annual			
- NDRV £0 - £4,300	70.00	70.00	**70.00**
- NDRV £4,301 - £33,000	180.00	180.00	**180.00**
- NDRV £33,001 - £87,000	295.00	295.00	**295.00**
- NDRV £87,001 - £125,000	320.00	320.00	**320.00**
- NDRV £125,001 and over	350.00	350.00	**350.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2019/20 £	**CURRENT 2020/21 £**	**PROPOSED 2021/22 £**
LICENCES AND CERTIFICATES			
Copy of Licence/Certificate/Notice or Summary on theft or loss of:			
- Premises Licence or Summary	10.50	10.50	**10.50**
- Club Premises Certificate or Summary	10.50	10.50	**10.50**
- Personal Licence	10.50	10.50	**10.50**
- Temporary Events Notice	10.50	10.50	**10.50**
Change of name or address			
- Holder of Premises Licence	10.50	10.50	**10.50**
- Personal Licence	10.50	10.50	**10.50**
Change of name or alteration to club rules	10.50	10.50	**10.50**
Change of relevant registered address of club	10.50	10.50	**10.50**
Vary specific individual as premises supervisor	23.00	23.00	**23.00**
Transfer Premises Licence	23.00	23.00	**23.00**
Interim Authority Notice	23.00	23.00	**23.00**
Provisional Statement	315.00	315.00	**315.00**
Temporary Events Notice	21.00	21.00	**21.00**
Personal Licences			
- Grant/Renewal	37.00	37.00	**37.00**
Minor Variation of a Premises Licence/Club Premises Certificate	89.00	89.00	**89.00**
Notification of Interest	21.00	21.00	**21.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £
GAMBLING ACT - PERMIT FEES			
FEC Gaming Machine -			
- Application Fee	300.00	300.00	**300.00**
- Renwal Fee	300.00	300.00	**300.00**
Prize Gaming -			
- Application Fee	300.00	300.00	**300.00**
- Renewal Fee	300.00	300.00	**300.00**
Alcohol Licences Premises - Notification of less than 2 Machines			
- Application Fee	50.00	50.00	**50.00**
Alcohol Licences Premises - More than 2 Machines			
- Application Fee	150.00	150.00	**150.00**
- Annual Fee	50.00	50.00	**50.00**
- Transitional Application Fee	100.00	100.00	**100.00**
Club Gaming Permit -			
- Application Fee	200.00	200.00	**200.00**
- Annual Fee	50.00	50.00	**50.00**
- Renewal Fee	200.00	200.00	**200.00**
- Transitional Application Fee	100.00	100.00	**100.00**
Club Gaming Machine Permit -			
- Application Fee	200.00	200.00	**200.00**
- Annual Fee	50.00	50.00	**50.00**
- Renewal Fee	200.00	200.00	**200.00**
- Transitional Application Fee	100.00	100.00	**100.00**
Club Fast-track for Gaming Permit or Gaming Machine Permit -			
- Application Fee	100.00	100.00	**100.00**
- Annual Fee	50.00	50.00	**50.00**
- Renewal Fee	100.00	100.00	**100.00**
- Transitional Application Fee			
Small Society Lottery Registration -			
- Application Fee	40.00	40.00	**40.00**
- Annual Fee	20.00	20.00	**20.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £
GAMBLING ACT - PERMIT FEES cont.			
FEC Permits -			
- Change of Name	25.00	25.00	**25.00**
- Copy of Permit	15.00	15.00	**15.00**
Prize Gaming Permits -			
- Change of Name	25.00	25.00	**25.00**
- Copy of Permit	15.00	15.00	**15.00**
Alcohol Licences Premises - Notification of More than 2 Machines -			
- Change of Name	25.00	25.00	**25.00**
- Copy of permit	15.00	15.00	**15.00**
- Variation	100.00	100.00	**100.00**
- Transfer	25.00	25.00	**25.00**
Club Gaming Permit -			
- Copy of Permit	15.00	15.00	**15.00**
- Variation	100.00	100.00	**100.00**
Club Gaming Machine Permit			
- Copy of Permit	15.00	15.00	**15.00**
- Variation	100.00	100.00	**100.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2019/20 £	**CURRENT 2020/21 £**	**PROPOSED 2021/22 £**
GAMBLING ACT - APPLICATION FEES			
Classes of Premises Licence -			
Regional Casino Premises Licence -			
- Application Fee in respect of Provisional statement premises	8,000.00	8,000.00	**8,000.00**
- Fee in respect of other premises	15,000.00	15,000.00	**15,000.00**
- Annual Fee	15,000.00	15,000.00	**15,000.00**
- Application to vary licence	7,500.00	7,500.00	**7,500.00**
- Application to transfer a licence	6,500.00	6,500.00	**6,500.00**
- Application for reinstatement of a licence	6,500.00	6,500.00	**6,500.00**
- Application for provisional statement	15,000.00	15,000.00	**15,000.00**
Large Casino Premises Licence -			
- Application Fee in respect of Provisional statement premises	5,000.00	5,000.00	**5,000.00**
- Fee in respect of other premises	10,000.00	10,000.00	**10,000.00**
- Annual Fee	10,000.00	10,000.00	**10,000.00**
- Application to vary licence	5,000.00	5,000.00	**5,000.00**
- Application to transfer a licence	2,150.00	2,150.00	**2,150.00**
- Application for reinstatement of a licence	2,150.00	2,150.00	**2,150.00**
- Application for provisional statement	10,000.00	10,000.00	**10,000.00**
Small Casino Premises Licence -			
- Application Fee in respect of Provisional statement premises	3,000.00	3,000.00	**3,000.00**
- Fee in respect of other premises	8,000.00	8,000.00	**8,000.00**
- Annual Fee	5,000.00	5,000.00	**5,000.00**
- Application to vary licence	4,000.00	4,000.00	**4,000.00**
- Application to transfer a licence	1,800.00	1,800.00	**1,800.00**
- Application for reinstatement of a licence	1,800.00	1,800.00	**1,800.00**
- Application for provisional statement	8,000.00	8,000.00	**8,000.00**
Converted Casino premises licence -			
- Annual Fee	3,000.00	3,000.00	**3,000.00**
- Application to vary licence	2,000.00	2,000.00	**2,000.00**
- Application to transfer a licence	1,350.00	1,350.00	**1,350.00**
- Application for reinstatement of a licence	1,350.00	1,350.00	**1,350.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2019/20 £	**CURRENT 2020/21 £**	**PROPOSED 2021/22 £**
GAMBLING ACT - APPLICATION FEES			
Bingo Premises Licence -			
- Application Fee in respect of Provisional statement premises	1,200.00	1,200.00	**1,200.00**
- Fee in respect of other premises	3,500.00	3,500.00	**3,500.00**
- Annual Fee	1,000.00	1,000.00	**1,000.00**
- Application to vary licence	1,750.00	1,750.00	**1,750.00**
- Application to transfer a licence	1,200.00	1,200.00	**1,200.00**
- Application for reinstatement of a licence	1,200.00	1,200.00	**1,200.00**
- Application for provisional statement	3,500.00	3,500.00	**3,500.00**
Adult Gaming centre Premises Licence -			
- Application Fee in respect of Provisional statement premises	1,200.00	1,200.00	**1,200.00**
- Fee in respect of other premises	2,000.00	2,000.00	**2,000.00**
- Annual Fee	1,000.00	1,000.00	**1,000.00**
- Application to vary licence	1,000.00	1,000.00	**1,000.00**
- Application to transfer a licence	1,200.00	1,200.00	**1,200.00**
- Application for reinstatement of a licence	1,200.00	1,200.00	**1,200.00**
- Application for provisional statement	2,000.00	2,000.00	**2,000.00**
Betting premises (track) Licence -			
- Application Fee in respect of Provisional statement premises	950.00	950.00	**950.00**
- Fee in respect of other premises	2,500.00	2,500.00	**2,500.00**
- Annual Fee	1,000.00	1,000.00	**1,000.00**
- Application to vary licence	1,250.00	1,250.00	**1,250.00**
- Application to transfer a licence	950.00	950.00	**950.00**
- Application for reinstatement of a licence	950.00	950.00	**950.00**
- Application for provisional statement	2,500.00	2,500.00	**2,500.00**
Family Entertainment centre premises licence:			
- Application Fee in respect of Provisional statement premises	950.00	950.00	**950.00**
- Fee in respect of other premises	2,000.00	2,000.00	**2,000.00**
- Annual Fee	750.00	750.00	**750.00**
- Application to vary licence	1,000.00	1,000.00	**1,000.00**
- Application to transfer a licence	950.00	950.00	**950.00**
- Application for reinstatement of a licence	950.00	950.00	**950.00**
- Application for provisional statement	2,000.00	2,000.00	**2,000.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £
GAMBLING ACT - APPLICATION FEES			
Betting premises (other) Licence			
- Application Fee in respect of Provisional statement premises	1,200.00	1,200.00	**1,200.00**
- Fee in respect of other premises	3,000.00	3,000.00	**3,000.00**
- Annual Fee	600.00	600.00	**600.00**
- Application to vary licence	1,500.00	1,500.00	**1,500.00**
- Application to transfer a licence	1,200.00	1,200.00	**1,200.00**
- Application for reinstatement of a licence	1,200.00	1,200.00	**1,200.00**
- Application for provisional statement	3,000.00	3,000.00	**3,000.00**
Change of Circumstance fee	50.00	50.00	**50.00**
Copy of Licence Fee	25.00	25.00	**25.00**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
INTERMENTS				
Child up to sixteen years	No Charge	No Charge	**No Charge**	
Person over sixteen years	1,110.00	1,140.00	**1,175.00**	
Preparation for Exhumation	2,070.00	2,130.00	**2,195.00**	
Grave Purchase (50 Year Lease)**	1,080.00	1,110.00	**1,145.00**	
Grave Purchase (Baby)	280.00	290.00	**300.00**	
Interments of cremated remains:				
- From Lincoln Crematorium*	80.00	85.00	**88.00**	
- From Other Crematorium*	110.00	115.00	**120.00**	
Preparation for Exhumation of Ashes	280.00	300.00	**310.00**	
Cremation Plot Purchase	280.00	290.00	**300.00**	
Body Parts/blocks/slides*	72.00	74.00	**76.00**	

50% Discount for City of Lincoln Residents (Excluding those marked with *)
**Fee is non-transferable to anyone other than the purchasee/designated person.
If the intention is to transfer onto a non-city resident then charge will be doubled.

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
MONUMENTS, GRAVE STONES, TABLETS & INSCRIPTIONS				
Monumental Mason Headstone	110.00	115.00	**118.00**	**inc VAT**
MISCELLANEOUS				
Levelling and re-turfing of graves	48.00	49.00	**50.00**	**inc VAT**
Burial records search fee where appropriate	6.00	6.00	**6.00**	**inc VAT**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £
INTERMENTS			
Child up to sixteen years	No Charge	No Charge	**No Charge**
Person over sixteen years			
- Resident	720.00	740.00	**760.00**
- Non-resident	1,440.00	1,480.00	**1,520.00**
Interments of cremated remains			
- From Lincoln Crematorium *	98.00	100.00	**105.00**
- From Other Crematorium *	120.00	125.00	**130.00**
PURCHASE OF GRAVE PLOT			
Grave Purchase (50 Year Lease) **			
- Resident	620.00	640.00	**660.00**
- Non-resident	1,240.00	1,280.00	**1,320.00**
Grave Purchase (Baby)			
- Resident	150.00	155.00	**160.00**
- Non-resident	300.00	310.00	**320.00**
Cremation Plot Purchase			
- Resident	150.00	155.00	**160.00**
- Non-resident	300.00	310.00	**320.00**

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

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
CREMATION FEES				
Body Parts/Slides/Blocks	77.00	80.00	**83.00**	
Child up to sixteen years	No Charge	No Charge	**No Charge**	
Person over sixteen years	750.00	780.00	**805.00**	
(Fee inclusive of Urn, Medical Refs Fee & Cremation Certificate)				
Charge for non-city residents :				
Person over sixteen years	750.00	780.00	**805.00**	
(Fee inclusive of Urn, Medical Refs Fee & Cremation Certificate)				
Service Extension (20 min period)	175.00	180.00	**185.00**	
MEMORIALS AND INSCRIPTIONS				
Book of Remembrance				
2 Lines	90.00	95.00	**100.00**	**inc VAT**
5 Lines	120.00	125.00	**131.00**	**inc VAT**
8 Lines	150.00	155.00	**160.00**	**inc VAT**
Miniature Books				
2 Lines	100.00	105.00	**110.00**	**inc VAT**
5 Lines	110.00	115.00	**120.00**	**inc VAT**
8 lines	125.00	130.00	**135.00**	**inc VAT**
Remembrance cards				
2 Lines	62.00	65.00	**67.00**	**inc VAT**
5 Lines	72.00	75.00	**77.00**	**inc VAT**
8 Lines	88.00	90.00	**93.00**	**inc VAT**
Additional lines to existing books and cards per line	18.00	18.50	**19.00**	**inc VAT**
MISCELLANEOUS CHARGES				
- Caskets	52.00	55.00	**57.00**	
- Extract from Register of Cremations	12.00	12.00	**12.00**	
Memorial Service (when space available)	350.00	360.00	**370.00**	
DEPOSIT OF ASHES				
- Temporary deposit of ashes per month after one month	14.00	15.00	**16.00**	
- For burying of ashes in Garden of Remembrance where cremation carried out at other crematorium	90.00	95.00	**100.00**	**inc VAT**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
MEMORIAL GARDEN				
Wall Tablet (10 year lease)	225.00	233.33	**241.66**	**plus VAT**
Bench Tablet (10 year lease)	316.66	325.00	**333.33**	**plus VAT**
Kerb Tablet (10 year lease)	341.66	350.00	**358.33**	**plus VAT**
Vault Tablet (20 year lease)	770.83	791.67	**800.00**	**plus VAT**
Designer images on plaques - from	108.33	116.66	**120.83**	**plus VAT**
Ceramic Photo Plaques				
4cm x 3cm	104.16	108.33	**112.50**	**plus VAT**
7cm x 5cm	145.83	150.00	**154.17**	**plus VAT**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
BREAVEMENT SERVICES				
Witnessed burial in the Garden of Remembrance	30.00	30.00	**31.00**	
Direct Cremation Service	580.00	595.00	**613.00**	
Change of fees for a memorial permit to make it a clear price	110.00	115.00	**118.00**	
WESLEY SYSTEM				
Audio recording supplied on CD - 1st Copy	55.00	58.00	**60.00**	**inc VAT**
Audio recording supplied on CD - subsequent copies	27.00	28.00	**29.00**	**inc VAT**
Video recording supplied on DVD - 1st copy	55.00	58.00	**60.00**	**inc VAT**
Video recording supplied on DVD - subsequent copies	27.00	28.00	**29.00**	**inc VAT**
VISUAL TRIBUTES				
Visual tribute - 1 photograph	23.00	24.00	**25.00**	**inc VAT**
Visual tribute - 2-5 photographs	33.00	34.00	**35.00**	**inc VAT**
Visual tribute - 6-10 photographs	44.00	45.00	**46.00**	**inc VAT**
Visual tribute – 10+ photographs subsequent per photograph)	2.50	2.50	**3.00**	**inc VAT**
Video tribute - up to 2 minutes	33.00	34.00	**35.00**	**inc VAT**
Video tribute - over 2 minutes to 5 minutes	44.00	45.00	**46.00**	**inc VAT**
DVD containing the tribute - 1st copy	33.00	34.00	**35.00**	**inc VAT**
DVD containing the tribute - subsequent copies	27.00	28.00	**29.00**	**inc VAT**
Tribute embedded into video of the service	75.00	78.00	**80.00**	**inc VAT**
WEBCASTING				
Webcasting of Service	55.00	58.00	**60.00**	**inc VAT**
MEMORIAL TREE				
Memorial Leaf (Name Only)*	150.00	150.00	**155.00**	**plus VAT**
Memorial Leaf (Name & Inscription)*	175.00	175.00	**180.00**	**plus VAT**

*Subject to a 10 year lease

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £
LICENCES, CERTIFICATES AND AUTHORISATIONS			
Food Certificates			
- Condemned food	41.50	42.80	**44.10**
(No charge for single items)			
- Consignments for Export	66.60	68.60	**70.70**
Authorisations *- Prescribed Processes (All subject to notification by DEFRA) :			
- Application Fees			
- Standard	1,579.00	1,579.00	**1,579.00**
- Additional Fee for Operating without a Permit	1,137.00	1,137.00	**1,137.00**
- PVRI, SWOB's and Dry Cleaners	148.00	148.00	**148.00**
- PVR Combinded I & II	246.00	246.00	**246.00**
- VR & other Reduced Fee Activities	346.00	346.00	**346.00**
- RFA Additional Fee for no Permit	68.00	68.00	**68.00**
- Mobile Plant **	1,579.00	1,579.00	**1,579.00**
- for 3rd to 7th Applications	943.00	943.00	**943.00**
- for 8th & Subsequent Applications	477.00	477.00	**477.00**
Where an Application for any of the above is for a combined Part B and Waste Application add extra £297 to Amount shown			
- Subsistence charges			
- Standard - Low	739.00	739.00	**739.00**
- Standard - Med	1,111.00	1,111.00	**1,111.00**
- Standard - High	1,672.00	1,672.00	**1,672.00**
- PVRI, SWOB's and Dry Cleaners Low	76.00	76.00	**76.00**
- PVRI, SWOB's and Dry Cleaners Med	151.00	151.00	**151.00**
- PVRI, SWOB's and Dry Cleaners High	227.00	227.00	**227.00**
- PVR I & II Combined Low	108.00	108.00	**108.00**
- PVR I & II Combined Med	216.00	216.00	**216.00**
- PVR I & II Combined High	326.00	326.00	**326.00**
- VRs & other Reduced Fees Low	218.00	218.00	**218.00**
- VRs & other Reduced Fees Med	349.00	349.00	**349.00**
- VRs & other Reduced Fees High	524.00	524.00	**524.00**
- Mobile Plants for 1st & 2nd Permits Low **	618.00	618.00	**618.00**
- Mobile Plants for 1st & 2nd Permits Med **	989.00	989.00	**989.00**
- Mobile Plants for 1st & 2nd Permits High **	1,484.00	1,484.00	**1,484.00**
- For the 3rd to 7th Permits Low	368.00	368.00	**368.00**
- For the 3rd to 7th Permits Med	590.00	590.00	**590.00**
- For the 3rd to 7th Permits High	884.00	884.00	**884.00**
- For the 8th and Subsequent Permits Low	189.00	189.00	**189.00**
- For the 8th and Subsequent Permits Med	302.00	302.00	**302.00**
- For the 8th and Subsequent Permits High	453.00	453.00	**453.00**
- Late Payment Fee	50.00	50.00	**50.00**

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

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
LICENCES, CERTIFICATES AND AUTHORISATIONS				
- Transfer & Surrender				
- Standard Process Transfer	162.00	162.00	**162.00**	
- Standard Process Partial Transfer	476.00	476.00	**476.00**	
- New Operator - Low risk Fee	75.00	75.00	**75.00**	
- Reduced Fee Activities Partial Transfer	45.00	45.00	**45.00**	
- Temporary Transfer for Mobiles				
- First Transfer	51.00	51.00	**51.00**	
- Repeat following Enforcement or Warning	51.00	51.00	**51.00**	
- Substantial Change				
- Standard Process	1,005.00	1,005.00	**1,005.00**	
- Standard Process where result in a new PPC Activity	1,579.00	1,579.00	**1,579.00**	
- Reduced Fee Activities	98.00	98.00	**98.00**	
Local Government Misc Provisions- Skin Piercers (including Tattooing & Acupuncture)				
- Premises	160.10	164.90	**169.90**	
- Persons	30.70	31.60	**32.60**	
Re-issue of Skin Piercers Registration Certificate		15.00	**15.50**	
* 10% discount for registered charities				
PUBLIC CONVIENICES				
Castle Hill	0.20	0.20	**0.20**	
Tentercroft Street	0.20	0.20	**0.20**	
Westgate	0.20	0.20	**0.20**	
Bus Station	0.20	0.20	**0.20**	
Lucy Tower	0.20	0.20	**0.20**	
E-Access Card	5.00	5.00	**5.00**	**inc VAT**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
Dogs :				
- Penalty for Strays *(Set by EPA & charged on 2nd continuing offence.)	25.00	25.00	**25.00**	
- Housing of Strays (Kennel fee per day) (Cost + Handling Charge)	12.00	12.40	**12.80**	**inc VAT**
- Acceptance of, for Destruction	81.00	83.40	**85.90**	

OTHER

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
Provision of Information				
- Photograph (Each additional photo £1.30)	13.60	14.00	**14.40**	**inc VAT**
- Documents	12.30	12.70	**13.10**	**inc VAT**
- Factual Statement & Report of Investigations	135.20	139.30	**143.50**	**inc VAT**
- Food Safety Act Register (25 entries or part)	4.70	4.80	**5.00**	**inc VAT**
- Information on Former Use of Land (Charge per hour, or part thereof)	82.30	84.80	**87.40**	
- Provision of Information - Outstanding Notices Administration Charge	41.20	42.40	**43.70**	
- Default Works (incl Intruder Alarm Disconnection)	Cost + 10%	Cost + 10%	**Cost + 10%**	
Safer Food Better Business Management System	6.40	6.50	**6.70**	
Safer Food Better Business Daily Diary	4.20	4.50	**4.70**	
Re-inspection of Food Business	150.00	154.50	**155.00**	
- Graffiti Busting per hour	42.20	43.50	**45.00**	**plus VAT**

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

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
ENFORCEMENT OFFICER				
Fixed Penalty Notices				
- Littering*	75.00	75.00	**75.00**	
- Dog Fouling	50.00	50.00	**50.00**	
- Breach of Community Protection*	75.00	75.00	**75.00**	
- Breach of a Public Space Protection Order*	75.00	75.00	**75.00**	
- Breach of S46 Notice (Presentation of Waste)*	75.00	75.00	**75.00**	
*** Discount of £25 given if paid within 10 days of receiving the fine**				
GREEN WASTE				
Green Waste Bin Collection				
- Annual Fee	39.00	39.00	**39.00**	
- Additional Bin	15.00	15.00	**15.00**	
- Delivery Fee	15.00	15.00	**15.00**	
DEVELOPER BIN CHARGES				
Charges per bin				
- 140 Litre Bin	22.70	22.00	**22.70**	**plus VAT**
- 240 Litre Bin	26.80	26.00	**26.80**	**plus VAT**
- Communal Bin (Usually 660l or 1100l)	153.50	149.00	**153.50**	**plus VAT**
- Delivery Charge	10.30	10.00	**10.30**	**plus VAT**
Admin Charge		**10% of total charge**	**10% of total charge**	

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HOUSING- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
HOUSING ADVANCES				
- Second mortgage enquiry fee	101.40	104.40	**107.50**	**inc VAT**
- Transfer of mortgage fee	150.80	155.30	**160.00**	
- Business rate enquiry fee	32.80	33.80	**34.80**	
- Council Tax enquiry fee	25.90	26.70	**27.50**	
- Right to Buy leaseholders repair loan	196.70	202.60	**208.70**	
HOUSES IN MULTIPLE OCCUPATION				
Premises Licence Fee*				
- Basic (up to 5 Bedrooms)	850.00	875.50	**900.00**	
- 6 to 10 Bedrooms	Basic + 10%	Basic + 10%	**Basic + 10%**	
- 11 to 15 Bedrooms	Basic + 20%	Basic + 20%	**Basic + 20%**	
- 16 to 20 Bedrooms	Basic + 30%	Basic + 30%	**Basic + 30%**	
- For every 5, or part thereof, over 20	Additional 10%		**Additional 10%**	
Variation to Licence				
Trusted Landlord Scheme Discount (must be accredited on the date of the completed application)	**35% of Basic**		**35% of Basic**	

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

GARAGES				
Garage transfer fees	21.30	21.90	**22.60**	**inc VAT**
Garage sites	75.40	77.70	**80.00**	**inc VAT**
Garage access fees	75.40	77.70	**80.00**	**inc VAT**

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

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

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £
HOUSING ACT 2004			
Health & Environment Enforcement Policy			
- Charge for enforcement activity	336.63	336.63	**336.63***
* Minimum fine for a 1/2 bedroom property with one hazard identified The charge will vary upwards depending on the number of bedrooms and the number of hazards identified at the property			
- Civil Penalty Notice	30,000.00	30,000.00	**30,000.00***
* Maximum fine of £30,000 - will be dependant on individual circumstances			
- Penalty Charge Notice for Smoke & Carbon Monoxide Alarms	5,000.00	5,000.00	**5,000.00***
* £5,000 for first breach discounted to £2,500 if paid within 14 days. Repeat Breaches £5,000 with no discount for early payment			

HOUSING- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	**CURRENT 2020/21 £**	**PROPOSED 2021/22 £**	
SUPPORTED HOUSING				
Community Alarms Service	150.00	155.00	**155.00**	
SHELTERED ACCOMMODATION				
Service charges, per rent week (50 weeks) - residents :				
- 1 person flat				
Derek Miller Ct	8.50	8.80	**9.10**	
St.Botolphs	8.50	8.80	**9.10**	
- 2 person flat				
Derek Miller Ct	12.10	12.50	**12.90**	
St.Botolphs	12.10	12.50	**12.90**	
- Electricity				
Derek Miller Court (only)	4.20	4.30	**4.40**	
Service charges, per rent week (50 weeks) - wardens :				
- 2 bed accommodation	9.70	10.00	**10.30**	
- 3 bed accommodation				
Lenton Green	11.70	12.10	**12.50**	
Others	11.50	11.90	**12.30**	
Concessionary TV Licences	7.50	7.50	**7.50**	
MISCELLANEOUS				
Additional keys for door entry	13.60	14.00	**14.40**	**inc VAT**
Building Society enquiry fees	80.90	83.30	**85.80**	**inc VAT**

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LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £
BUD ROBINSON C.C.	Please refer to community centre fees and charges below		
Room Hire (per hour)			
- Main Hall			
Commercial	22.60	-	-
Standard	18.10	-	-
Supported	9.20	-	-
- Large Meeting Room			
Commercial	19.90	-	-
Standard	15.10	-	-
Supported	8.90	-	-
- Small Meeting Room			
Commercial	10.10	-	-
Standard	6.40	-	-
Supported	3.80	-	-
Surcharge after 11pm	100%	-	-
Projector/Screen Hire			
- Per Hour	**5.00**	-	-
- Per day	**25.00**	-	-
Service Charge (Caretaker fee)	Cost	-	-
Surcharge after 11pm (Caretaker	Cost	-	-
Call out recharges	Cost	-	-
Additional Cleaning	Cost	-	-
Other Charges			
Activities (per hour)			
- Table Tennis, per table	3.80	-	-
- Carpet Bowls, per carpet	5.40	-	-
Hire of Equipment			
- Table Tennis Bat (£2 dep)	-	-	-
- Carpet Bowls (per hour) £2 deposit	-	-	-
- Booking Fee**	5.40	-	-
- Amendment Fee	3.20	-	-
- PRS	Cost + 50%		-
Sale of Equipment	-	-	-

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

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

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
ALL OTHER CENTRES				
Room Hire (per hour)				
- Main Hall/Weighing Room				
Commercial	19.30	19.90	**20.50**	
Standard	15.40	15.90	**16.40**	
Supported	7.70	7.90	**8.10**	
- Small Meeting Rooms				
Commercial	10.10	10.40	**10.70**	
Standard	6.40	6.60	**6.80**	
Supported	3.80	3.90	**4.00**	
- Large Meeting Rooms				
Commercial	18.90	16.40	**16.90**	
Standard	12.70	13.10	**13.50**	
Supported	7.50	7.70	**7.90**	
Surcharge after 11pm	100%	100%	**100%**	
Projector/Screen Hire				
- Per Hour	5.00	5.00	**5.00**	
- Per day	25.00	25.00	**25.00**	
Service Charge (Caretaker fee)	Cost	Cost	**Cost**	**plus VAT**
Surcharge after 11pm (Caretaker	Cost	Cost	**Cost**	**plus VAT**
Call out recharges	Cost	Cost	**Cost**	**plus VAT**
Additional Cleaning	Cost	Cost	**Cost**	**plus VAT**
Other Charges				
Activities (per hour)				
- Badminton per court	8.80	9.10	**9.40**	**inc VAT**
- Table Tennis per table	3.80	3.90	**4.00**	**inc VAT**
- Carpet Bowls per carpet	5.40	5.60	**5.80**	**inc VAT**
Hire of Equipment				
- Racquet (£2 dep)	-	-	**-**	
- Table Tennis Bat (£2 dep)	-	-	**-**	
- Booking Fee**	5.40	5.60	**5.00**	
- Amendment Fee	3.20	3.30	**3.00**	
- PRS	Cost + 50%	Cost + 50%	**Cost + 50%**	
Sale of Equipment	-	-	**-**	

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

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
COMMONS				
- Impounding of Horses on City Commons	Contract Price + 15%		**Contract Price + 15%**	**plus VAT**
RECREATION GROUNDS				
- Cricket, pitch and accommodation				
Weekend match				
Adult teams	34.30	35.30	**38.80**	**inc VAT**
Youth teams	19.70	20.30	**22.30**	**inc VAT**
Weekday match (evening)				
Adult teams	23.20	23.90	**26.20**	**inc VAT**
Youth teams	16.60	17.10	**18.80**	**inc VAT**
- Rounders (Per pitch Per match)	Cost	Cost	**Cost**	**plus VAT**

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

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
RECREATION GROUNDS				
- Football (per pitch)				
Per game with attended changing facilities without showers				
Adult teams	54.10	60.00	**66.00**	**inc VAT**
Youth teams	27.10	30.00	**33.00**	**inc VAT**
Junior Pitches (10-14 Years)	22.30	25.00	**27.60**	**inc VAT**
Mini Pitches (up to 10yr olds)	13.70	15.00	**16.60**	**inc VAT**
Per game for keyholders or limited changing facilities without showers (Skellingthorpe Rd and King George's Field)				
Adult teams	41.50	50.00	**55.00**	**inc VAT**
Youth teams	20.90	25.00	**28.60**	**inc VAT**
Junior Pitches (10-14 Years)	17.20	20.00	**22.00**	**inc VAT**
Per season (16 Bookings**) with attended changing facilities with showers				
Adult teams	389.40	450.00	**495.00**	
Youth teams	185.70	220.00	**242.00**	
Junior Pitches (10-14 Years)	139.10	165.00	**181.60**	
Mini Pitches (up to 10yr olds)	98.50	120.00	**132.00**	
Per season (16 Bookings*) with attended changing facilities with showers (Skellingthorpe Rd and King George's Field)				
Adult teams	299.60	350.00	**385.00**	
Youth teams	142.90	175.00	**192.60**	
Junior Pitches (10-14 Years)	107.30	125.00	**137.60**	
Mini Pitches (up to 10yr olds)	63.10	75.00	**82.60**	
Additional Cleaning	Cost	Cost	**Cost**	**plus VAT**
- Grass training fees with no attendant or changing facilities (per group, per hour)				
Adult teams	11.90	0.00	**0.00**	**inc VAT**
Youth teams	7.20	0.00	**0.00**	**inc VAT**

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

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
Conference / Meeting Room				
Tenants (Inc Post Box Holders) - **SEE FOOTNOTE BELOW**				
Per Hour	15.00	15.00	**15.50**	**excl VAT**
Per ½ Day	45.00	45.00	**46.40**	**excl VAT**
Per Day	80.00	80.00	**82.40**	**excl VAT**
Non Tenants				
Per Hour	30.00	30.00	**30.90**	**excl VAT**
Per ½ Day	90.00	90.00	**92.70**	**excl VAT**
Per Day	160.00	160.00	**164.80**	**excl VAT**
Projector/Lap Top available at additional cost of £5 per hour or £25 per day				
Faxing (Per Page)				
Inward / Outward	0.45	0.50	**0.50**	**excl VAT**
Overseas	0.90	1.00	**1.00**	**excl VAT**
- Laminating				
A4 (Per Sheet)	1.30	1.30	**1.30**	**excl VAT**
A3 (Per Sheet)	2.15	2.15	**2.15**	**excl VAT**
Photocopying (Per Sheet)				
A4 Paper	0.08	0.10	**0.10**	**excl VAT**
A3 Paper	0.13	0.15	**0.15**	**excl VAT**
A4 Paper - Coloured	0.42	0.50	**0.50**	**excl VAT**
A3 Paper - Coloured	0.83	1.00	**1.00**	**excl VAT**
Bulk Copying (50+)				
Own Paper	0.04	0.05	**0.05**	**excl VAT**
Telephone Answering Service				
Monthly Rate	20.00	14.50	**15.00**	**excl VAT**
Price is based on a calendar month and is exclusive to VAT.				
- Virtual Mailbox				
Annual	295.00	295.00	**304.00**	**excl VAT**
Replacement keys				
Unit Key				
Security Access Key	11.50	11.50	**11.50**	**excl VAT**

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	PROPOSED 2022/23 £	
HARTSHOLME COUNTRY PARK					
- Overnight stay, incl use of showers (per night)					
Standard non-electric price for a pitch in the tent only area (apart from backpack tent).					
- High Season *	17.50	18.00	**18.50**	**19.00**	**inc VAT**
- Low Season	15.50	16.00	**16.50**	**17.00**	**inc VAT**
Electric included in pitch price for all other pitches					
Four berth caravan, motorhome or tent and car					
- High Season *	20.00	20.50	**21.00**	**21.50**	**inc VAT**
- Low Season	18.00	18.50	**19.00**	**19.50**	**inc VAT**
Dogs (each per stay)		1.00	**1.00**	**1.00**	**inc VAT**
Backpack Tent	11.50	12.00	**12.50**	**13.00**	**inc VAT**
Overflow Pitch	10.00	10.00	**10.50**	**11.00**	**inc VAT**
Camping Pod Single Night	40.00	40.00	**40.00**	**41.00**	**inc VAT**
Camping Pod 2 nights or more	35.00	35.00	**35.00**	**36.00**	**inc VAT**
Camping Pod Christmas Market	50.00	50.00	**50.00**	**50.00**	**inc VAT**
Non-refundable deposit - (included within price)					
Bank Holiday Weekends only					
Single night	10.00	10.00	**10.00**	**10.00**	**inc VAT**
Two or more nights	25.00	20.00	**25.00**	**25.00**	**inc VAT**
Full Awning	3.00	3.00	**3.00**	**3.00**	**inc VAT**
Additional Adult	3.00	3.00	**3.00**	**3.00**	**inc VAT**
Additional Car parking	3.00	3.00	**3.00**	**3.00**	**inc VAT**
- Christmas Market period, per pitch *					
Non-refundable deposit - (included within price)					
Two - four nights	25.00	25.00	**25.00**	**25.00**	**inc VAT**
Five nights	-	-	**-**		**inc VAT**
With electric hook-up					
Single night Thur/Fri/Sat	30.00	31.00	**31.00**	**31.00**	**inc VAT**
Five nights	135.00	135.00	**135.00**	**135.00**	**inc VAT**
Single night Wed/Sun	25.50	26.00	**26.00**	**26.00**	**inc VAT**

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	PROPOSED 2022/23 £	
- Activity/Visit (tier 1)					
Per Person	3.50	3.50	**3.50**	**3.50**	**inc VAT**
Group of 30 (can be broken down into £40 per hour)	80.00	82.00	**84.00**	**86.50**	**inc VAT**
- Activity/Visit (tier 2) (Rangers Club per activity)	5.00	5.00	**5.00**	**5.50**	**inc VAT**
- Hire of activity boxes (tier 3)	25.00	-	**-**		
- Wreath Making	25.00	25.00	**25.00**	**26.00**	**inc VAT**
- Willow Weaving	25.00	25.00	**25.00**	**26.00**	**inc VAT**
- Meeting Room	10.00	10.00	**10.00**	**10.50**	**inc VAT**

APPENDIX A

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	**CURRENT 2020/21 £**	**PROPOSED 2021/22 £**	
- Lucy Tower Street				
1 hour	1.60	1.60	**1.80**	**inc VAT**
2 hours	3.20	3.20	**3.40**	**inc VAT**
3 hours	4.50	4.80	**5.00**	**inc VAT**
4 hours	6.00	6.20	**6.40**	**inc VAT**
Over 4 hours and up to 8am next day	8.50	8.50	**8.50**	**inc VAT**
Evening Charge	3.50	3.80	**4.00**	**inc VAT**
- City Hall (Season Tickets Prohibited)				
1 hour	1.60	1.60	**1.80**	**inc VAT**
2 hours	3.20	3.20	**3.40**	**inc VAT**
3 hours	4.50	4.80	**5.00**	**inc VAT**
4 hours	6.00	6.20	**6.40**	**inc VAT**
Over 4 hours and up to 8am next day	8.50	8.50	**8.50**	**inc VAT**
Evening Charge	3.50	3.80	**4.00**	**inc VAT**
- Motherby Lane (Season Tickets Prohibited)				
1 hour	1.60	1.60	**1.80**	**inc VAT**
2 hours	3.20	3.20	**3.40**	**inc VAT**
3 hours	4.50	4.80	**5.00**	**inc VAT**
4 hours	6.00	6.20	**6.40**	**inc VAT**
Over 4 hours and up to 8am next day	8.50	8.50	**8.50**	**inc VAT**
Evening Charge	3.50	3.80	**4.00**	**inc VAT**
- Flaxengate				
1 hour	1.60	1.60	**1.80**	**inc VAT**
2 hours	3.20	3.20	**3.40**	**inc VAT**
3 hours	4.50	4.80	**5.00**	**inc VAT**
4 hours	6.00	6.20	**6.40**	**inc VAT**
Over 4 hours and up to 8am next day	8.50	8.50	**8.50**	**inc VAT**
Evening Charge	3.50	3.80	**4.00**	**inc VAT**
- Tentercroft Street				
1 hour	1.60	1.60	**1.80**	**inc VAT**
2 hours	3.20	3.20	**3.40**	**inc VAT**
3 hours	4.50	4.80	**5.00**	**inc VAT**
4 hours	6.00	6.20	**6.40**	**inc VAT**
Over 4 hours and up to 8am next day	8.50	8.50	**8.50**	**inc VAT**
Evening Charge	3.50	3.80	**4.00**	**inc VAT**
- Lincoln Central Car Park				
1 hour	1.60	1.60	**1.80**	**inc VAT**
2 hours	3.20	3.20	**3.40**	**inc VAT**
3 hours	4.50	4.80	**5.00**	**inc VAT**
4 hours	6.00	6.20	**6.40**	**inc VAT**
Over 4 hours and up to 8am next day	8.50	8.50	**8.50**	**inc VAT**
Evening Charge	3.50	3.80	**4.00**	**inc VAT**
- Castle (Season Tickets Prohibited)				
1 hour	1.80	1.80	**1.90**	**inc VAT**
2 hours	3.00	3.00	**3.20**	**inc VAT**
3 hours	4.80	5.00	**5.20**	**inc VAT**
4 hours	5.80	6.00	**6.00**	**inc VAT**
Over 4 hours and up to 8am next day	8.50	8.50	**8.80**	**inc VAT**
Evening Charge	3.00	3.50	**3.80**	**inc VAT**

APPENDIX A

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

SERVICE : **CAR PARKS (DCE) cont.**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
- Westgate (Season Tickets Prohibited)				
1 hour	1.80	1.80	**1.90**	**inc VAT**
2 hours	3.00	3.00	**3.20**	**inc VAT**
3 hours	4.80	5.00	**5.20**	**inc VAT**
4 hours	5.80	6.00	**6.00**	**inc VAT**
Over 4 hours and up to 8am next day	8.50	8.50	**8.80**	**inc VAT**
Evening Charge	3.00	3.50	**3.80**	**inc VAT**
- The Lawn Complex				
1 hour	1.80	1.80	**1.90**	**inc VAT**
2 hours	3.00	3.00	**3.20**	**inc VAT**
3 hours	4.80	5.00	**5.20**	**inc VAT**
4 hours	5.80	6.00	**6.00**	**inc VAT**
Over 4 hours and up to 8am next day	8.50	8.50	**8.80**	**inc VAT**
Evening Charge	3.00	3.50	**3.80**	**inc VAT**
- Langworthgate				
1 hour	1.80	1.80	**1.90**	**inc VAT**
2 hours	3.00	3.00	**3.20**	**inc VAT**
3 hours	4.80	5.00	**5.20**	**inc VAT**
4 hours	5.80	6.00	**6.00**	**inc VAT**
Over 4 hours and up to 8am next day	8.50	8.50	**8.80**	**inc VAT**
Evening Charge	3.00	3.50	**3.80**	**inc VAT**
- St Pauls (Season Tickets Prohibited)				
1 hour	1.80	1.80	**1.90**	**inc VAT**
2 hours	3.00	3.00	**3.20**	**inc VAT**
3 hours	4.80	5.00	**5.20**	**inc VAT**
Evening Charge	3.00	3.50	**3.80**	**inc VAT**
- Broadgate				
1 hour	1.30	1.50	**1.50**	**inc VAT**
2 hours	2.50	2.80	**3.00**	**inc VAT**
3 hours	4.00	4.20	**4.30**	**inc VAT**
Over 4 hours and up to 8am next day	5.50	6.00	**6.00**	**inc VAT**
Evening Charge	2.50	2.80	**2.80**	**inc VAT**
- Chaplin Street				
1 hour	1.30	1.50	**1.50**	**inc VAT**
2 hours	2.50	2.80	**3.00**	**inc VAT**
3 hours	4.00	4.20	**4.30**	**inc VAT**
Over 4 hours and up to 8am next day	5.50	6.00	**6.00**	**inc VAT**
Evening Charge	2.50	2.80	**2.80**	**inc VAT**
- Rosemary Lane (Season Tickets Prohibited)				
1 hour	1.30	1.50	**1.50**	**inc VAT**
2 hours	2.50	2.80	**3.00**	**inc VAT**
3 hours	4.00	4.20	**4.30**	**inc VAT**
Over 4 hours and up to 8am next day	5.50	6.00	**6.00**	**inc VAT**
Evening Charge	2.50	2.80	**2.80**	**inc VAT**
- Weekend/Bank Holiday				
(new rates for Saturday / Sunday and Bank Holidays at Broadgate, Rosemary Lane, County Offices, Lincoln College & Waterside North Car Parks)				
Up to 2 Hours	2.50	2.50	**2.80**	**inc VAT**
24 hours	3.50	4.00	**4.00**	**inc VAT**
Evening Charge	2.50	2.80	**2.80**	**inc VAT**

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
OTHER				
- Car Park Evening Permit	95.00	97.50	**100.00**	**inc VAT**
- 7 Day Scratch Cards	42.75	44.00	**45.00**	**inc VAT**
- Evening Scratch Card (All sites)	20.00	25.00	**25.00**	**inc VAT**
- Hampton/Hermit Street Compound	139.00	139.00	**145.00**	**inc VAT**
- Motorcycle parking where available	2.50	2.50	**2.50**	**inc VAT**

Additional Information:

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

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

Special Offer Tariffs

SAVVY SHOPPER
(Applicable to Tentercroft Street Car Park) £3.50 after 3pm for 3 hours parking, plus free evenings to 8am

SCHOOL'S OUT
(Rosemary Lane Only) £3.50 all day during the months of July and August

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

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
OTHER				
- Season Tickets and Excess Charge Notices				
Annual (Valid for Broadgate, Lawn, King/Chaplin St/Langworthgate)				
Monday to Sunday	956.80	985.50	**985.50**	**inc VAT**
Monthly (Valid for Broadgate, Lawn, King/Chaplin St, Langworthgate)				
Monday to Sunday	80.90	83.30	**83.30**	**inc VAT**
Annual Premium Rate (Tentercroft St/Lucy Tower/Lincoln Central - max of 60 Annual/Monthly issued)				
Monday to Sunday	1,215.20	1,251.70	**1,251.70**	**inc VAT**
Monthly Premium Rate (Tentercroft St/Lucy Tower/Lincoln Central - max of 60 Annual/Monthly issued)				
Monday to Sunday	105.00	108.20	**108.20**	**inc VAT**
Lucy Tower St Long Stay Corporate User				
City Council staff (60 max)	880.80	907.20	**907.20**	**inc VAT**
County Council staff (40 max)	880.80	907.20	**907.20**	**inc VAT**
Corporate User, 100+ tickets (Monday to Sunday)				
Broadgate, King St/Chaplin St, Langworthgate and City Council staff	721.20	742.80	**742.80**	**inc VAT**
Admin Charge on Refunds	15.00	15.00	**15.00**	**inc VAT**
Replacement of Lost/Stolen Tkts	10.00	10.00	**10.00**	**inc VAT**
- Higher rate PCN contravention	70.00	70.00	**70.00**	**inc VAT**
- Higher rate PCN contravention - Discount	35.00	35.00	**35.00**	**inc VAT**
- Lower rate PCN contravention	50.00	50.00	**50.00**	**inc VAT**
- Lower rate PCN contravention - Discount	25.00	25.00	**25.00**	**inc VAT**

Discount only applies if PCN is paid within 14 days

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

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
CITY BUS STATION				
- Departure Fees :				
Notified timetable departures				
Departures over 100,000	0.76	0.79	**0.82**	**inc VAT**
Departures under 100,000	0.76	0.79	**0.82**	**inc VAT**
- Layover Bay Per Bay Per Quarter :	1,010.70	1,041.00	**1,072.20**	**inc VAT**
RESIDENTS PARKING SCHEMES				
- Private Residents				
1st permit	26.00	26.00	**26.00**	*
2nd permits	52.00	52.00	**52.00**	*
- Houses in Multiple Occupation (HIMO)				
max. of 2 per dwelling (each)	52.00	52.00	**52.00**	*
- Residents Parking Concessions				
permit (each)	No Charge	No Charge	No Charge	
- Business Permits				
max. of 2 per business (only issued to businesses in the residents parking zones with no off-street parking)	52.00	52.00	**52.00**	*
- Business Permits (Support Agencies)		70.00	**70.00**	*
- Daily Visitor Permits				
per 10	17.00	17.00	**17.00**	*
- Replacement Permits				
Change of vehicle registration	5.00	5.00	**5.00**	*
Damaged or lost	5.00	5.00	**5.00**	*
- Emissions Permit				
Low Emissions 1st Permit	13.00	13.00	**13.00**	
Low Emissions Subsequent Permit	26.00	26.00	**26.00**	
- Administration Charge on Refunds	5.00	5.00	**5.00**	

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

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

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PLANNING SERVICES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
Research and Supply of Information/Questions and Answers (per item)	43.30	44.60	**46.00**	**inc VAT**
Copies of Approvals, Permissions and associated documents (per item and electronic)				
Microfiche	30.00	30.00	**95.00**	**inc VAT**
Standard Copy	4.50	4.60	**-**	**plus VAT**
Visit to site to check buildings erected in accordance with Permission				
- minimum charge	92.70	95.50	**98.40**	**inc VAT**
- or per property	25.80	26.60	**27.40**	**inc VAT**
Checking compliance with planning permission and/or legal agreement				
- minimum charge	68.50	68.50	**70.60**	**inc VAT**
- or per property	17.50	17.50	**18.00**	**inc VAT**
Advertisements erected in accordance with Advertisement Consent	47.40	48.80	**50.30**	**inc VAT**
Supply of Technical Information/Site visit reports	Cost+25%	Cost+25%	**Cost+25%**	**inc VAT**
Photocopies (per A4 sheet)	2.00	2.10	**-**	
Copies of Plans				
A4	2.00	2.10	**2.20**	
A3	3.80	3.90	**4.00**	
A2	9.90	10.20	**10.50**	
A1	9.90	10.20	**10.50**	
A0	9.90	10.20	**10.50**	
Document & Advice notes	Cost+25%	Cost+25%	**Cost+25%**	

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

PLANNING SERVICES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	**CURRENT 2020/21 £**	**PROPOSED 2021/22 £**	
Development -				
Householder development including alterations, extensions and outbuildings	82.40	-	**-**	**inc VAT**
Non residential changes of use including siting of caravans for sites under 1ha or buildings of 1,000 sq M or above (gross)	170.00	-	**-**	**inc VAT**
Non residential changes of use including siting of caravans for sites of 1ha or above or buildings of 1,000 sq M or above (gross)	338.90	-	**-**	**inc VAT**
Development of 1-9 Dwellings including changes of use to residential				
- First Dwelling	201.90	-	**-**	**inc VAT**
- Additional Dwelling	137.00	-	**-**	**inc VAT**
Development of 10-49 Dwellings including changes of use to residential				
- Tenth Dwelling	1,349.30	-	**-**	**inc VAT**
- Additional Dwelling	68.00	-	**-**	**inc VAT**
Development of 50 or more dwellings *****	4,054.10	-	**-**	* **inc VAT**
Non-residential development where no floor space is created	82.40	-	**-**	**inc VAT**
Non-residential development up to 499sq. M floor area, or 0.5 ha site area	170.00	-	**-**	**inc VAT**
Non-residential development between 500sq. M and 999sq. M floor area, or between 0.51 ha and 1.0 ha				
- 500 Sq. M or 0.51 ha	201.90	-	**-**	**inc VAT**
- Additional 100 Sq. M or 0.1 ha	137.00	-	**-**	**inc VAT**
Non-residential development between 1000sq. M and 4,999sq. M floor area, or between 1.1 ha and 2.0 ha				
- 1000 Sq. M or 1.11 ha	879.60	-	**-**	**inc VAT**
- Additional 100 Sq. M or 0.1 ha	68.00	-	**-**	**inc VAT**
Non-residential development of 5,000sq. M or more, or 2.1 ha or more **	3,579.30	-	**-**	** **inc VAT**

PLANNING SERVICES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
Development (cont) -				
- Variation or removal of condition	82.40	-	**-**	**inc VAT**
- Advertisments	82.40	-	**-**	**inc VAT**
- Conservation Area Consent	82.40	-	**-**	**inc VAT**
- Non-householder listed building consent	169.95	-	**-**	**inc VAT**
- Hazardous Substances	169.95	-	**-**	**inc VAT**
- Demolition of buildings	132.00	-	**-**	**inc VAT**
- Search and Copies of Documer	66.00	-	**-**	**inc VAT**

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

PLANNING SERVICES- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	**CURRENT 2020/21 £**	**PROPOSED 2021/22 £**	
Local Authority Land Charges				
- Standard Search Fees				
LLC1 only	19.00	19.60	**20.20**	
Con.29R	110.40	120.40	**125.00**	**inc VAT**
- Con. 29R individual questions				
Administration Fee		10.00	**10.00**	**inc VAT**
Question 3.5	2.80	2.90	**3.00**	**inc VAT**
Question 3.7 a	4.70	4.80	**5.00**	**inc VAT**
Question 3.7 b, c, f	4.70	4.80	**5.00**	**inc VAT**
Question 3.7 d	4.70	4.80	**5.00**	**inc VAT**
Question 3.8	3.40	3.50	**3.60**	**inc VAT**
Question 3.12	2.80	2.90	**3.00**	**inc VAT**
Question 3.13	2.80	2.90	**3.00**	**inc VAT**
- Part II enquiries	21.00	23.60	**25.00**	**inc VAT**
- Solicitors own enquiries	21.00	21.60	**22.00**	**inc VAT**
- Extra parcel of land	21.00	21.60	**22.00**	**inc VAT**
- Personal Search (Statutory)				
Street Naming and Numbering				
Issue/Change of House Name	15.00	15.50	**16.00**	
- Application Fee	50.00	51.50	**53.00**	
- Per Plot	12.50	12.90	**13.30**	

REGENERATION & TOURISM- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £
CENTRAL MARKET			
Daily Lettings	24.00	24.70	**25.50**
TEMPORARY MARKETS :			
- Charitable organisations	No Charge	No Charge	**No Charge**
- Professional traders (per stall)	10.30	10.00	**10.30**
PROMOTIONS :			
- Advertising on Council Assets		Price on Application	**Price on Application**
MARKET LICENSE CHARGES			
Commercial Food			
-Per Stall	15.50	16.00	**17.00**
- Per Table / Car Boot	7.70	7.90	**8.80**
Commercial Retail Goods			
-Per Stall	10.50	10.80	**11.75**
- Per Table / Car Boot	5.30	5.50	**6.30**
Craft items/home made goods			
-Per Stall	5.30	5.50	**6.30**
- Per Table / Car Boot	2.60	2.70	**3.40**
Second Hand Goods			
-Per Stall	5.30	5.50	**6.30**
- Per Table / Car Boot	2.60	2.70	**3.40**
Charitable/fundraising Markets			
-Per Stall	0.50	0.50	**-**
- Per Table / Car Boot	0.30	0.30	**-**
Car Boot			
- Per Table / Car Boot	2.10	2.20	**2.90**
Per Stall (up to 8 m^2)			
Per Table/Car boot (up to 2 m^2)			

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

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

REGENERATION & TOURISM- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
COACH FEES				
Up to 15 Seats				
All Day		Use Park & Ride	**Use Park & Ride**	
Departure during 16:00 - 18:00				
16-30 Seats - Early Bird Advanced	64.00	66.00	**68.00**	**inc VAT**
16-30 Seats - Advanced	66.00	68.00	**70.00**	**inc VAT**
16-30 Seats - On the day	132.00	136.00	**140.10**	**inc VAT**
31-45 Seats - Early Bird Advanced	85.00	88.00	**90.60**	**inc VAT**
31-45 Seats - Advanced	87.00	90.00	**92.70**	**inc VAT**
31-45 Seats - On the day	175.00	181.00	**186.40**	**inc VAT**
45+ Seats - Early Bird Advanced	106.00	110.00	**113.30**	**inc VAT**
45+ Seats - Advanced	109.00	113.00	**116.40**	**inc VAT**
45+ Seats - On the day	218.00	225.00	**231.80**	**inc VAT**
Departure outside of 16:00 - 18:00				
16-30 Seats - Early Bird Advanced	48.00	50.00	**51.50**	**inc VAT**
16-30 Seats - Advanced	50.00	52.00	**53.60**	**inc VAT**
16-30 Seats - On the day	132.00	136.00	**140.10**	**inc VAT**
31-45 Seats - Early Bird Advanced	69.00	72.00	**74.20**	**inc VAT**
31-45 Seats - Advanced	71.00	74.00	**76.20**	**inc VAT**
31-45 Seats - On the day	175.00	181.00	**186.40**	**inc VAT**
45+ Seats - Early Bird Advanced	91.00	94.00	**96.80**	**inc VAT**
45+ Seats - Advanced	94.00	97.00	**99.90**	**inc VAT**
45+ Seats - On the day	218.00	225.00	**231.80**	**inc VAT**

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

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

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

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

All dates shown in green are provisional

REGENERATION & TOURISM- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS * 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £		
STALL HOLDER FEES					
Stall Fees					
Castle Square	1,747.00	1,800.00		**1,854.00**	**inc VAT**
Castle Grounds	1,905.00	1,963.00		**2,022.00**	**inc VAT**
The Lawn (Outdoor)	1,428.00	1,471.00		**1,515.00**	**inc VAT**
Christmas Bazaar	1,506.00	1,552.00		**1,599.00**	**inc VAT**
Christmas Pantry	1,506.00	1,552.00		**1,599.00**	**inc VAT**
Westgate (Outdoor)	1,428.00	1,471.00		**1,515.00**	**inc VAT**
Westgate Marquees	1,506.00	1,552.00		**1,599.00**	**inc VAT**
Perfect Presents	1,747.00	1,800.00		**1,854.00**	**inc VAT**
Additional Sq Metre	217.00	224.00		**231.00**	**inc VAT**
Corner Plot Premium	Plus 25% of Stall Rent		**Plus 25% of Stall Rent**		**inc VAT**
Backup Storage Spaces					
Per Sq Metre	90.00	93.00		**96.00**	**inc VAT**
Additional Socket Outlets					
13 AMP Socket	90.00	93.00		**96.00**	**inc VAT**
16 AMP Socket	90.00	93.00		**96.00**	**inc VAT**
32 AMP Socket	135.00	140.00		**144.18**	**inc VAT**
Surcharge on Food Traders					
Catering 1	Plus 50% of Stall Fee		**Plus 50%**		**inc VAT**
Catering 2	Plus 100% of Stall Fee		**Plus 100%**		**inc VAT**
Alcohol Levy Band 1 (Baileys in Hot Chocolate/Charities)	347.00	358.00		**369.00**	**inc VAT**
Alcohol Levy Band 2 (Hard Alcohol)	694.00	715.00		**736.00**	**inc VAT**
Discounts (Only taken off basic stall fee)					
Charity Discount (%)	50%	50%		**50%**	**inc VAT**
Craft/Fairtrade Discount	100.00	100.00		**103.00**	**inc VAT**
Local Traders - Within Lincoln Boundary	200.00	200.00		**206.00**	**inc VAT**
Local Traders - Within Lincolnshire	150.00	150.00		**155.00**	**inc VAT**
Stall Holder Vehicle Parking at Designated Areas					
Per Vehicle	147.00	152.00		**157.00**	**inc VAT**

REGENERATION & TOURISM- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £	
PARK AND RIDE				
Pre Booking Online	12.00	12.00	**12.00**	**inc VAT**
None Pre Booked				
Thursday	13.00	13.00	**13.00**	**inc VAT**
Friday	14.00	14.00	**14.00**	**inc VAT**
Saturday	15.00	15.00	**15.00**	**inc VAT**
Sunday	14.00	14.00	**14.00**	**inc VAT**
Mini Bus	25.00	25.00	**25.00**	**inc VAT**
MARKET RIGHTS				
Market Rights - Per Stall* *During market period	25.00	2.5 x Normal License Fee	**2.5 x Normal License Fee**	

SOCIAL INCLUSION- FEES AND CHARGES WEF 01/04/2021 - 31/03/2022

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

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	PROPOSED 2021/22 £
OTHER			
- Housing Benefit Landlord Enquiry per year	158.50	163.00	**168.00**

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DRAFT Capital Strategy

2021/22 to 2025/26

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CITY OF Lincoln COUNCIL | Together, let's deliver Lincoln's ambitious future

For more information visit:
www.lincoln.gov.uk

Contents

Section 1 - Introduction

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

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

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

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

The Council's capital programme consists of two elements:

- The General Investment Programme (GIP) with a budget for 2021-26 of £19.711m

- The Housing Investment Programme (HIP) with a budget for 2021-26 of £69.336m

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

The Council has at 1 April 2020 a diverse asset portfolio including, 7,754 council dwellings, 3,622 car parking spaces, 2 sports and leisure centres, 1,131 acres of parks and recreation grounds, and 5 community centres. There is also a sizable commercial property portfolio including industrial units and shops.

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

31/3/2019 £000		**31/3/2020 £000**
361,380	Property, Plant & Equipment	376,194

6,092	Heritage Assets	6,092
30,478	Investment Property	34,646
361	Intangible Assets	309
1,500	Assets held for sale	1,500
399,811	**Total assets**	**418,741**

Section 2 - Purpose and Objectives

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

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

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

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

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

- Wherever possible ensure capital investment activity is focussed on areas that yield on-going revenue savings for the Council or produce a contribution to revenue income, whilst not investing in debt-for-yield schemes.

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

Section 3 - Policy and Financial Planning Framework

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

The Council’s capital programme and its subsequent revenue implications form part of the Medium Term Financial Strategy (MTFS) 2021-26 and as such is one of a suite of plans and strategies that sit within the Council’s Policy and Financial Planning Framework.

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

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

Linkages with other key strategies and plans are identified below:

Vision 2025

Our current Vision 2025 was approved in early 2020, although due to the onset of the pandemic was not formally launched. This new vision sets out the Council's vision for the future of the City, strategic priorities and core values. The vision itself is supported by five strategic priorities:

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

These five strategic priorities will be supported in Vision 2025 by a programme called One Council, which replaces the Professional High Performing Service Delivery section in Vision 2020.

Vision 2025 is supported by a 5-year programme of activity each year having it's own annual delivery plan. These annual delivery plans are now currently in the process of being refreshed in order to reflect the impact the Covid19 pandemic has had on the Council, the City, it's residents and business, to ensure that the correct priority areas are focussed upon. A key element of this will be to ensure that resource is available to maximise external funding opportunities to bring forward new investment and development to support the City and its economy. This is ever more critical following the impact of Covid19 and the Council's role in supporting the recovery of the City.

Within Vision 2025 and supporting each of the priorities there are a number of significant capital investments set to take shape over the period of the MTFS. Some of the schemes will require further capital resource from the Council, others will require partner contributions and others will only be possible if the Council is able to attract sufficient external grant contributions. Each of these scheme will be included in the GIP and HIP at their appropriate stages of development and when funding is secured. Across the five strategic priorities the following areas of investment are highlighted:

- Let's drive inclusive economic growth
    - Delivery of Western Growth Corridor – completion of phase 1, delivering 300 homes by 2025
    - City Centre Vibrancy: Cornhill Square - creating a high quality, multi-use space that supports the twilight economy
    - City Centre Vibrancy: Tentercroft Street - transforming this area of the city into a new "city living" concept
    - Becoming a Digital City - working with partners to implement a digital network to ensure access for all across the city
    - Small Business Growth - continuing to develop the workspaces and business premises offer so that businesses of all sizes and types can make Lincoln their home.
    - Growth Strategy and City Investment Plan – subject to approval and funding allocation, the Council will coordinate Lincoln's Town Investment Plan, with the partnership Town Board to deliver a range of projects and initiatives that will support the delivery of those strategy outcomes.
    - Heritage Asset Programme: Deliver plans for the Heritage Action Zone - maintaining, protecting and restoring city centre shop fronts, historical buildings and heritage sites at risk.

- Let's reduce all kinds of inequality
    - Championing co-location with health through One Public Estate - through the Greater Lincolnshire One Public Estate partnership, seek opportunities to share facilities and assets with the health sector to improve access for communities.
    - Supporting people who are rough sleeping - working with partners to support support the delivery of a countywide project, to deliver a Housing First solution to assist people with a history of rough sleeping to move into safe sheltered accommodation.

- Let's deliver quality housing
    - Continue to increase net council house numbers – retain and develop a new pipeline, including Rookery Lane and Queen Elizabeth Road.
    - Housing Standards in new builds - in addition to standards that meet climate change objectives, new builds will also meet "Lifetime" homes, minimum space standards and health equality objectives and will include the quality of the environment in which new homes are built.

  - Improve Temporary Accommodation options across all sectors - considering the use of additional furnished accommodation to raise the standard of homes offered
  - Estate Improvements – taking a new approach to communal gardens, green spaces, communal entrances, landscaping and the links between the natural and build environments, and reviewing car parking and traffic management issues within estates.
  - Respond to regeneration need in Sincil Bank area, including remodelling of existing stock and developing garage sites - including looking at garage sites and communal (potentially green) areas, to address long standing issues of ASB and criminal activity. Examples of such opportunities will centre on proposals for Hermit Street garages and surrounding areas and the Palmer Street garages.
  - De Wint Court Redevelopment – provision of a new purpose built 70 apartment Extra Care Scheme on the site of a former sheltered scheme.

- Let's enhance our remarkable place
  - Deliver the planned crematorium refurbishment - a project that will further renovate the existing facility to ensure it continues to deliver a high-quality service, in an attractive environment.
  - Heritage Asset Programme – including Re-imagining Greyfriars and further development of options for the Harlequin.
  - Finalise the play area strategy - using the financial contributions from developers arising from new housing schemes to invest in existing sites such as Whitton's Park on Long Leys Road and on Swift Gardens in St Giles

- Let's address the challenge of climate change
  - Make current and future business premises as energy efficient as possible - when a council building needs modernising or repairing, use more efficient materials and replacement items to improve the efficiency of those buildings.
  - Climate conscious infrastructure projects developed as part of Town Fund Board Vision - A range of infrastructure projects that will set out a vision for the city, identifying key transformational projects and programmes which will include initiatives that directly and indirectly contribute to the climate change agenda.

Local Plan

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

The local plan sets out where and how the City is going to develop over the next 20 years. It provides guidance to all developments ensuring it achieves the aspirations of the city, including things like protecting the heritage of the city, the vibrancy of the city centre, where homes are built and how transport will be offered.

Specifically, the Local Plan:

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

The current Local Plan was adopted in April 2017 and continues to perform well in making decisions on development, however, in response to significant changes to national policy and to ensure the guidance is updated so that ambitions of the city can be delivered a review is now being undertaken. This work has been impacted upon by the Covid19 pandemic, but a revised plan is expected to be published for public consultation in early 2021.

Asset Management Plan

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

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

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

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

The Property Services Team keeps under review the need for asset disposal and acquisition, which meet strategic priorities. Previously the Council had undertaken a number of commercial property investments, carefully considering each on an individual basis and in line the Council's Investment Property Strategy. This assessment included, the impact on the MTFS, sustainability of the council and affordability of individual schemes, including MRP and borrowing costs, with each proposal subject to approval by the Council's Executive. However, as a result of changes in the PWLB lending terms, which is the Council's primary source of borrowing facility, and a new CIPFA: Prudential Property Investment guide, the Council will no longer pursue opportunities for investment primarily for yield.

HRA Business Plan

The HRA Business Plan sets out how the Council will deliver its vision for the HRA including, investment in the housing stock, maintaining all homes to the Lincoln Homes Standard and the process of tenant consultation to agree priorities for investment in existing stock over and above the Decent Homes Standard. It also demonstrates that the proposed investment programme is financially viable by indicating that the underlying HRA debt is repayable within the 30-year period of the Business Plan, should the Council chose to do so. There is, however, no obligation to repay debt and the MTFS does not assume this is the case. Further borrowing to fund HRA investment is now limited by prudence rather than the old system of an imposed borrowing cap. Currently HRA borrowing stands at £63.4m and is expected to increase to £65.9m by the end of 20/21 and £73m by the end of the MTFS period. This additional borrowing is being used to fund new build expenditure.

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

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

The current Business Plan is due to be refreshed during 2021, in light of updated development and investment profiles, Vision 2025 priorities, updated assumptions and implications arising from the Social Housing White Paper.

Treasury Management Strategy

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

Section 4 - Financing the Capital Programmes

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

- Capital Receipts – from the sale of Council assets
- Use of Council's own resources – through depreciation charges, other contributions from revenue and use of reserves
- Capital Grants and Contributions – including contributions from developers and grants towards specific schemes
- Prudential Borrowing – the Prudential Code allows borrowing if the Council can demonstrate it is affordable, sustainable and prudent in its Prudential Indicators (detailed in the Treasury Management Strategy)

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

However, many of the external grants and contributions, which are available, are designated for specific schemes, and whilst additional resources are clearly beneficial to local people, there is the danger that schemes funded may not be the Council's highest priorities.

The Capital Strategy must continue to identify both the priorities for these external funding regimes and pursue other innovative funding sources to improve its ability to deliver capital investment and deliver the priorities as set out in Vision 2025. Each project appraisal will consider all the internal and external resources available such as Government grants, Section 106 contributions, partner contributions and prudential borrowing.

Whilst the Council will no longer pursue invest to save opportunities financed through prudential borrowing which are deemed to be debt-for-yield schemes, there may still opportunities where the revenue costs of borrowing are financed through additional income/reductions in expenditure such as spending to improve or maintain existing assets. The cost effectiveness of borrowing as opposed to selling capital assets is reviewed regularly together with the affordability tests and impact on prudential indicators to check whether borrowing would provide more cost effective funding. It has been concluded that the use of prudential borrowing is a useful funding mechanism these such projects. The use of long-term prudential borrowing to fund other key projects, in the GIP, given the additional revenue costs this creates and the current financial challenges the General Fund is facing, will only be considered in exceptional circumstances.

Under the self-financing regime, the government retained the current arrangement for pooling of HRA capital receipts. All HRA capital receipts are pooled if they are not offset by the capital allowance (a capital allowance is permitted where the receipt is used to fund affordable housing, decent homes or regeneration schemes). It is the Council's strategy that 100% of non-Right to Buy (RTB) receipts will be offset by the capital allowance. However, 75% of all RTB capital receipts have to be pooled.

The Council's capital programme is projected for a five-year period and is approved by full Council as part of the MTFS each year. It is monitored throughout the year by the Capital Programme Group and the Executive. Capital Programme Group and the Executive have varying levels of authority to approve changes to the programme during the year. A distinction is made between the General Fund schemes (GIP) and Housing Revenue Account schemes (HIP). It is Council policy that capital receipts from the sale of Council Houses and other Housing Revenue Account assets are used to fund the HIP, with capital receipts from the sale of General Fund assets used to fund the GIP.

The City Council's General Investment Programme and Housing Investment Programme for the period 2021/22 – 2025/26, are set out in the MTFS 2021-26.

Section 5 - Capital Prioritisation

In an environment of financial constraints and competing pressures on the Council it is important that the Council adheres to its methodology for prioritising potential projects and schemes. The methodology is based on both corporate and service based priorities. As well as considering capital costs and funding, attention is also focussed on the revenue implications of any capital expenditure to ensure the Council will not inherit a legacy of increased revenue costs. Therefore, whole life costs are considered when evaluating potential capital projects.

Inclusion of new capital schemes within the strategic plan (currently Vision 2025) and capital programme is dependent on a prioritisation process. Project Managers will be required to prepare bids for approval and will be required to effectively demonstrate how these will support the achievement of both their service area aims and the Council's strategic priorities.

The preparation of these project briefs must go through the five essential steps to initiate the project as defined in the Lincoln Project Management Model (LPMM):

1. The project mandate – where the ideas for the project is first discussed between the project sponsor and the project manager. It provides an initial assessment of the project and provides a clear description of why the project is required and what it is intended to achieve in terms of benefits to the Council's corporate objectives.

2. Establishing Reporting Criteria – formal approval and subsequent monitoring will take place. Approval for all new project budgets and budget changes will follow Financial Procedure Rules.

3. Appraise Options for Delivery - in order to demonstrate that the project delivery selected is the most appropriate and the most cost-effective.

4. Develop the Project Brief, Financial Assessment and Impact Assessment - these three documents clearly document the scope of the project, its objectives, the potential resources required (including a full financial breakdown) to deliver it and its impact.

5. Obtain approval to submit the project - Formal approval to submit the project is agreed and signed-off between the Project Manager and the Project Sponsor.

Once prepared, the project brief is submitted to the Vision Theme Groups for approval ahead of consideration by the Corporate Management Team and Portfolio Holders to evaluate, including how well the proposal meets strategic priorities, including cross cutting strategies and budget priorities, and how it utilises partnership working and externally generated resources as well as its operational feasibility. They will also consider the robustness of each project brief against the corporate standards in relation to clarity of definition, establishment of measurable outcomes and overall deliverability and the robustness of each Financial Assessment and Impact Assessment, including cost data in relation to project costs (including any costs associated with borrowing), post implementation ongoing revenue costs and any consequential or related income.

Once a final project is developed it is submitted to the Executive for approval and inclusion in the capital programmes. Any public consultation undertaken on the project through either the community, business or voluntary groups will be reported to the Executive as part of this approval process.

The entire process conforms to both the Council's project management methodology (The Lincoln Project Management Model) and also the Performance Management Framework adopted by the Council, which ensures schemes are not progressed for

Member deliberation and support unless they are deliverable within the context of other competing pressures.

Section 6 - Capital and Project Monitoring

The delivery of schemes supporting the delivery of the Vision 2025 is monitored by the individual vision theme groups who report progress on an exceptions basis to the Executive and Performance Scrutiny on a quarterly basis. In addition, the overall capital programmes are monitored by the Capital Programme Group, with financial performance reporting to the Executive and Performance Scrutiny on a quarterly basis.

The Capital Strategy and the capital programme are updated on a rolling basis and are reported annually to Executive and Council for approval alongside the MTFS. In addition, the Council's Executive is required to approve variations to the capital programme beyond the limit delegated to the Chief Finance Officer.

When a project is completed a Post Implementation Review (PIR) is carried out. However, some projects are recurring in nature such as the capital maintenance programme or the Decent Homes programme and do not require a PIR. A PIR is a formal review of the project which aims to answer the question: "Did we achieve what we set out to do … and if not, what should be done?"

A PIR can provide valuable lessons and experience that can be used to improve and shape service delivery in the future. The Lincoln Project Management Model includes a robust post project review system, overseen and reviewed, to ensure relevant information is collected and communicated to all relevant parties to enable improvement in both procurement and service provision and will consider if the project:

- Met its stated aims and objectives
- Was delivered on time and within budget
- Was acceptable to the client/stakeholder and met all their specific requirements

Section 7 – Commercial Activity and Investment Property

The Chartered Institute of Public Finance and Accountancy (CIPFA) defines investment property as property held solely to earn rentals or for capital appreciation or both. Returns from property ownership can be both income driven (through the receipt of rent) and by way of appreciation of the underlying asset value (capital growth).

The Council's commercial property investment strategy was approved in March 2019 and set out the criteria against which decisions were to be taken. The Council has previously invested in property to secure the economic wellbeing of the City by generating additional income for the provision of services, for the purpose of economic development or regeneration, or a combination of both. Historically the Council could fund the purchase of property through borrowing (through the PWLB or as part of cash flow borrowing). Under new guidance issued by CIPFA, borrowing solely to invest in revenue generating investments is considered to be borrowing in advance of need – whilst this is not prohibited councils are required to make disclosures to the effect that this borrowing is taking place, their dependence on commercial income to deliver statutory services and the amount of borrowing committed to generate that income. In addition, the PWLB have revised their lending terms which now prohibits Local Authorities from accessing PWLB funds to finance debt-for-yield schemes. This means that if the Council wished to pursue such a scheme, it would need to source an alternative lender in the market, whilst also ensuring compliance with CIPFA guidance. As a result of these changes the Council's GIP and Capital Strategy do not include any proposals to investment in any new commercial property. The Council will still though progress opportunities for regeneration and housing developments, in accordance with the revised guidance and lending terms.

Historically the council's property investments have provided strong returns in terms of capital growth and generation of stable income. Property investments are not without risk as property values are subject to many national and other external factors which are outside the control of the council. Where possible investments of this type will also have a 'fall back' position in addition to their expected commercial arrangement e.g. the council has purchased the freehold of a car park which it leases to a large, national company however should the company surrender the lease or not meet the lease payments the council could operate the car park themselves or seek an alternative tenant. The strategy continues to be that the council will invest prudently on a commercial basis and take advantage of opportunities as they may arise which meet our strategic objectives and secure the economic wellbeing of the City, supported by our robust governance arrangements.

At 1/4/2020 the council has £34.646m of investment properties on the balance sheet with no further investment planned in the current General Investment Programme. The income from investment properties is predominantly derived from ground rent and land leases. Further details relating to investment properties are given below:

Total value of investment properties	£34.65m
Value of properties held for rental income	£33.854m
Value of properties earning rental income	£33.032m
Income from properties earning rental income	£1.828m
Yield from properties earning rental income	5.53%
Value of properties held for capital appreciation or where the freehold has a market value*	£0.154m

*The council has arrangements where the freehold on land is retained, generally subject to a long lease but which produces no rental income, however the freehold land does have a market value.

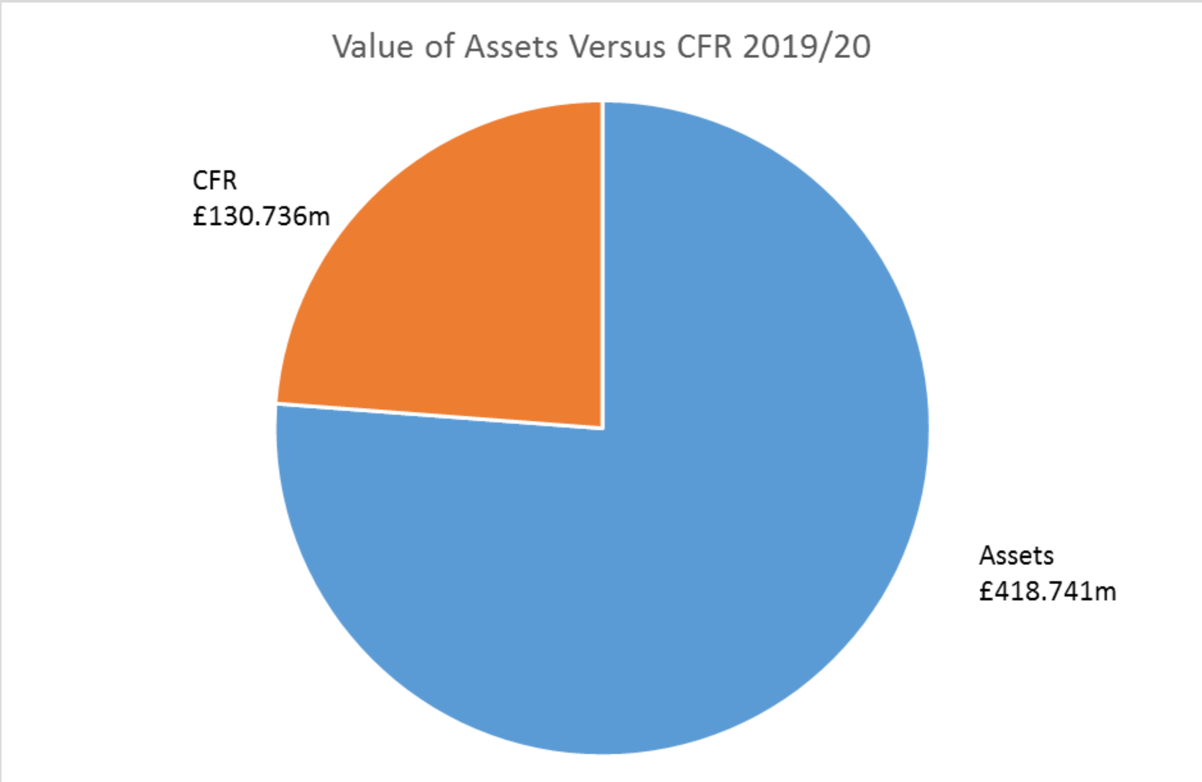
For the year 2020/21 the anticipated income from investment properties represents less than 3.2% of the council's gross expenditure.

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

Asset type	Value	Annual income (21/22)	Yield on value of assets	Borrowing costs	Annual surplus
Car Parks	£6,093,000	£344,416	5.65%	£192,180*	£152,236
Freehold property	£11,500,000	£573,361	5.00%	£497,327	£76,034
Retail units	£6,345,000	£445,500	5.00%	£334,551*	£110,949

*assumed in business cases

A graph illustrating the value of the council's assets compared to the capital financing requirement (the underlying need to borrow to fund capital investment) at 31 March 2020 is given below:



The table below indicates the interest cost of borrowing within the general fund and the housing revenue accounts compared to overall gross expenditure. The limits indicated are set locally and are not imposed by central government or advisory levels provided by CIPFA.

Current budgeted cost of borrowing					
	2021/22	2022/23	2023/24	2024/25	2025/26
GENF borrowing cost as a % of gross revenue expenditure	9.73%	10.87%	11.03%	11.15%	10.90%
Limit of GENF borrowing cost as a % of gross revenue expenditure	15%	15%	15%	15%	15%
HRA borrowing cost as a % of gross revenue expenditure	10.54%	10.53%	10.42%	10.30%	10.25%
Limit of HRA borrowing cost as a % of gross revenue expenditure	14%	14%	14%	14%	14%

Section 8 – Loans and investments in local businesses and organisations

The Council has the discretion to make loans and investments in local organisations for a number of reasons, primarily for economic growth; these loans are treated as capital expenditure.

In making these arrangements the council exposes itself to the risk that the borrower defaults on repayments. The council must therefore ensure that it has fully considered the risk implications with regard to both the individual loan and that the value of them individually and collectively is proportionate and prudent within the overall exposure to the council to risk of default.

To ensure that the risk is managed a full due diligence exercise is undertaken, with a business case that identifies the benefits and risks and considers whether adequate security is in place. Loans and investments will be agreed by Executive and will be subject to close regular monitoring.

Section 9 – Knowledge and Skills

The Council's Capital Strategy is reviewed annually and compiled by the Chief Finance Officer, an experienced and qualified accountant. External advice is available from the Council's Treasury Management advisors (Link Group) who offer a range of services in relation to borrowing advice, leasing and capital investment options. The council is also a subscriber to the CIPFA Finance Advisory Network which provides advice on technical accounting matters. Additional specialist tax advice in respect of tax implications for property transactions is available from an external supplier of this service (PS Tax). The council has an in-house legal team and additional legal specialist support is available from external sources. The council has an in-house property services section headed by a RICS qualified surveyor and additional specialist support in respect of property matters is available through the district valuer and other external sources.

Section 10 - Conclusion

The Council's Capital Strategy is a 'live' document, which provides a framework for the deployment and management of capital resources across the organisation in accordance with corporate priorities. It is therefore the framework for capital investment across the Council. The Strategy will be reviewed annually, to ensure it is kept up to date and is relevant and effective and reflects best practice.

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Item No. 4

EXECUTIVE **18 JANUARY 2021**

SUBJECT:	**COLLECTION FUND SURPLUS OR DEFICIT – BUSINESS RATES**
DIRECTORATE:	**CHIEF EXECUTIVE AND TOWN CLERK**
REPORT AUTHOR:	**JACLYN GIBSON, CHIEF FINANCE OFFICER**

1. Purpose of Report

1.1 To inform Members of the estimated balance for the Business Rates element of the Collection Fund and the surplus or deficit to be declared for 2020/21.

2. Executive Summary

2.1 Prior to setting the Council Tax for 2021/22 the City Council is required to estimate whether there is to be a surplus or deficit on both the Council Tax and Business Rates elements of the Collection Fund for the current financial year (2020/21).

2.2 At the Executive meeting on 4th January 2020 the Council declared a deficit on Council Tax of £1,105,616 for the financial year 2020/21, of which it's share was £165,680. The Council will declare a deficit on the Business Rates Collection Fund of £30,070,953 for 2020/21 subject to the confirmation of the Business Rates base by 31st January 2021, of which its share is £12,028,381.

2.3 Whilst this is a significant deficit, £26,397,692 (£10,559,077 City Council share) of the deficit is offset by Government grants received to compensate local authorities in respect of the expanded retail rate reliefs awarded to business in response to the Covid19 pandemic. The remaining £3,673,251 deficit, of which the Council's share is £1,469,304, has arisen primarily due to an increase in provision for business rates appeals and an increase in empty property reliefs, both of which have been adversely affected by the Covid19 pandemic.

2.4 In response to these significant financial pressures that Councils are facing arising from the impacts of Covid19 on local taxes as part of the Spending Review 2020 the Government announced a compensation scheme for irrecoverable local tax losses. Based on the principles of the consultative policy paper on this scheme and the estimated deficit the Council would receive compensation of £1,082,564m towards its remaining share of the business rates deficit, **leaving a balance of c£386,741 to be resourced by the Council through the General Fund.**

3. Background

3.1 As a Business Rates Billing Authority the Council is required by legislation to estimate the surplus or deficit for each financial year on the Collection Fund. Prior to 2013/14 this estimate was only required for Council Tax. However, as part of the Local Government Finance Act 2012 the Government implemented a Business Rates Retention (BRR) Scheme from April 2013, whereby the collection and distribution of business rates is done via the Collection Fund (distribution of business rates had previously been managed nationally). Local Authorities as a result took on an additional level of risk and uncertainty of business rates funding. In a similar way to Council Tax precepts from the Collection Fund business rate precepts are now fixed prior to the start of a financial year and any variations from this realised through the Collection Fund in year are distributed in the following financial years (based on estimated in the following year and actuals in the subsequent year).

3.2 The calculation of business rates is based on an estimate of rates collected in year compared to the estimate made the previous year, taking into account any previously declared surplus or deficit, and a forecast for the remainder of the current year.

3.3 A surplus or deficit may occur in the Collection Fund if actual performance during the year is higher or lower than originally estimated when Council was set. Areas of variance include:

- business rates base is larger or smaller than originally anticipated (reasons include properties coming off and off the valuation list (e.g. as a result of redevelopments), appeals by businesses to rating valuations.
- In year collection rates are higher or lower than expected,
- Arrears collection rates are higher or lower than expected

3.4 However, 2020/21 has seen some significant changes in the business rates base arising due to the Covid19 pandemic. The most significant of which has been the Retail Business Rates Discount. The Government’s national lockdown announcement in March required retail, leisure and hospitality businesses to close for the duration of the lockdown. To support businesses through this period, Government announced that the Retail Business Rates Discount scheme would be expanded providing 100% Business Rates relief to businesses forced to close. This adversely impacted on Local Authorities expected Business Rates income collection by significantly reducing the amount of Business Rates payable, for the Council the level of reliefs awarded was equivalent 57% of the net rates payable. In order to compensate Local Authorities for the income loss the Government has reimbursed the through a Section 31 grant received in 2020/21. Due to the nature of Collection Fund accounting the deficit to Local Authorities arising from the in year reduction of net rates payable due to the additional reliefs awarded will not be borne until the following financial year. The Section 31 grant will need to be held in earmarked reserves at the financial year end and used to reimburse the element of the declared Business Rates deficit resulting from the expanded retail relief in 2021/22.

3.5 Under normal circumstances a surplus or deficit reported in year is carried forward in the Collection Fund into the following financial year, when it then impacts on the General Fund budget. However, on 1st December 2020 the Local Authorities (Collection Fund: Surplus and Deficit) (Coronavirus) (England) Regulations 2020 came into effect. These regulations, which are mandatory, amend the rules governing the apportionment of Collection Fund surpluses and deficits for Council Tax and Non-domestic Rates. The key element of the Regulations is that Collection Fund deficits arising in 2020/21 can be spread over the following three years, rather than the usual period of one year. The amended legislation states that the Council is required to estimate an ‘exceptional balance’ for each of the Council Tax and

Business Rates 2020/21 position: for Business Rates, this excludes amounts in respect of expanded Business Rates relief to businesses to support them during the pandemic and is net of any previous year's surplus/deficit. If this 'exceptional balance' is in deficit, the deficit phasing provisions within the amended legislation are triggered and the amount must be spread and reimbursed to the Collection Fund in three equal portions over the next three financial years.

3.6 The Government also announced as part of the Spending Review 2020 a local tax income guarantee for 2020/21 to compensate Local Authorities for irrecoverable local taxation losses. For Business Rates, authorities will be compensated for 75% of all unbudgeted non-collection and 75% of any prior year adjustments not provided for. The final amount of compensation due to each authority will be calculated at the year of the financial year 2020/21 based on the outturn of each billing authority.

3.7 The Council is required to declare any surplus or deficit during January of each financial year and once approved has an obligation to notify its major precepting authorities (for business rates these are Lincolnshire County Council and the Government) of their share of the estimated surplus or deficit.

4. Estimated Surplus/Deficit for 2020/21 – Business Rates

4.1 As at 31st March 2021 the Collection Fund is estimated to have a deficit of £30,006,238 for business rates relating to the Financial Year 2020/21, the City Council's share of this being £12,002,495. Of the Council's share of this deficit, £10,559,077 has arisen due to the Government support provided to business through the expanded retail relief. A compensating amount of grant has been received from the Government in 2020/21 and will be held in an earmarked reserve to offset the deficit in 2021/22. The Council's remaining share of the deficit of £1,443,418 has arisen primarily due to an increased provision required for appeals, as a result of the pandemic a significant number of business have submitted 'material change in circumstances' challenges, as well as an increase in the amount of empty property relief awarded, again due to the impacts of Covid19.

4.2 In addition to declaring the estimated deficit position on the Collection Fund for the current financial year the Council is also required to declare any surplus or deficit relating to the difference between previously declared surplus/deficit positions and the actual outturn position as reported in the Council's Statement of Accounts. In 2020/21 there is a deficit balance of £64,705 in the Collection Fund relating to previous years, the City Council's share of this being £25,886.

4.3 Based on the forecast position of the in-year Collection Fund as at 31st March 2021 and taking into account an adjustment for the difference between prior year estimates compared to the actual outturn it is estimated that there will be a deficit of £30,070,943 on the business rates element of the Collection Fund in 2020/21. In accordance with the amended regulations this deficit will be distributed as follows:

	2021/22 £	2022/23 £	2023/24 £	Total £
Business Rates – 20/21 estimate deficit	1,202,849	1,202,849	1,202,848	**3,608,546**
Business Rates – expanded retail relief	26,397,692	0	0	**26,397,692**
Business Rates - prior years deficit	64,705	0	0	**64,705**
Total Deficit	**27,665,246**	**1,202,849**	**1,202,848**	**30,070,943**

5. Strategic Priorities

5.1 There are no direct implications for the Council's Strategic Priorities arising as a result of this report.

6. Organisational Impacts

6.1 Finance

For City of Lincoln the financial implications of the report are summarised below:

	2021/22 £	2022/23 £	2023/24 £	Total £
Business Rates – 20/21 estimate deficit	481,139	481,139	481,140	**1,443,419**
Business Rates – expanded retail relief	10,559,077	0	0	**10,559,077**
Business Rates - prior years deficit	25,886	0	0	**25,886**
Total Deficit	**11,066,102**	**481,139**	**481,140**	**12,028,381**

The Council's share of the estimated deficit will be distributed as set out in the above table and will form part of the Medium Term Financial Strategy 2021-26.

The Council's overall share of the 2020/21 forecast outturn position for the Collection Fund is a declared deficit of £12,028,381. However, as outlined above this declared position will be partially offset in 2021/22 by the Section 31 grant received in relation to expanded Business Rates reliefs given to businesses during the pandemic.

On this basis the Council's share of the 2020/21 forecast outturn position for the Collection Fund (net of the expanded 100% Business Rates reliefs) is a net deficit of £1,469,304. In line with the amended legislation governing Collection Fund accounting, the Council's share of the net deficit will be reimbursed by the Council's General Fund over 2021/22, 2022/23 and 2023/24.

As part of the Spending Round 2020 and with further details provided in the Provisional Local Government Finance Settlement, MHCLG have announced a new local tax income guarantee for 2020/21. This proposed scheme will compensate councils for 75% of irrecoverable losses incurred during 2020/21. Based on the Collection Fund deficit set out in this report, it is estimated that £1,082,564 of compensation would be due to the Council. The actual level of compensation will be known at the end of the financial year and will be accounted for in 2020/21 and transferred to an earmarked reserve to offset against the deficits set out above.

6.2 Legal Implications incl Procurement Rules - There are no legal implications arising as a direct result of this report.

7. Risk Implications

7.1 Business rate income and appeals assessments are monitored on a monthly basis and form part of the overall budget monitoring and reporting to Members. However, the volatility in the level of business rate income presents a significant financial risk to the Council which has been heightened to unprecedented levels due to the Covid19 pandemic. This risk along with other key financial risks forms part of the overall risk assessment of the MTFS and in part determines the Council's approach to the level of reserves and balances that it deems prudent to hold.

8. Recommendations

8.1 The Executive are recommended to confirm the action of the Chief Finance Officer in declaring a business rates deficit of £30,070,943 for 2020/21 subject to the confirmation of the business rates base by 31st January 2021. Any amendments to the declared deficit will be notified to the relevant preceptors and be included in the Final MTFS 2021-26 to be presented to the Executive 22nd February 2021.

Is this a key decision?	Yes
Do the exempt information categories apply?	No
Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?	No
How many appendices does the report contain?	None
List of Background Papers:	None
Lead Officer:	Jaclyn Gibson, Chief Finance Officer Telephone (01522) 873258

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Item No. 5

EXECUTIVE **18 JANUARY 2021**

SUBJECT:	**COUNCIL HOUSE AND GARAGE RENTS 2021/22**
DIRECTORATE:	**HOUSING AND INVESTMENT**
REPORT AUTHOR:	**FRANCES JELLY**
	HOUSING BUSINESS SUPPORT MANAGER

1. Purpose of Report

1.1 To propose an increase in council house rents in line with the Government's Rent Policy for social housing (April 2020) and to seek approval for the introduction of revised rents from Monday 5th April 2021

1.2 To seek members approval for an increase of 3% on Council garage rents for 2021/22 in line with other fees and charges revisions by the Council

2. Executive Summary

2.1 In October 2017, the government announced its intention to set a long-term rent deal. This would permit annual rent increases on both social and affordable rent properties of up to Consumer Price Index (CPI) plus 1% from 1 April 2020 for a period of at least five years

2.2 In keeping with the Housing Business Plan approved by Council and the Governments Rent Guidelines, the formula rent rise for 2021/22 is based on CPI in the previous September (September 2020 = 0.5) plus 1.0%.
In Lincoln's case this will mean an average rent increase of 1.5% from Monday 5 April 2021; although this is an average rent increase across the stock, due to several reasons for example the continual erosion of stock numbers because of the Right to Buy (RTB) regime, the budgeted rental income is £28,911,300

2.3 During the last nine months we have continued to add to our stock via the buy-back programme as follows: -

Buy-back from 01 April 2020 to 18 December 2020

- 3 - one bed
- 11 - two bed
- 10 - three bed
- 2 – four bed
- 1 – four / five bed

2.4 The Government RTB programme sales have negatively impacted on the council's current stock and rental income (April to December 2020). To date 17 properties have been sold, this has been lower than projected due to the Covid pandemic but since July we have received 37 RTB applications and if all are completed by the end of December 2020 the total sales for RTBs would be 52; compared to 42 in the same period last year (April to December 2019)

- 3 - one bed
- 6 - two beds
- 8 - three beds

[Note: the loss of 3-bedroom home has a significant impact on our ability to provide family homes]

2.5 The average weekly rent for the City of Lincoln Council based on data at 18 December 2020 for net social housing rent (calculated over 52 weeks) will increase from £69.79 in 2020/21 to £70.84 for 2021/22. This will equate to an average equivalent increase of income per property of £1.05 per week over 52 weeks.
The 50-week average rent would be charged at £73.67

2.6 There are currently 260 properties charged at an Affordable Rent which is higher than social housing rent. Based on data at 18 December 2020 the increase, on the average weekly net rent (calculated over 52 weeks) will result in rents moving from £107.82 in 2020/21 to £109.43 per week for 2021/22, equating to an average equivalent increase of £1.61 per week over 52 weeks

2.7 Council Garage Rents 2021--22

An increase in garage rents of 3% is proposed in line with the Authority's Fees and Charges increase. This would result in an average increase in the rent charged to £8 per week for 2021/22 (based on a calculated 52-week charge period), an increase of £0.24 per week.
Research has shown that the garage rents in Lincoln are mid-range when compared to similar locations in the East Midlands

2.8 The Lincoln Tenants' Panel (LTP) is due to consider this report at their meeting on 13 January 2021. Their comments and observations will be reported verbally during the Executive Committee meeting.

2.9 This report will be referred to Full Council for approval to ensure that rent notices can be sent to tenants prior to the start of the new financial year and providing them with the requisite 28-day notice period required by law.

3. Background

3.1 The national Rent Convergence Policy and Social Rent Guidance was introduced in April 2002, the aim of which was that rents in the social housing sector (local authority rents and those charged by housing associations) should be brought onto a common system based on a formula set by Government. The formula creates a "formula rent" for each individual property which is calculated based on:

- The relative value of the property
- Relative local income levels; and
- The size of the property.

The formula rent is often also referred to as the "target rent". The City Council and other social landlords are expected to move the actual rent of a property (which may be lower or higher than the formula rent) to the formula rent over time

3.2 Members will be aware that the financing for council housing was changed in April 2012 – the ‘Self-financing Regime’ was introduced under which local authorities were required to buy themselves out of the national housing subsidy regime in return for the keeping of future rental income at local level. The valuation of the housing stock and the Council’s Housing Revenue Account (HRA) Business Plan was based on rental income rising in line with the Government’s rent convergence policy and rent guidelines in place at that time

3.3 As at 01 December 2020 there are currently 7761 council housing rent properties, of those that have a current active tenancy:-

- 30% are in receipt of full housing benefit payment
- 13% are in receipt of partial housing benefit payment
- 26% are in receipt of Universal Credit
- 31% do not receive any of the above

3.4 Councils continue to increase rents on those housing properties that are currently below the ‘formula rent’ (or convergence amount) on re-letting to new tenants before applying the 1.5% increase. For the City of Lincoln Council at the date of this report, 797 properties (that are 10 pence or more below target rent) were not at formula rent and thus when these properties become available for re-letting the rent can be increased to the formula amount plus 1.5% for 2021/22.

3.5 Impact of Covid-19

Tenants continue to pay rent and abide by all other terms of their tenancy agreement to the best of their ability.
In April 2020 the decision was made to bring forward the ‘rent-free’ weeks and set up a Discretionary Rental Hardship Payment Fund to support tenants whose income was directly affected by the Coronavirus outbreak and would struggle to meet their rental obligations; this was a one-off payment and to date we have supported 179 tenants to the sum of £47,483:89

Break-down of the 179 individual award amounts:

- 127 awards of a full months’ worth of rent
- 2 awards of three weeks’ worth of rent
- 37 awards of two weeks’ worth of rent
- 13 awards of one weeks’ worth of rent

The Ministry of Housing, Communities & Local Government published guidance for stock retained councils on the operation of the Housing Revenue Account (HRA) for rent setting and applications to disapply the Government's rent policy. The application for removal of properties from the Government Rent Policy of limiting rent increases to a maximum of CPI and 1% is intended only to be used to avoid serious, and unavoidable financial difficulty in managing the HRA.

On 17 November 2020, the Council’s Audit Committee received a report, “Assessment of going concern status”. This report confirms that the Council held an HRA Balance of £0.996m at 31 March 2020 and that the HRA Business Plan is showing as being affordable (based on the rent policy of CPI plus 1%). However,this was based on the assumption that CPI was at 2% over the period to 2025. The new MTFS 2021 -2026 has now been prepared based on a lower rent increase i.e CPI at 0.5% and still demonstrates that the HRA is affordable;

therefore, as the Council does not need to introduce a rent increase above CPI plus 1% to negate unavoidable and serious financial difficulty, it is unable to apply (at this stage) to be exempt from the Government's Rent Policy.

4. Strategic Priorities

4.1 Let's drive economic growth

4.2 Let's reduce inequality
The Government policy is primarily about reducing the welfare benefits bill but it does help those just above benefit thresholds. Council house rents remain significantly lower than the rent levels in the private rented sector in the City

4.3 Let's deliver quality housing
The new rent policy recognises the need for a stable financial environment to support the delivery of new homes and to increase resources available to maintain current homes.

4.4 Let's enhance our remarkable place

4.5 High performing services

5. Organisational Impacts

5.1 Finance (including whole life costs where applicable)

Council Housing Rents 2021/22
The impact of this change will be an increase to the current average calculated 52-week net social housing rent from £69.79 per week to £70.84 per week – an average increase of £1.05 per week, and an increase on affordable rent from £107.82 per week to £109.43 an average increase of £1.61 per week.

Changes in individual rents will vary according to the level of actual current rent as illustrated in Appendix 1.

Council Garage Rents 2021--22

An increase in garage rents of 3% is proposed in line with the Authority's Fees and Charges increase. This would bring the charge to £8.32 for 2021/22 (based on a calculated 52-week charge period), an increase of £0.24 per week. Research has shown that the garage rents in Lincoln are mid-range when compared to similar locations in the East Midlands.

5.3 Equality, Diversity and Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities

6. Risk Implications

6.1 (i) Options Explored

6.2 (ii) Key risks associated with the preferred approach
The main risks are that the Government make further changes to the Rent Guidelines which will undermine the Business Plan and that future CPI levels are lower than those assumed in the MTFS and Business Plan i.e we have assumed CPI at 2% per annum and September 2020 this dropped to 0.5

7. Recommendation

7.1 Agree the basis of rent calculation for changes to individual Council house rents as set out in paragraph 6 of this report, which represents an increase in the average calculated 52-week council house net rent in 2021/22 of 1.5% for social housing rents (£1.05 p/w) and affordable rents (£1.61 p/w) increase per property. This is in accordance with Government policy

7.2 Increase Council garage rents for 2021/22 in accordance with the proposal in paragraph 2.7 above by 3%.

7.3 Refer this report and recommendations to Full Council on 19 January 2021

Is this a key decision?	No
Do the exempt information categories apply?	No
Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?	No
How many appendices does the report contain?	ONE
List of Background Papers:	Welfare Reform and Work Act 2016 Policy statement on rents for social housing
Lead Officer:	Frances Jelly – Housing Business Support Manager Telephone (01522) 873229

APPENDIX 1

IMPACT OF INCREASES ON ALL TENANTS – APRIL 2021
(Based on an average 52 week rent year inclusive of all rent types)

Average rent increase per property by number of bedrooms per week as 17/12/2020	
No. of beds	Increase per week
1 & bedsits	0.94
2	2.06
3	2.18
4	2.25
5	2.29
6+	2.43

Item No. 6

EXECUTIVE **18 JANUARY 2021**

SUBJECT:	**ALLOTMENT FEES AND CHARGES**
DIRECTORATE:	**DIRECTORATE OF COMMUNITIES AND ENVIRONMENT**
REPORT AUTHOR:	**STEVE BIRD, ASSISTANT DIRECTOR OF COMMUNITIES AND STREET SCENE**

1. Purpose of Report

1.1 To outline an option to increase allotments charges, so as to deliver a contribution to the Towards Financial Sustainability Programme.

2. Executive Summary

2.1 As a result of the future financial challenges that the Council faces the Medium Term Financial Strategy 2021-26 will require a significant reduction in the Council's net cost base to ensure it maintains a sustainable financial position.

2.2 A programme of individual reviews have been developed which includes a review of the net cost of the allotments service, with a requirement to reduce the net cost by £20k p.a. In addition, the review will also address the existing £10k p.a. underachievement of income which has been the position in recent years. . Achievement of these two objectives will reduce the net cost of the allotment service to c£67k p.a.

2.3 This proposal seeks Executive agreement to:

a) Remove the 50% discount based on age
b) Retain the 50% discount for those on means tested benefits
c) Increase base charges by 50% (above 20/21 rates)
d) Income achieved above £30k (inflation linked) be ring fenced for allotment projects.

3. Background

3.1 In March 2020 the Council approved the MTFS 2020-25 which was predicated on the achievement of annual revenue savings of £1.25m by 2022/23. Since approval of the MTFS the Covid19 pandemic has had significant impacts on the Council's financial position. Whilst the immediate in year effects of increased costs and plummeting income have been largely mitigated, it is the longer-term impact on a number of the Council's key income streams that have required an increase in the required level of savings. A refreshed MTFS 2021-26 will be presented to the Executive in January 2021 and will confirm the new savings target. Delivery of an increased savings target is critical in ensuring that the Council maintains a balanced budget position.

3.2 It is the delivery of a contribution towards these savings that is the objective of this report. Specifically, this report is provided based on the request to identify options to increase income by a minimum of £20k pa, and ideally £30k to include for the existing £10k shortfall on income.

3.3 The Council currently has some 1065 lettable allotments. These are plots that are in locations and in a condition that they could be let to a tenant without extensive investment in preparation. That is not to say that all plots are/were in good condition at time of letting, but the council strives to present them in a condition whereby a diligent tenant can make a good garden plot from them with effort. Those vacating plots must leave them in a suitable condition, and not incur costs for the council in their preparation for re-letting, beyond relatively minor works. Although relaxed at times in the past, this policy is now being rigidly enforced.

3.4 Since 2004, rent and water charges have only been increased annually by the rate of inflation (circa 3%). The last substantial increases in charges were 16% in 2002 and 23% in 2003. These percentages look relatively high, but are of course on relatively small sums.

3.5 Currently the waiting list stands at 80 people, totalling 98 requests (some have their name down for more than one site). The biggest waiting lists are as follows: Boultham Glebe has 24 requests, Wragby Road 16, Boultham Park 12, Canwick Hill, Greenbank Drive, Kingsway and Sincil Bank each have 7 requests.

3.6 The financial objective of the review is to increase income by £20k pa so as to reduce the net operating cost.(The budgeted net operating cost of the service in 2020/21 is currently £87k). This is against a background of having an income target that cannot currently be achieved (even if all plots are fully let). Such a target has evolved gradually over time as annual increase have exceeded actual income, but this year, as all plots are let, it has become obvious that reaching the existing income target is not possible in any event, meaning that any extra income demand is on top of the review required to make up the deficit. The deficit is in the order of £10k pa, with this having been declared as an ‘overspend’ in previous years. This review therefore provides potential for two options: an increase of £20k and an increase of £30k pa.

4. Current charges.

4.1 The charges levied for allotments are based on two separate charges. One for rent and one for water. The rent is divided into 19 bands, subject to the size of the plot. Consideration has been given to reducing the number of price bands, but this would inevitably mean some people with potentially significantly different sizes of plot would pay the same. Initial consideration felt this was unfair, and would be unpopular, and so that element of the review was not progressed.

4.2 Rent is also subject to a discount for those who are either over 60 years of age, or who can show they are in receipt of an income related benefit. The discount rate is consistent at 50%. This applied to the rent element only and not the water charge.

4.3 A water charge is applied to all plots with access to water (which is practically all plots) and is at a single rate. No effort is made to differentiate based on water used or size of plot. Measuring individual usage would require every plot to have a meter, making it uneconomic. Charges associated by plot size may have some credence, but it is known that some holders of smaller plots use more water than some tenants of larger plots.

4.4 The water rate has historically been applied at a flat rate and on the basis that collectively it just covers operating costs. This has been the case for many years without complaint. No discounts are applied to water charges, but they are inflated annually by the prevailing inflation rate.

4.5 The cost of renting an allotment depends on the size of the plot as below (please note plot sizes are quoted in square yards due to the age of some of our records). These are the current prices charged in 2020/21 and would be subject to annual inflation, as will the budget if no further increases were applied.

Plot Size	Plot Rent	Plot Size	Plot Rent	Plot Size	Plot Rent	Plot Size	Plot Rent
51 – 100 sq yds	**£31.80**	351 – 400 sq yds	**£43.10**	651 – 700 sq yds	**£54.30**	951 – 1000 sq yds	**£65.30**
101 – 150 sq yds	**£33.60**	401 – 450 sq yds	**£44.80**	701 – 750 sq yds	**£56.00**		
151 – 200 sq yds	**£35.50**	451 – 500 sq yds	**£46.60**	751 – 800 sq yds	**£57.70**		
201 – 250 sq yds	**£37.40**	501 – 550 sq yds	**£48.50**	801 – 850 sq yds	**£59.70**		
251 – 300 sq yds	**£39.10**	551 – 600 sq yds	**£50.30**	851 -900 sq yds	**£61.60**		
301 – 350 sq yds	**£41.00**	601 – 650 sq yds	**£52.20**	901 – 950 sq yds	**£63.50**		

4.6 In addition to the rental a water charge of £20.30 per plot applies, and is not discounted but recharged at a cost recovery rate.

As a guide the average tenant **without** discount pays about £70 pa based on current charges (£1.36 per week). This is the price for a plot in price band size 551 – 600 sq yds (£50.30 for rent + £20.30 water charge).

4.7 The price bands with the most plots are :
115 plots 251 – 300 sq yds (£39.10 + £20.30)
209 plots 301 – 350 sq yds (£41.00 + £20.30)
227 plots 551 – 600 sq yds (£50.30 + £20.30)
153 plots 601 – 650 sq yds (£52.20 + £20.30)

4.8 Of these 704 tenants (the most popular plot sizes), 304 tenants currently receive the 50% discount.
Of the 1065 lettable plots, 454 plots are discounted at 50%. (416 of those receive discount are aged 60 or over, and 38 are receiving benefits).

5. Deliberations and Proposal

5.1 Below is a matrix summarising the effect on the rent element only, if rates were increased and/or discounts adjusted or removed (based on existing numbers).

5.2 The figure in the top left is the current scenario for rent charges – assuming all plots are let and including 454 plots with 50% discount applied.

5.3 Those highlighted light grey are the options for reaching a £20k pa increase on previous income levels, with those highlighted darker grey indicating what would be required to reach a £30k pa increase.

Charge/ Discount	**50% discount**	**No discount**	**25% discount**	**15% discount**	**10% discount**
Current RENT charge income	**37,521***	47,775	42,647	44,697	45,724
3% increase	38,647	49,210	43,928	46,040	47,097
5% increase	39,408	50,177	44,943	46,945	48,023
10% increase	41,268	52,546	46,905	49,271	50,290
12% increase	41,686	53,505	47,761	50,058	51,208
15% increase	42,979	54,964	48,877	51,236	52,417
20% increase	45,027	57,333	51,179	53,640	54,871
25% increase	46,927	59,752	53,338	55,903	57,187
30% increase	48,780	62,111	55,445	58,111	59,445
40% increase	52,524	66,877	59,699	62,570	64,007
50% increase	56,302	71,690	63,994	67,071	68,612
75% increase	65,013	83,619	73,986	77,576	79,371
100% increase	75,042	95,550	85,296	89,399	91,448

*Figure is plot rental income only and excludes any other forms of income.

This takes no account of water charges, and assumes that these will still be charged as now, but with inflation only. Note water is recharged at cost recovery rate.

5.4 The above table shows that, if discounts were to remain as they are now, then rents would need to increase by between 75% and 100% in order to meet the income targets. This may look like a large percentage in numerical terms, but in practical terms, using the full 100% increase as a guide, it equates to approximately the following for the most popular plot sizes (annual increases to water costs have not been applied but this gives a realistic indication):

115 plots 251 – 300 sq yds (£ 78.20 + £20.30) which equates to £1.89 per week
209 plots 301 – 350 sq yds (£ 82.00 + £20.30) which equates to £1.97 per week
227 plots 551 – 600 sq yds (£100.60 + £20.30) which equates to £2.33 per week
153 plots 601 – 650 sq yds (£104.40 + £20.30) which equates to £2.40 per week

5.5 Whilst it is considered that this is not unreasonable, it is accepted that for those on the lowest incomes, this might be a challenge. It is also recognised that age is no measure of the ability to afford something and that the large numbers on discounts does increase the required increase in costs overall disproportionately. Therefore, it is suggested that the discount criteria is removed for age related discounts, but retained only for those most in need; those who can show they are on a means tested benefit.

5.6 The effect of this would mean that :
a) Overall increases needing to be applied for all tenants could be lower than would otherwise be the case (50% not 100% as set out above)
b) 416 tenants who currently get an age related discount, would no longer be eligible.
c) 38 tenants on means tested benefits would have their discount protected.

Those currently in receipt of age related discount would receive means tested discount if eligible. This may therefore result in an as yet unknown decrease in estimated income but it is expected to be small.

5.7 For tenants this 50% increase typically looks like :

115 plots 251 – 300 sq yds (£58.70 + £20.30) which equates to £1.52 per week
209 plots 301 – 350 sq yds (£61.50 + £20.30) which equates to £1.57 per week
227 plots 551 – 600 sq yds (£75.50 + £20.30) which equates to £1.84 per week
153 plots 601 – 650 sq yds (£78.30 + £20.30) which equates to £1.90 per week

5.8 The effect on income would be to bring in £70,372, which is an extra £32,852. This would marginally exceed the target, but still mean that any significant change in tenancy would put the target at risk.

5.9 It is considered that this approach will deliver the income levels required to offset some of the current costs, however it is based on some variables that are impossible to forecast, such as the popularity of allotments. Should take-up dip, for whatever reason, then income will be below target. Should it remain high, and deliver above expectation, then income will exceed the target. Given the 'ask' of allotment tenants, should it be possible to achieve higher levels of income it would be wise to consider setting any such 'windfall income' aside for reinvestment in allotments.

5.10 For clarity the proposal is:

a) Remove 50% discount based on age
b) Retain discounts at 50% for those on means tested benefits.
c) Increase base charges by 50% across the board (above 20/21 rates).
d) Income achieved above £30k (inflation linked) be ring fenced for allotment projects.

These would be notified to tenants this year and applied 2022.

6. **Strategic Priorities**

Of special relevance for this review are three key strands of our Vision 2025 strategy.

1. Let's enhance our Remarkable Place – protecting and enhancing the city as a great place to live, work and visit.
2. Let's reduce all kinds of inequality.
3. Let's address the challenge of climate change.

7. Organisational Impacts

7.1 Finance

The budgeted net cost of the service in 2020/21 is £87,000 which consists of expenditure of £140,990 and income of £53,990. There has historically however been an underachievement against the income target of c£10k p.a.

This proposal would increase income by c£32,852, which would compensate for the current underachievement of £10k p.a and allow the income target to be increased by £20k p.a., The estimated overachievement of £2,852 would allow a small buffer in case tenancy rates drop, and offering the potential to ring fence a small sum each year for reinvestment (if tenancy rates remain high).

The increase in the income target of £20k p.a., increased in line with MTFS inflation assumptions, will be contributed towards the TFS savings target. This contribution will be effective from 2022/23 due to the notice period required for any increase in charges.

The 22/23 rates in full would be:

Plot Size	Plot Rent	Plot Size	Plot Rent	Plot Size	Plot Rent	Plot Size	Plot Rent
51 – 100 sq yds	**£47.70**	351 – 400 sq yds	**£64.70**	651 – 700 sq yds	**£81.50**	951 – 1000 sq yds	**£98.00**
101 – 150 sq yds	**£50.40**	401 – 450 sq yds	**£67.20**	701 – 750 sq yds	**£84.00**		
151 – 200 sq yds	**£53.30**	451 – 500 sq yds	**£69.90**	751 – 800 sq yds	**£86.60**		
201 – 250 sq yds	**£56.10**	501 – 550 sq yds	**£72.80**	801 – 850 sq yds	**£89.60**		
251 – 300 sq yds	**£58.70**	551 – 600 sq yds	**£75.50**	851 -900 sq yds	**£92.40**		
301 – 350 sq yds	**£61.50**	601 – 650 sq yds	**£78.30**	901 – 950 sq yds	**£95.30**		

7.2 Legal Implications including Procurement Rules

The Allotments Act 1950, section 10 includes statements relating to charges. There is no requirement for a Council to make a charge but where it does the following may apply.

• Section 10 of the Act provides that land let by a council for use as an allotment shall be let at such rent "as a tenant may reasonably be expected to pay for the

land if let for such use on the terms (other than terms as to rent) on which it is in fact let".
What is meant by "reasonably" has to be construed in the context of the legislation as a whole.

There is also provision in section 10 of the 1950 Act for payment of reduced rent in special circumstances which might include retired, elderly, unemployed, or disabled tenants or tenants of long standing, or any other circumstance which the authority thinks fit.

As tenants in law, the Council must follow certain procedures if it wishes to change the rent payable. Critically it must give one year's notice, which means that to affect the annual rent payable from February 2022 we would have to give notice no later than Jan 2021. The Council cannot increase rent from next year without this notice. The 12 months' notice is a statutory requirement.

7.3 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

See appendix A

8. Risk Implications

8.1 (i) Options Explored.
Numerous options have been explored as indicated by the pricing matric above, and considerations included in this report.

(ii) Key risks associated with the preferred approach

Numerous options have been considered, but all involve increases to existing charges, so regardless of the preferred option, the risks are similar.

8.2 Risks

An increase in charges will be unpopular and so will attract adverse publicity.

There is also a risk that this will be seen as the council recouping the cost of the capital investment programme delivered in recent years, which is not true.

Increased complaints will add pressure to the service, either by way of direct complaints, or increased expectations from those who choose to pay.

A reduction in customers could result from increased charges, which would in turn impact income (if it removes the waiting lists) meaning that despite the increases, we may not achieve the income target next year.

9. **Recommendation**

9.1 To make changes to the fees and charges for allotments with effect from the annual billing in 2022 and new leases thereafter (with notice given one year in advance).

The changes are as per the table in 7.1 based on:

a) Remove the 50% discount based on age

b) Protect discounts for those on means tested benefits at 50%

c) Increase base charges by 50%.

d) Income achieved above £30k (inflation linked) be ring fenced for allotment projects.

Is this a key decision?	Yes
Do the exempt information categories apply?	No
Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?	No
How many appendices does the report contain?	One
List of Background Papers:	Annual fees and Charges
Lead Officer:	Steve Bird ADCSS Telephone (01522) 873421

Equality with Human Rights Analysis Toolkit

SECTION A

Name of policy / project / service	Allotment charges – MTFS target – 2022 onwards
Background and aims of policy / project / service at outset	To increase income thereby to reduce the net cost of the service.
Person(s) responsible for policy or decision, or advising on decision, and also responsible for equality analysis	Steve Bird, Asst Director Communities & Street Scene
Key people involved *i.e. decision-makers, staff implementing it*	Cllr Bob Bushell, Portfolio Holder for Remarkable Place and Executive Strategic Director of Communities & Environment and CMT Chief Finance Officer Head of Corporate Support Services DCE Service staff

SECTION B

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

	Is the likely effect positive or negative? (please tick all that apply)			Please describe the effect and evidence that supports this and if appropriate who you have consulted with*	Is action possible to mitigate adverse impacts?	Details of action planned including dates, or why action is not possible
	Positive	**Negative**	**None**			
Age		✓		At present some allotment tenants receive a discount based purely on their age, ie the current policy does not take in to account their ability to pay. The proposed change would mean discounts would be based solely on ability to pay, ie means-tested. For some older tenants this will mean the discount is no longer offered.	Yes/No/**NA**	The proposed change would mean that older tenants were no longer treated differently. If they are not in receipt of means-tested benefits then they would no longer be entitled to a discount, meaning that discount decisions will be based on need rather than age.
Disability including carers (see Glossary)		✓		The proposal does not alter arrangements for people with disabilities, however there is an assumption that a greater proportion of older tenants are disabled, and therefore the changes for older tenants may affect a greater proportion of disabled people.	Yes/No/**NA**	The proposed changes would look at the tenant's ability to pay. For any tenant on means-tested benefits the discount would still apply.
Gender re-assignment			✓		Yes/No/NA	
Pregnancy and maternity			✓		Yes/No/NA	
Race			✓	The changes would only affect those entitled	Yes/No/NA	

Religion or belief			✓	to a discount.	Yes/No/NA	
Sex			✓		Yes/No/NA	
Sexual orientation			✓		Yes/No/NA	
Marriage/civil partnership			✓		Yes/No/NA	
Human Rights (see page 8)			✓		Yes/No/NA	

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

Did any information gaps exist?	**Y/N/NA**	**If so what were they and what will you do to fill these?**
	No	

SECTION C
Decision Point - Outcome of Assessment so far:

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

Tick here

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

Conclusion of Equality Analysis (describe objective justification for continuing)	Whilst the changes would affect older tenants more, the proposed discount policy change would in fact mean that older tenants were treated the same as other tenants, and ability to pay would be based on need rather than age. It is not appropriate to assume an individual's ability to pay based on their age. It is acknowledged that older tenants are more likely to have a disability, but again it is not appropriate to assume an individual's ability to pay based on whether or not they have a disability.

	The proposed change would make the allotment charging system fairer, basing discounts on need only.

When and how will you review and measure the impact after implementation?*	After the first round of annual tenancy payments we will see the full impact on tenants. This will show what proportion of older tenants are still entitled to a discount, for other reasons, and any feedback from those who are no longer entitled to a discount.

Checked and approved by responsible officer(s) (Sign and Print Name)		Date	
Checked and approved by Assistant Director (Sign and Print Name)	Steve Bird	Date	5.12.20

When completed, please send to policy@lincoln.gov.uk and include in Committee Reports which are to be sent to the relevant officer in Democratic Services

The Equality and Human Rights Commission guidance to the Public Sector Equality Duty is available via: www.equalityhumanrights.com/new-public-sector-equality-duty-guidance/

Adult at Risk - an adult at risk is a person aged 18 years or over who is or may be in need of community care services by reason of mental health, age or illness, and who is or may be unable to take care of themselves, or protect themselves against significant harm or exploitation.
Adverse Impact. Identified where the Council's operations has a less favourable effect on one or more groups covered by the Equality Act 2010 than it has on other groups (or a section of a group)
Carer - see also disability by association. A carer is a person who is unpaid and looks after or supports someone else who needs help with their day-to-day life, because of their age, long-term illness, disability, mental health problems, substance misuse
Disability by association. Non disabled people are also protected from discrimination by association to a disabled person. This might be a friend, partner, colleague or relative. This is applies to carers who have a caring responsibility to a disabled person.
Differential Impact. Identified where a policy or practice affects a given group or groups in a different way to other groups. Unlike adverse impact, differential impact can be positive or negative.
Disability. It is defined under the Equality Act 2010 as 'having a physical or mental impairment which has a substantial and adverse long term effect

on a person’s ability to carry out normal day to day activities’.
Physical impairment is a condition affecting the body, perhaps through sight or hearing loss, a mobility difficulty or a health condition.
Mental impairment is a condition affecting ‘mental functioning’, for example a learning disability or mental health condition such as manic depression
Diversity. Diversity is about respecting and valuing the differences between people. It is also recognising and understanding the mix of people and communities who use services and their different needs.
Discrimination. Discrimination has been defined as 'the unequal treatment of individuals or groups based onless because of a protected characteristic – see protected characteristic. This includes discrimination by association, perception, direct and indirect discrimination.
Example of discrimination: An employer does not offer a training opportunity to an older member of staff because they assume that they would not be interested, and the opportunity is given to a younger worker
Equality. The right of different groups of people to have a similar social position and receive the same treatment:
Equality Analysis. This is a detailed and systematic analysis of how a policy, practice, procedure or service potentially or actually has differential impact on people of different Protected Characteristics
Equality Objectives. There are specific strategic objectives in the area of equalities and should set out what services are seeking to achieve in each area of service in terms of Equality.
Equality of Opportunity. Equality of opportunity or equality opportunities may be defined as ensuring that everyone is entitled to freedom from discrimination. There are two main types of equality encompassed in equal opportunities:
1. Equality of treatment is concerned with treating everyone the same. Thus, in an organisational context it recognises that institutional discrimination may exist in the form of unfair procedures and practices that favour those with some personal attributes, over others without them. The task of equal opportunities is therefore concerned with the elimination of these barriers.
2. Equality of outcome focuses on policies that either have an equal impact on different groups or intend the same outcomes for different groups.
Evidence. Information or data that shows proof of the impact or non impact - evidence may include consultations, documented discussions, complaints, surveys, usage data, and customer and employee feedback.
Foster good relations. This is explicitly linked to tackling prejudice and promoting understanding.
General Equality Duty. The public sector equality duty on a public authority when carrying out its functions to have ‘due regard’ to the need to eliminate unlawful discrimination and harassment, foster good relations and advance equality of opportunity.
Gender reassignment. The process of changing or transitioning from one gender to another – for example male to trans-female or female.
Harassment. This is unwanted behaviour that has the purpose or effect of violating a person’s dignity or creates a degrading, humiliating, hostile, intimidating or offensive environment.
Human Rights – Human rights are the basic rights and freedoms that belong to every person in the world **- see below**
Marriage and Civil Partnership. Marriage is defined as a 'union between a man and a woman'. Same-sex couples can have their relationships legally recognised as 'civil partnerships'. Civil partners must be treated the same as married couples on a wide range of legal matters. Single people are not protected. Discrimination on grounds of marriage or civil partnership is prohibited under the Act. The prohibition applies only in relation to employment and not the provision of goods and services.
Pregnancy and Maternity. Pregnancy is the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth, and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.

Protected Characteristics. These are the grounds upon which discrimination is unlawful. The characteristics are:

- Age
- Disability
- Gender reassignment
- Race
- Religion and belief (including lack of belief)
- Sex/gender
- Marriage and civil partnership
- Pregnancy and maternity
- Sexual orientation

Public functions. These are any act or activity undertaken by a public authority in relation to delivery of a public service or carrying out duties or functions of a public nature e.g. the provision of policing and prison services, healthcare, including residential care of the elderly, government policy making or local authority services.

Race. This refers to the protected characteristic of race. It refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

Religion or belief. Religion has the meaning usually given to it but belief includes religious and philosophical beliefs including lack of belief (e.g. atheism). Generally, a belief should affect your life choices or the way you live for it to be included in the definition.

Section 11 of the Children Act. This duty is a duty under the Children Act 2004 that requires all agencies with responsibilities towards children to discharge their functions with regard to the need to safeguard and promote the welfare of children. They must also ensure that any body providing services on their behalf must do the same. The purpose of this duty is that agencies give appropriate priority to safeguarding children and share concerns at an early stage to encourage preventative action.

Sex. It refers to whether a person is a man or a woman (of any age).

Sexual Orientation. A person's sexual attraction is towards their own sex; the opposite sex; or to both sexes: *Lesbian, Gay or Bisexual*

Victimisation. Victimisation takes place where one person treats another less favourably because he or she has exercised their legal rights in line with the Equality Act 2010 or helped someone else to do so.

Vulnerable Adult. A Vulnerable Adult is defined as someone over 16 who is or may be in need of community care services by reason of mental or othe disability, age or illness and who is or may be unable to take care of him/herself or unable to protect him/herself against significant harm or exploitation’

Human Rights

Human rights are the basic rights and freedoms that belong to every person in the world. They help you to flourish and fulfill your potential through:

- being safe and protected from harm
- being treated fairly and with dignity
- living the life you choose
- taking an active part in your community and wider society.

The Human Rights Act 1998 (also known as the Act or the HRA) came into force in the United Kingdom in October 2000. It is composed of a series of sections that have the effect of codifying the protections in the European Convention on Human Rights into UK law.

The Act sets out the fundamental rights and freedoms that individuals in the UK have access to. They include:

- Right to life
- Freedom from torture and inhuman or degrading treatment
- Right to liberty and security
- Freedom from slavery and forced labour
- Right to a fair trial
- No punishment without law
- Respect for your private and family life, home and correspondence
- Freedom of thought, belief and religion
- Freedom of expression
- Freedom of assembly and association
- Right to marry and start a family
- Protection from discrimination in respect of these these rights and freedoms
- Right to peaceful enjoyment of your property
- Right to education
- Right to participate in free elections

Many every day decisions taken in the workplace have no human rights implications. However, by understanding human rights properly you are more likely to know when human rights are relevant and when they are not. This should help you make decisions more confidently, and ensure that your decisions are sound and fair.

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Item No. 7

EXECUTIVE **18 JANUARY 2021**

SUBJECT:	**PROPOSALS FOR THE REVIEW OF EXISTING PUBLIC SPACE PROTECTION ORDER WITHIN THE CITY CENTRE**
DIRECTORATE:	**DIRECTORATE OF COMMUNITIES AND ENVIRONMENT**
LEAD OFFICER:	**FRANCESCA BELL, PUBLIC PROTECTION, ANTI-SOCIAL BEHAVIOUR AND LICENSING SERVICE MANAGER**

1. Purpose of Report

1.1 To brief the Executive on the process and consideration given to date, to review an existing Public Space Protection Order in the City Centre area of Lincoln.

1.2 To seek the views of the Executive on proposals regarding the reviewing the existing Public Space Protection Order (PSPO) relating to intoxicating substances, and the scope to vary this order in consultation with the public and relevant partners.

2. Executive Summary

2.1 In October 2014 the Secretary of State enacted new powers from the Anti-Social Behaviour, Crime and Policing Act, relevant to tackling Anti-Social Behaviour. These new powers also make changes to some of the relevant existing legislation and the Council is required, within the period of three years, to reconsider its Designated Public Place Orders (DPPOs) and either withdraw or replace them with new Public Space Protection Orders (PSPOs).

2.2 The PSPO’s are more flexible and can be applied to a much broader range of issues, with local authorities having the ability to design and implement their own prohibitions or requirements where certain conditions are met. These conditions centre on the impact to the quality of life in the locality, persistence, and whether the impact makes the behaviour unreasonable.

2.3 In April 2015 the Executive approved the implementation of a PSPO covering the city centre of Lincoln and prohibiting within the designated area (see appendix A map) the possession and consumption of alcohol and the consumption of so called ‘legal highs’ within the defined area.

2.4 In February 2018 the PSPO was reviewed and renewed with just a minor variation to the map.

2.5 A PSPO has a maximum duration of 3 years. It is therefore advisable to review the order after 3 years to determine whether it should be subject to extension or variation. As part of the review we have sought the views of both the public and relevant partner agencies by way of a public and partner consultation, this consultation has also been published on social media for greater reach. This consultation period opened on Monday 2nd November 2020 and closed on Monday 30th November 2020.

2.6 We have also collated and considered data held by both the City of Lincoln Council and Lincolnshire Police.

2.7 The purpose of the review is to consider the following points;

1. Should the requirement not to consume alcohol remain as part of any new PSPO and is the current wording fit for purpose?
2. Should the requirement not to ingest, inhale, smoke or otherwise use intoxicating substances remain as part of the PSPO and is the wording fit for purpose?
3. Are there any other issues that you believe should be considered for inclusion in the PSPO? Please provide evidence of this issue. Evidence might include the number of reports, photos etc.
4. Is the area designated by the PSPO still appropriate?

2.8 The City of Lincoln, much like other towns and cities nationally, has a recurring issue with street drinking and the taking of illicit substances, in particular in the summer months. Whilst the council and its partners are working collaboratively to address the complex issues of individuals with a holistic approach, there remains a clear need for enforcement tools such as those offered by the PSPO.

3. Public Spaces Protection Orders

3.1 The relevant parts of the Anti-Social Behaviour, Crime and Policing Act came into force on 20th October 2014. This Act contains the provisions for the Public Space Protection Order, which were enacted by order of the Secretary of State on the 20th October 2014

3.2 Local authorities have the power to make Public Spaces Protection Orders if satisfied on reasonable grounds that two conditions are met.

The first condition is that—

a) activities carried on in a public place within the Authority's area have had a detrimental effect on the quality of life of those in the locality, or
b) it is likely that activities will be carried on in a public place within that area and that they will have such an effect.

The second condition is that the effect, or likely effect, of the activities—

a) is, or is likely to be, of a persistent or continuing nature,
b) is, or is likely to be, such as to make the activities unreasonable, and
c) Justifies the restrictions imposed by the notice.

Activities can include things that a person or a group does, has done or should do (in order to reduce the detrimental effect).

3.3 A Public Space Protection Order is an order that identifies the space to which it applies ("the restricted area" within which the impact has or is likely to occur[ed]) and can make requirements, or prohibitions, or both within the area. This means that the local authority can, by virtue of the order, require people <u>to do</u> specific things in a particular area or <u>not to do</u> specific things in a particular area. The local authority can grant the prohibitions/requirements where it believes that they are reasonable in order to prevent or reduce the detrimental impact. The order can be made so as to apply to specific people within an area, or to everybody within that area. It can also apply at all times, or within specified times and equally to all circumstances, or specific circumstances. The order can apply for a maximum of three years upon which the process of reviews and consultation must be repeated to ensure the issues are still occurring and the order is having the required effect. Thereafter it can be extended for a further three years and, upon the reviews and consultation taking place, can be extended more than once for further periods of three years.

3.4 Failure to comply with either a prohibition, or requirement, within the order is an offence. Upon summary conviction (offences heard within the Magistrates Courts) defendants can face a fine not exceeding level three on the standard scale (currently £1000). The defendant cannot be found guilty of an offence under a prohibition/requirement where the local authority did not have the power to include it in the order. Breaches of the order can also be discharged by use of a fixed penalty notice (FPN). The fine attached to a FPN is £75 reduced to £50 if payed within two weeks and if the recipient attends We Are With You (Addaction) the fine is reduced to £40.

4. The Current PSPO

4.1 In April 2015 the council enacted a Public Space Protection Order under the Anti-Social Behaviour Crime and Policing Act 2014. This was renewed in February 2018, The current Order is shown in APPENDIX A, The PSPO is as follows

4.2 In the area defined by the attached map shown in APPENDIX A, the following prohibition applies:

Person(s) within this area will not:

- *Ingest, inhale, inject, smoke or otherwise use intoxicating substances.*

Intoxicating Substances is given the following definition (which includes Alcohol and what are commonly referred to as 'legal highs'): Substances with the capacity to stimulate or depress the central nervous system.

Exemptions shall apply in cases where the substances are used for a valid and demonstrable medicinal use, given to an animal as a medicinal remedy, are cigarettes (tobacco) or vaporisers or are food stuffs regulated by food health and safety legislation.

Persons within this area who breach this prohibition shall: surrender intoxicating substances in his/her possession to an authorised person

(An authorised person could be a Police Constable, Police Community Support Officer or Council Officer, and must be able to present their authority upon request

4.3 A PSPO may not last more than 3 years so should be reviewed after 3 years and may then be extended for a further period of up to 3 years (the PSPO can be extended more than once). As part of the review the PSPO may be amended to add or remove prohibitions or requirements, the geographical area may be altered or the order may be discharged.

5. The consultation

5.1 On Monday 2nd November 2020 a public and a partnership consultation was launched. The consultation lasted 28 days and closed at 5pm on Monday 30th November 2020. As part of the consultation the public and partners were approached seeking their views and any evidence they may hold regarding possible amendments to the PSPO. The consultation has been viewed as an opportunity for us to consider what has worked well and to reflect upon any areas we could improve or alter. In particular the consultation has looked at four areas. These have been;

5.2
1. Should the requirement not to consume alcohol remain as part of the PSPO and is the wording fit for purpose?
2. Should the requirement not to ingest, inhale, smoke or otherwise use intoxicating substances remain as part of the PSPO and is the wording fit for purpose?
3. Are there any other issues that you believe should be considered for inclusion in the PSPO? Please provide evidence of this issue. Evidence might include the number of reports, photos etc.
4. Is the area designated by the PSPO still appropriate

5.3 We have directly approached all members of the Lincolnshire Community Safety Partnership (Safer Lincolnshire Partnership) as well as approaching the following partners;

- Lincolnshire Police,
- Lincoln BIG,
- P3,
- Framework,
- Addaction.
- YMCA
- The Baptist church
- The Neighbourhood Team
- ARC
- Public Health at LCC

5.4 The consultation has been available on our website and In addition to this City of Lincoln Communications team have put out information of the public consultation via social media to improve our reach.

5.5 In responses to the consultation we have received a total of five responses. Of the five responses four came from partners and one came from the public**.**

5.6 All five of the responses called for the existing PSPO to remain in place.

5.7 All four of the partner responses called for us to consider extending the geographical area of the PSPO to cover St Rumbolds street. The partner responses are shown in APPENDIX B.

5.8 In addition to the responses to the PSPO consultation the Citizens Panel has also returned comments relating specifically to drug users and drunks in the city centre and St Rumbolds area. The returned questionnaires contained 45 separate comments about drug and alcohol misuse in the city centre.

5.9 Given the low response rate from both the public and partners it is concluded that partners and the public are broadly happy with the PSPO in its current format.

6. The geographical area of the PSPO

6.1 The area covered by the PSPO was originally drawn up to reflect where the majority of drink and drug related incidents were happening within the City of Lincoln. It was also based upon the location of so called 'head shops' that were known to be selling legal highs at the time. Despite the 'head shops' having closed the geographic area would appear to still be relevant as incidents are still occurring within the defined area.

7. Evidence for the current Geographical area to remain

7.1 Feedback from partners including Lincolnshire Police and from the intervention team is that the PSPO remains a useful tool.

7.2 Statistics for City of Lincoln Council enforcement of the PSPO

Year	Surrenders	Breaches		FPN's	Prosecutions	
		alc	sub		alc	sub
2015	324	24	10	9	13	7
2016	74	29	9	4	3	-
2017	44	13	7	8	1	2
2018	18	8	16	16	2	4
2019	6	3	2	4	3	1
2020	4	1	2	2	1	1

7.3 The statistics above show a steady decline in enforcement however the PSPO is still being used as a useful tool. These figures also do not represent all of the surrenders that police deal with informally on a daily basis and so the true use of the PSPO is likely significantly under report here.

8. **Evidence to support extending the geographical area to include St Rumbolds street area – Zone 3 shown in APPENDIX C**

8.1 Statement from Police Inspector Hime

'In support of the proposal of the inclusion of Zone 3 on the attached map I would like to add that that area is currently the subject to two problem solving plans. ECINs case 362740 refers to repeat reports of drink and drug related antisocial behaviour in the Friars Lane and Rosemary Lane areas. ECINs case 312060 relates to drug supply and associated ASB in the St Rumbold's street area. These cases were raised due to the detrimental impact the ongoing incidents were having on the lives of residents and visitors in the area. As a result the area has been the focus of daily patrols by officers for many months, in addition to this a week of enforcement took

place in the area in July this year, during which 5 search warrants were executed and 14 arrests were made. Despite this antisocial behaviour linked to street drinking and substance misuse alcohol use in the area continued to rise throughout the summer months. As the Neighbourhood Policing Inspector, I support the inclusion of Zone 3 on the attached map. I believe that the additional powers that it would give to officers would increase our ability to tackle the ongoing issues of antisocial behaviour linked to street drinking and substance misuse and therefore assist us in taking enforcement action to improve the lives of the victims of ASB.
Inspector 754 Claire Hime'

8.2 Incident Data for the area shown as Zone 3 on APPENDIX C

Over the past 12 months (November 2019 – October 2020) there have been 184 police incidents reported within the locality. A full breakdown of the incidents by street and by type is shown in APPENDIX D

8.3 Soft intelligence gathered by the intervention team and partners also suggests that the area of St Rumbolds street suffers from the misuse and overt consumption of alcohol and intoxicating substances. The council and our partners, particularly those in the area are working hard to address these issues and to sustainably address and reduce them. The PSPO would provide an additional tool to consider when dealing with such issues, although our primary focus with partners is to support and work with those who suffer addiction or other contributing issues.

9. The wording of the PSPO

9.1 Illicit substances

All feedback received concurred that the prohibition regarding intoxicating substances (where not legitimately exempt) within the defined area should remain, although the consensus was that the wording of the prohibition could be improved to make the offence clearer.

9.2 Alcohol

All feedback received concurred that the prohibition to have an open container of alcohol within the defined area should remain, although the consensus was that the wording of the prohibition could be improved to make the offence clearer.

9.3 Proposed wording

See APPENDIX E – draft order for the proposed wording.

10. The proposal

10.1 To extend the existing Public Space Protection Order varied with the addition of St Rumbolds street area. The proposed map is shown as APPENDIX F, to amend the wording of the prohibitions as proposed in the draft order shown as APPENDIX E for a further 3 years. With a clear focus on the council and its partners continuing to work collaboratively to provide a holistic approach to troublesome individuals displaying symptoms of substance misuse or other vulnerabilities. Enforcement of the PSPO will remain a useful enforcement tool that will be utilised where an individual's behaviour is such that enforcement action is the most appropriate course of action i.e. in cases that lead/contribute to serious ASB or criminal behaviour or where the individual will not engage in support.

10.2 Members would need to be satisfied that the legal conditions, laid out above, have been met. Officers' view is that these requirements have been met based on:

- Evidence provided by Police, recording crime and ASB statistics for the area. Attached as APPENDIX D.
- Feedback from the consultation attached as APPENDIX B.

11. Implementation

11.1 Implementation of this order, legally, would require a public notice to be published, This would be done through a formal notice in the local newspaper, notification on our website and press releases through media outlets.

11.2 Although not necessarily a statutory requirement, it is recommended that additional signage be clearly displayed in the PSPO area.

11.3 Whilst there is already signage within the area already defines should members elect to extend the map as suggested then it is recommended signage is placed in this area.

12. Enforcement

12.1 In relation to enforcement of the PSPO the following officer can enforce it;

- Lincolnshire police
- Authorised council officers

11.2 It has been accepted by both Council officers and Lincolnshire Police that whilst the local authority may have the legal ability to enforce, it does not have the skills or the resources to do on-street enforcement of this nature. It is also accepted that enforcement of this order will present a heightened element of risk to personal safety, due to the nature of the problem, and therefore would not be appropriate for Council Officers with their current training and safety measures. Lincolnshire Police have committed therefore that should this order be made, they will accept responsibility for enforcement, with back office support conducted by the Council if required.

12.3 As discussed in 8.1 above the enforcement tools and powers afforded by the PSPO will form part of a broader tool kit to address the symptoms and complex root causes of individuals behaviours. Enforcement action, although available under the PSPO, may not always be the appropriate action. Each breach of the PSPO will be carefully considered on a case by case basis.

13. Implications

13.1 Any legal challenge presents a risk to the Authority. The legislation supporting implementation of the new Order states that "interested persons" may challenge the validity of any order in the High Courts. This means that the Council could face a challenge against its ability to implement the Order. An application of this nature must be made within six weeks, beginning on the day the Order is made or varied. There are three grounds upon which a challenge could be made, these are:

- That the local authority did not have the power to make the order or variation, or to include particular prohibitions or requirements imposed by the order (or by the order as varied)
- That a requirement under this element of the legislation not complied with in relation to the order or variation
- The High Court would have the power to quash, amend or uphold the order.

13.2 The penalty for breaches of this order relate to fines alone, which may lead to significant levels of non-payment. The suite of powers available however would allow officers to utilise a range of measures for those identified as persistently breaching the order, for example:

- Community Protection Notices could be issued against the individuals
- A civil injunction may be sort which contains prohibition or positive requirements. The sanctions for breaching and Injunction can include a prison sentence in extreme cases.
- A Criminal Behaviour Order could be sought. Breach of the PSPO is an offence and upon conviction, individuals could be made subject to a Criminal Behaviour Order. This carries both tougher sanctions, along with the ability to implement positive conditions requiring support for substance misuse issues.

14. Strategic Priorities

14.1 <u>Let’s drive economic growth</u>

Projects within the city centre to tackle anti-social behaviour enhance our city making it a more attractive city for investment.

14.2 <u>Let’s reduce inequality</u>

The service seeks to reduce inequality through its work with individuals and communities, whislt the PSPO ultimately provides an enforcement too, this tool can be used to instigate and drive engagement with support services such as We Are With You or Mental Health.

14.3 <u>Let’s enhance our remarkable place</u>

Projects within the city centre to tackle anti-social behaviour serve to improve and enhance the city.

15. Organisational Impacts

15.1 Finance

Enforcement costs under this order will be met by existing Police staff. Any supplementary enforcement will form a part of the role of the Public Protection and Anti-Social Behaviour Officers. There were some internal costs for consultation and a small cost associated with the publication of the Order and stationary for FPNs along with signage. These will be met from within existing budgets.

Income from FPNs is expected to be small and will be used to cover the associated costs of implementing the proposal.

15.2 Legal Implications including Procurement Rules

This report recommends legal action be taken by the Authority in accordance with the legislation, and also involves subsequent legal enforcement relevant to that action. The legal parameters laid out within the Act will be considered carefully against the proposal for an Order.

Any prosecutions taken will have an impact upon the legal services team from a resource perspective.

15.3 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

Equality, Diversity & Human Rights (including the outcome of the EA attached, if required)

An Equality Analysis has been undertaken and is attached. The proposal does not disproportionately affect any protected group and complies with legislation to have regard for Human Rights in developing procedures.

15.4 Human Resources

No current implications but should the intervention team cease at the end of 2021 then there may be enforcement implications

15.5 Land, Property and Accommodation

All land owners within the area are required to be consulted, which has been satisfied through the consultation conducted.

15.6 Significant Community Impact

This report identifies a proposal that has the potential to deliver a significant positive community impact if used to its full potential.

15.7 Corporate Health and Safety implications

There are health and safety consideration regarding approaching potential perpetrators who are in breach of the PSPO however the teams involved, namely the intervention team, have risk assessments in place to manage and mitigate the risk. There is also generally good CCTV coverage within the PSPO area however St Rumbolds street does not currently have good coverage.

16. Risk Implications

16.1 (i) Options Explored

1. Extend the existing PSPO

2. Extend and vary the PSPO to reword the prohibitions and / or change the geographical area to include St Rumbolds Street area.

3. Not extend the existing PSPO

16.2 (ii) Key risks associated with the preferred approach

There is a risk that expectations will be raised by this order which agencies cannot meet. The order may not resolve the issues.

17. Recommendation

17.1 To approve the proposal to extend and vary the PSPO to include zone 3 shown in APPENDIX C and to amend the wording to that shown on the draft order shown in APPENDIX E.

Is this a key decision?	No
Do the exempt information categories apply?	No
Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?	No
How many appendices does the report contain?	6 APPENDIX A – Existing PSPO Inc. Map APPENDIX B – Partner responses APPENDIX C – PSPO Map showing ‘zone 3’ APPENDIX D – Police stats for ‘zone 3’ APPENDIX E – Draft PSPO Order 1B 2021 APPENDIX F – Proposed new Map
List of Background Papers:	None
Lead Officer:	Francesca Bell – Public Protection, ASB & Licensing Service Manager Telephone (01522) 873204

CITY OF LINCOLN COUNCIL

PUBLIC SPACE PROTECTION ORDER NUMBER 1 of 2015 (the "Order")

REVIEWED, RENEWED AND VARIED ON 26th FEBRUARY 2018 FOR A PERIOD OF 3 YEARS.

ANTI-SOCIAL BEHAVIOUR, CRIME AND POLICING ACT 2014

This order may be cited as the City of Lincoln Council Public Spaces Protection Order Number 1A of 2018

The City of Lincoln Council ("the Council") in exercise of its powers under Sections 59, 64 and 72 of the Anti-Social Behaviour, Crime and Policing Act 2014 ("the Act") and under all other enabling powers, hereby makes the following Order:

1. This Order shall come into operation on 27th February 2018 and updates under the provision of Section 61 of the Act the order made on 1st April 2015 Cited as 'Order Number 1 of 2015' and shall have an effect for 3 years thereafter, unless extended by further orders under the Council's statutory powers.

2. This Order relates to that part of the City of Lincoln as shown edged red on the attached plan ("the Exclusion Zone").

3. The Council is satisfied that the conditions set out in Section 59(2) of the Act have been met. Namely that anti-social behaviour and criminal activities have been carried out within the Exclusion Zone through the use of intoxicating substances. These activities have had a detrimental effect on the quality of life of those in the locality, and it is likely that activities will be carried out within that area and have such an effect.

4. The Council is also satisfied that the conditions set out in Section 59(3) of the Act have been met. Namely, that the effect or likely effect of the activities is, or is likely to be, of a persistent or continuing nature and that these activities are unreasonable and justify the restrictions imposed by this Order and that it is in all the circumstances expedient to make this Order for the purpose of reducing crime and/or anti-social behaviour in a public place.

PROHIBITIONS:

1. **Person(s) within the Exclusion Zone will not: ingest, inhale, inject, smoke or otherwise use intoxicating substances.**

2. **Intoxicating Substances is given the following definition (which includes alcohol and what are commonly referred to as 'legal highs'): substances with the capacity to stimulate or depress the central nervous system.**

3. **Exemptions shall apply in cases where the substances are used for a valid and demonstrable medicinal use, given to an animal as a medicinal remedy, are cigarettes (tobacco) or vaporisers or are food stuffs regulated by food health and safety legislation.**

4. **Persons within this area who breach this prohibition shall: surrender intoxicating substances in his/her possession to an authorised person.**

5. **An authorised person could be a Police Constable, Police Community Support Officer or Council Officer, and must be able to present their authority upon request.**

FIXED PENALTY NOTICES AND OFFENCES:

1. It is an offence for a person without reasonable excuse to engage in any activity that is prohibited by this Order.
2. In accordance with section 63 of the Act, a person found to be in breach of this Order by consuming alcohol or by refusing to surrender alcohol to an authorised person is liable on summary conviction to a maximum penalty of a level 2 fine or to a Fixed Penalty Notice up to £100.
3. In accordance with section 67 of the Act, a person found to be in breach of this Order other than by consuming alcohol or by refusing to surrender alcohol to an authorised person is liable on summary conviction to a maximum penalty of a level 3 fine or to a Fixed Penalty Notice up to £100.

APPEALS:

1. In accordance with section 66 of the Act, any interested person who wishes to challenge the validity of this Order on the grounds that the Council did not have the power to make the Order or that a requirement under the Act has not been complied with may apply to the High Court within six weeks from the date upon which the Order is made.

APPENDIX:

A street plan of The City of Lincoln showing The Exclusion Zone edged in red.

GIVEN under the Common Seal of
The City of Lincoln Council
On the
.......20th...............day of.......December...........2018

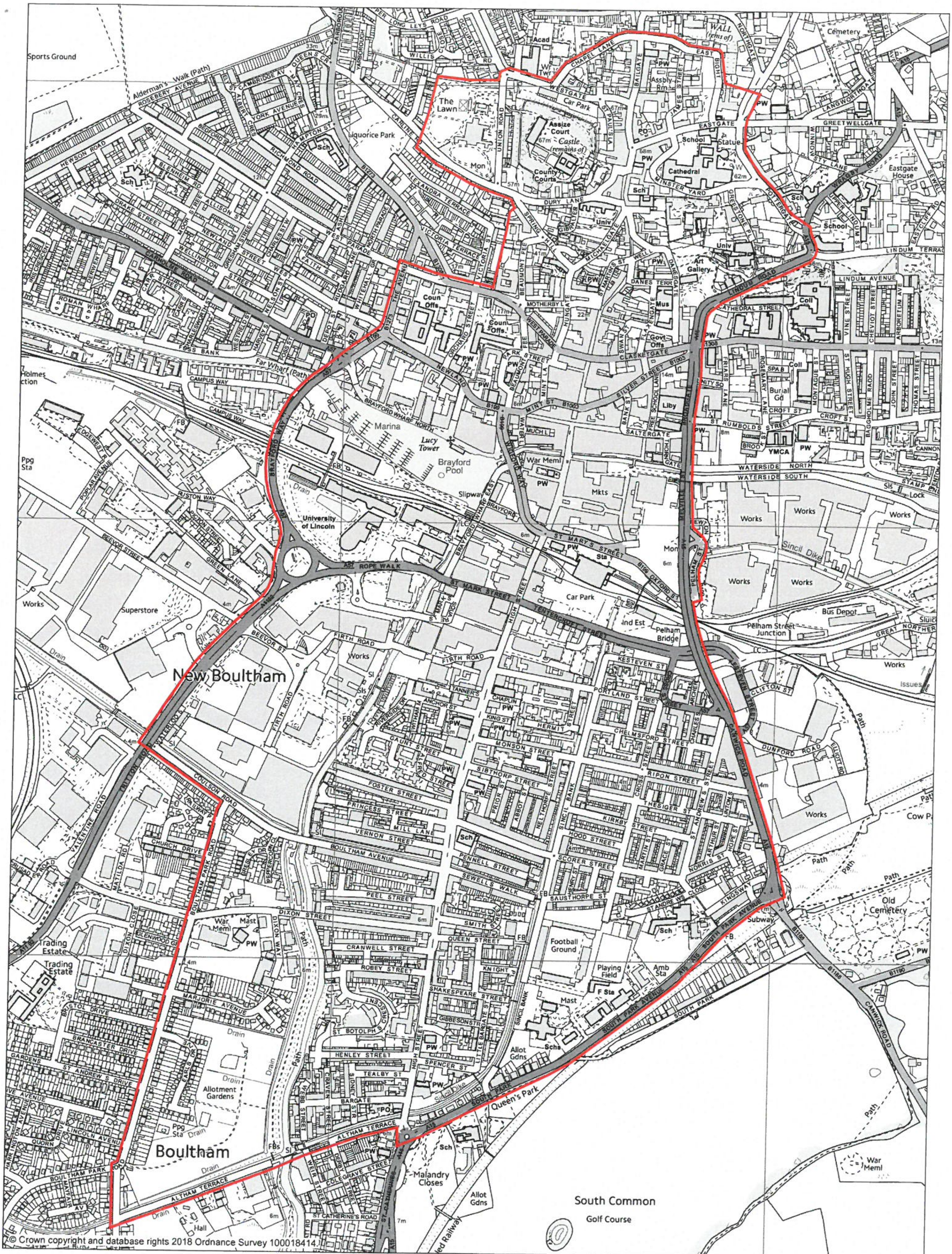
THE COMMON SEAL of the]

City of Lincoln Council]

Was hereunto affixed]

In the presence of:]

NUMBER IN DOCUMENT SEALED BOOK 26367



Exclusion Zone

Scale: 1:7500 at A3

Version 2: 09-Feb-2018

250 m

200 yd

CITY OF Lincoln COUNCIL

APPENDIX B – Partner responces to the renewal of the City Centre PSPO in Lincoln

Insp Hime

I am supportive of the addition of Zone 3, if possible, due to the high levels of reporting in this area. I have considered the wording again which I know has caused some issues in the past, however, I am unable to suggest anything better.

Insp Richardson

I believe you may have already had some replies around this, but I would support extending this to include zone 3 of the attached map to include all of the problematic areas around Rumbold Street etc.

If you need any supporting evidence, James Lingard has a bunch of videos relating to Spa St / old grave yard.

Sgt Mayo

Our team have discussed this today – in relation to the map we think it would be useful to extend it out to St Rumboulds Street/Rosemary lane and Baggholme Road areas.

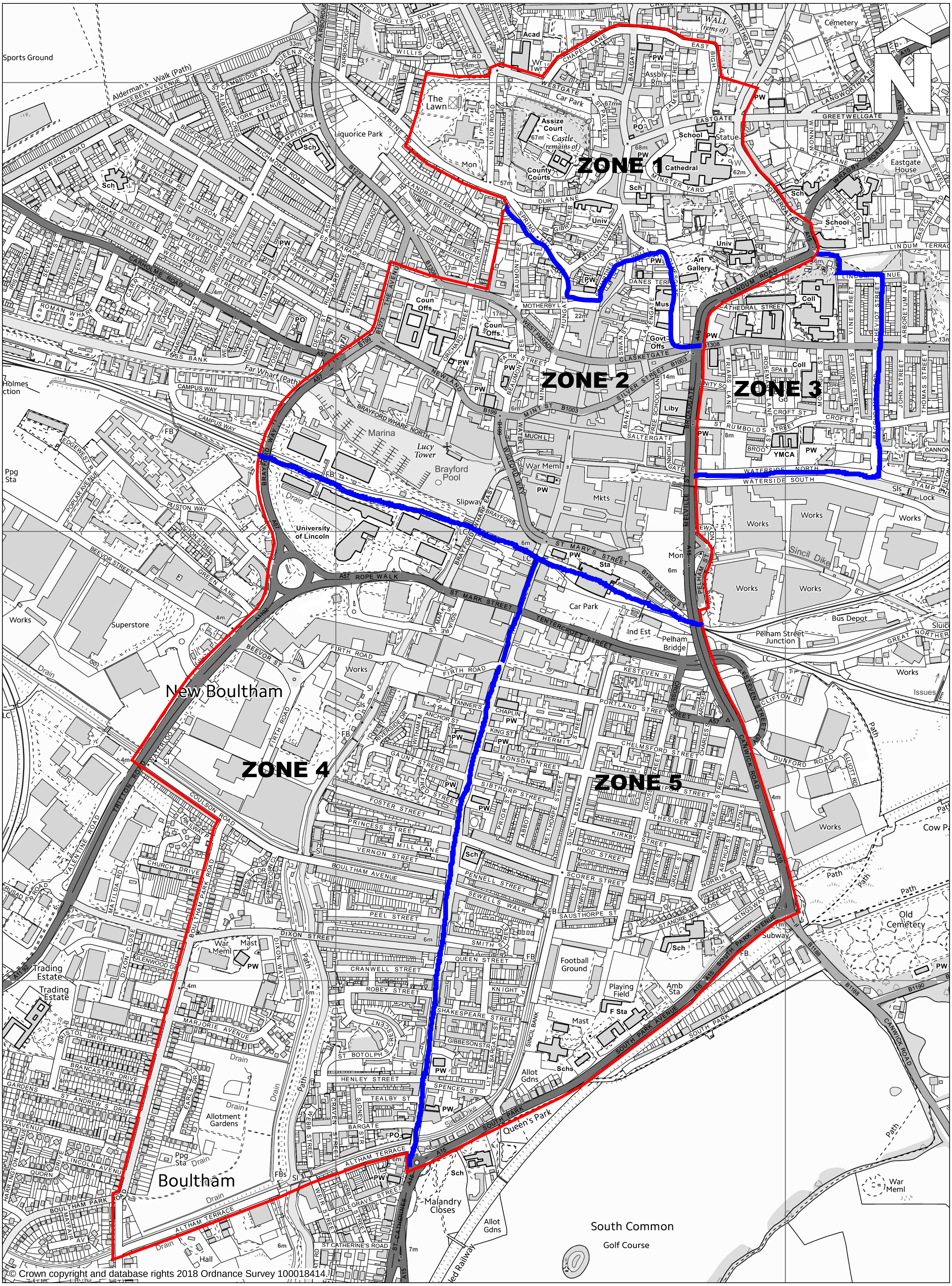
Simon Gladwin – LCC

Please find below my response on behalf of Public health division, Adult Care and community Wellbeing at Lincolnshire County council. Blue text indicates my response

1. Should the requirement not to consume alcohol remain as part of the PSPO and is the wording fit for purpose? –
   a. Yes – I believe the alcohol elements should remain within the PSPO there are still a number of people who use alcohol irresponsibly within the area designated by the PSPO, any relaxing of this element may result is congregation issues in the city centre that are problematic
2. Should the requirement not to ingest, inhale, smoke or otherwise use intoxicating substances remain as part of the PSPO and is the wording fit for purpose?
   a. Yes I believe the intoxicating substances elements should remain within the PSPO however I have a number of concerns regarding the wording which include
      i. It may be beneficial to include a reference to the Psychoactive Substances Act 2016 as this will then cover all novel psychoactive substances including developing trends
      ii. The term legal highs should be replaced to use Novel Psychoactive substances which includes such drugs as mamba and spice that we see regularly used in our public places
      iii. I believe the paragraph *Exemptions shall apply in cases where the substances are used for a valid and demonstrable medicinal use, given to an animal as a medicinal remedy, are cigarettes (tobacco) or vaporisers or are food stuffs regulated by food health and safety legislation.* Worryingly has a significant loophole within it as some

novel psychoactive substances and some versions of cannabis can be used within a vaporiser, this paragraph would indicate that is an acceptable exemption, can this wording please be changed so it is clear it only refers to nicotine and not other vape compliant drugs

3. Are there any other issues that you believe should be considered for inclusion in the PSPO? Please provide evidence of this issue. Evidence might include the number of reports, photos etc.
   a. No comment
4. Is the area designated by the PSPO still appropriate (Map is attached as Appendix A).
   a. Consideration to include some area of Monks road would be beneficial



Exclusion Zone

Scale: 1:7500 at A3

Version 2: 09-Feb-2018

250 m
200 yd

PSPO

Section 35

CITY OF Lincoln COUNCIL

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APPENDIX D – Police stats for 'Zone 3'

Count of Incident URN	YEA	Mth											
	2019		2020										Grand Total
LOCATION2	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	
YMCA	3	2	6	5	8	3	6	10	9	10	12	4	78
BAPTIST CHURCH			1	1		1	4	3	4	4	6	7	31
ST RUMBOLD'S STREET	1	2	4	2	3	1		5	1		2	1	22
BROADGATE CAR PARK	3	3	1	9	1	1				1			19
CORNERHOUSE	2	1	1	3	2	1	3			1	2	1	17
ROSEMARY LANE			1				2	2		7			12
FRIARS LANE			1		1	2				1			5
Grand Total	9	8	15	20	15	9	15	20	14	24	22	13	184

Count of Incident URN	YEA	Mth											
	2019		2020										Grand Total
Classification One Description	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	
ASB - BEGGING / VAGRANCY	3		1	10	1	1	1	1		1			19
ASB - DRUNKEN BEHAVIOUR					1	1	1		1	1		4	9
ASB - INCONSIDERATE BEHAVIOUR	1	4	3	3	4	3	7	3	4	7	6	3	48
ASB - NUISANCE NEIGHBOURS											1		1
ASB - SHOUTING AND SWEARING	1	1	1		1	1	1	1		2	4		13
ASB - STREET DRINKING										1	2		3
ASB - THROWING THINGS										1			1
ASB - TRESPASS				1					1	1			3
CRIME RECORDED - CRIMINAL DAMAGE	1		2				2	2	1		1		9
CRIME RECORDED - DRUGS		1	1						1	1			4
CRIME RECORDED - POSSESSION OF WEAPONS			1								2		3
CRIME RECORDED - PUBLIC ORDER OFFENCES	3		3	1	3		1	2	1	2	3	3	22
CRIME RECORDED - ROBBERY				1	1								2
CRIME RECORDED - VIOLENCE			1	2	2	1		6	2	3	3	1	21
NVC - DRUGS		1				1	1						3
NVC - VIOLENCE			1	1	2			2					6
PSW - CONCERN FOR SAFETY		1	1	1		1	1	3	3	2		2	15
CRIME RECORDED - OTHER OFFENCES										1			1
PSW - SUSPICIOUS CIRCUMSTANCES										1			1
Grand Total	9	8	15	20	15	9	15	20	14	24	22	13	184

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CITY OF LINCOLN COUNCIL

PUBLIC SPACE PROTECTION ORDER NUMBER 1 of 2015 (the "2015 Order")

REVIEWED, RENEWED AND VARIED FOR A PERIOD OF 3 YEARS.

ANTI-SOCIAL BEHAVIOUR, CRIME AND POLICING ACT 2014

This extension to and variation of the 2015 Order may be cited as the City of Lincoln Council Public Spaces Protection Order Number 1 of 2021 ("this Order").

The City of Lincoln Council ("the Council") in exercise of its powers under Sections 59, 64 and 72 of the Anti-Social Behaviour, Crime and Policing Act 2014 ("the Act") and under all other enabling powers, hereby makes the following order:

1. Pursuant to the 2015 Order and the Public Spaces Protection Order Number 1A of 2018 (the "2018 Order"), this Order shall come into operation on 27 February 2021 and under the provision of Sections 60 and 61 of the Act affects the 2015 Order and the 2018 Order.

2. The 2015 Order, as varied and extended by the 2018 Order, shall have effect for 3 years hereafter, unless discharged, varied, or extended by further orders under the Council's statutory powers.

3. This Order relates to that part of the City of Lincoln as shown edged red on the attached plan ("the exclusion zone").

4. The Council is satisfied that the conditions set out in Section 59(2) of the Act have been met. Namely that anti-social behaviour and criminal activities have been carried out within the exclusion zone through the use of intoxicating substances. These activities have had a detrimental effect on the quality of life of those in the locality, and it is likely that activities will be carried out within that area and have such an effect.

5. The Council is also satisfied that the conditions set out in Section 59(3) of the Act have been met. Namely, that the effect or likely effect of the activities is, or is likely to be, of a persistent or continuing nature and that these activities are unreasonable and justify the restrictions imposed by this Order and that it is in all the circumstances justifiable to make this Order for the purpose of reducing crime and/or anti-social behaviour in a public place.

In this order:

An “authorised person” means a Police Constable, a Police Community Support Officer or an officer of the Council who must be able to present their authority upon request.

An “exempted use” means where an intoxicating substance is:

a. used for a valid and demonstrable medicinal use;
b. cigarettes (tobacco) or vaporisers (for nicotine but not to include any other intoxicating substance); or
c. a food stuff regulated by food health and safety legislation.

An “intoxicating substance” means substances with the capacity to stimulate or depress the central nervous system, including but not limited to alcohol, drugs and any Novel Psychoactive Substance as defined within the Psychoactive Substances Act 2016

It is ordered that:

i. No person in the restricted area shall engage in any of the following activities: ingesting, inhaling, injecting, smoking or otherwise using an intoxicating substance unless for an exempted use;

ii. Any person within the restricted area who breaches the prohibition in paragraph (i) shall surrender any intoxicating substances in their possession to an authorised person.

FIXED PENALTY NOTICES AND OFFENCES:

1. It is an offence for a person without reasonable excuse to engage in any activity that is prohibited by this Order.

2. In accordance with section 63 of the Act, a person found to be in breach of this Order by consuming alcohol or by refusing to surrender alcohol to an authorised person is liable on summary conviction to a maximum penalty of a level 2 fine or to a Fixed Penalty Notice up to £100.

3. In accordance with section 67 of the Act, a person found to be in breach of this Order other than by consuming alcohol or by refusing to surrender alcohol to an authorised person is liable on summary conviction to a maximum penalty of a level 3 fine or to a Fixed Penalty Notice up to £100.

APPEALS AGAINST THIS ORDER

In accordance with section 66 of the Act, any interested person who wishes to challenge the validity of this Order on the grounds that the Council did not have the power to make the Order or that a requirement under the Act has not been complied with may apply to the High Court within six weeks from the date upon which the Order is made.

GIVEN under the **COMMON SEAL** of
the City of Lincoln Council
On [2021]

THE COMMON SEAL of the }
CITY OF LINCOLN COUNCIL }
Was hereunto affixed }

In the presence of: }

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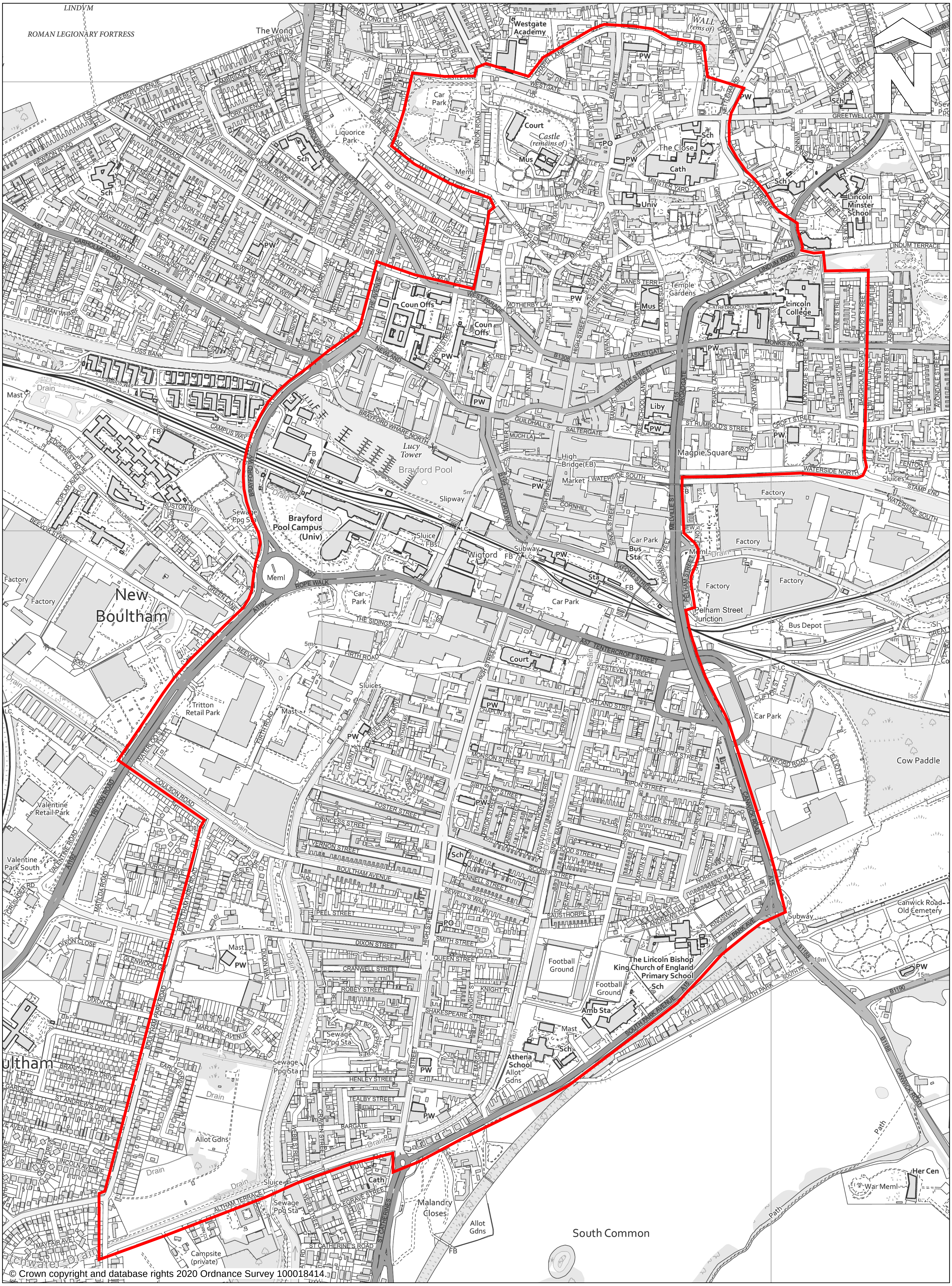

Exclusion Zone

Scale: 1:7500 at A3

Version 1: 16-Dec-2020

250 m

200 yd

CITY OF Lincoln COUNCIL

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Equality with Human Rights Analysis Toolkit

The Equality Act 2010 and Human Rights Act 1998 require us to consider the impact of our policies and practices in respect of equality and human rights.

We should consider potential impact before any decisions are made or policies or practices are implemented. This analysis toolkit provides the template to ensure you consider all aspects and have a written record that you have done this.

If you need any guidance or assistance completing your Equality and Human Rights Analysis contact:
Heather Grover, Principal Policy Officer on (87)3326; email: heather.grover@lincoln.gov.uk . Alternatively contact Legal Services on (87)3840

A diagram of the process you should follow is on page 2, and glossary and guidance to help you complete the toolkit can be found on pages 6-9.

Even after your policy, project or service has been implemented; it is recommended that analysis is undertaken every three years, and that this analysis is updated at any significant points in between. The purpose of any update is that the actual effects will only be known after the implementation of your policy, project or service. Additionally, area demographics could change, leading to different needs, alternative provision can become available, or new options to reduce an adverse effect could become apparent.

<u>Useful questions to consider when completing this toolkit</u>

1. What is the current situation?
2. What are the drivers for change?
3. What difference will the proposal make?
4. What are the assumptions about the benefits?
5. How are you testing your assumptions about the benefits?
6. What are the assumptions about any adverse impacts?
7. How are you testing your assumptions about adverse impacts?
8. Who are the stakeholders and how will they be affected?
9. How are you assessing the risks and minimising the adverse impacts?
10. What changes will the Council need to make as a result of introducing this policy / project / service / change?
11. How will you undertake evaluation once the changes have been implemented?

STEP BY STEP GUIDE TO EQUALITY ANALYSIS

STEP 1

In Section A identify

STEP 2

In Section B highlight any

STEP 3

In Section C record your

STEP 4

The responsible officer

STEP 5

Publish the analysis (e.g.

STEP 6

Monitor and review your

*** Evidence could include information from consultations:**

SECTION A

Name of policy / project / service	TO RENEW A PUBLIC SPACES PROTECTION ORDER TO PROHIBIT THE CONSUMPTION OF ALCOHOL AND INTOXICATING SUBSTANCES WITHIN THE LINCOLN CITY CENTRE
Background and aims of policy / project / service at outset	To provide an additional tool in tackling on street ASB associated with on street drinking and drug taking in public areas of the city centre. The make the city centre feel safer for communities and visitors. To provide a tool that can instigate positive requirements to engage with support services.
Person(s) responsible for policy or decision, or advising on decision, and also responsible for equality analysis	Francesca Bell – Public Protection, ASB and Licensing Service Manager
Key people involved *i.e. decision-makers, staff implementing it*	Director communities and environment, Policy scrutiny committee, Intervention Team, PPASB team and Police

SECTION B

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

	Is the likely effect positive or negative? (please tick all that apply)			Please describe the effect and evidence that supports this and if appropriate who you have consulted with*	Is action possible to mitigate adverse impacts?	Details of action planned including dates, or why action is not possible
	Positive	**Negative**	**None**			
Age	x			May make vulnerable users of the city centre feel safer	Yes/No/NA	
Disability including carers (see Glossary)	x			May make vulnerable users of the city centre feel safer	Yes/No/NA	
Gender re-assignment			X		Yes/No/NA	
Pregnancy and maternity	x			May make expectant mothers feel safer	Yes/No/NA	
Race			x		Yes/No/NA	
Religion or belief			X		Yes/No/NA	
Sex		x		Offenders are more likely to be male	~~Yes~~/No/~~NA~~	Not possible to mitigate, the power is not intended to target males however the demographic info we hold is that most offenders are male
Sexual orientation			X		Yes/No/NA	
Marriage/civil partnership			X		Yes/No/NA	
Human Rights (see page 8)			x	In developing the procedures the council has had due regard for Human Rights as required by the legislation. Whilst the powers this policy will provide will be used to some degree for enforcement purposes they will also be used to drive engagement with	Yes/No/NA	

				support services		

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

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

SECTION C
Decision Point - Outcome of Assessment so far:

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

Tick here

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

211

Conclusion of Equality Analysis (describe objective justification for continuing)	This does not disproportionately affect any protected group and complies with legislation to have regard for Human Rights in developing procedures.

When and how will you review and measure the impact after implementation?*	The PSPO will be reviewed at least every 3 years

Checked and approved by responsible officer(s) (Sign and Print Name)	Francesca Bell eBell	Date	18.12.2020

Checked and approved by Assistant Director (Sign and Print Name)	Simon Colburn	Date	18.12.2020

When completed, please send to policy@lincoln.gov.uk and include in Committee Reports which are to be sent to the relevant officer in Democratic Services

The Equality and Human Rights Commission guidance to the Public Sector Equality Duty is available via: www.equalityhumanrights.com/new-public-sector-equality-duty-guidance/

City of Lincoln Council Equality and Human Rights Analysis Toolkit: Glossary of Terms

Adult at Risk - an adult at risk is a person aged 18 years or over who is or may be in need of community care services by reason of mental health, age or illness, and who is or may be unable to take care of themselves, or protect themselves against significant harm or exploitation.

Adverse Impact. Identified where the Council's operations has a less favourable effect on one or more groups covered by the Equality Act 2010 than it has on other groups (or a section of a group)

Carer - see also disability by association. A carer is a person who is unpaid and looks after or supports someone else who needs help with their day-to-day life, because of their age, long-term illness, disability, mental health problems, substance misuse

Disability by association. Non disabled people are also protected from discrimination by association to a disabled person. This might be a friend, partner, colleague or relative. This is applies to carers who have a caring responsibility to a disabled person.

Differential Impact. Identified where a policy or practice affects a given group or groups in a different way to other groups. Unlike adverse impact, differential impact can be positive or negative.

Disability. It is defined under the Equality Act 2010 as 'having a physical or mental impairment which has a substantial and adverse long term effect on a person's ability to carry out normal day to day activities'.

Physical impairment is a condition affecting the body, perhaps through sight or hearing loss, a mobility difficulty or a health condition.

Mental impairment is a condition affecting 'mental functioning', for example a learning disability or mental health condition such as manic depression

Diversity. Diversity is about respecting and valuing the differences between people. It is also recognising and understanding the mix of people and communities who use services and their different needs.

Discrimination. Discrimination has been defined as 'the unequal treatment of individuals or groups based onless because of a protected characteristic – see protected characteristic. This includes discrimination by association, perception, direct and indirect discrimination.

Example of discrimination: An employer does not offer a training opportunity to an older member of staff because they assume that they would not be interested, and the opportunity is given to a younger worker

Equality. The right of different groups of people to have a similar social position and receive the same treatment:

Equality Analysis. This is a detailed and systematic analysis of how a policy, practice, procedure or service potentially or actually has differential impact on people of different Protected Characteristics

Equality Objectives. There are specific strategic objectives in the area of equalities and should set out what services are seeking to achieve in each area of service in terms of Equality.

Equality of Opportunity. Equality of opportunity or equality opportunities may be defined as ensuring that everyone is entitled to freedom from discrimination. There are two main types of equality encompassed in equal opportunities:

1. Equality of treatment is concerned with treating everyone the same. Thus, in an organisational context it recognises that institutional discrimination may exist in the form of unfair procedures and practices that favour those with some personal attributes, over others without them. The task of equal opportunities is therefore concerned with the elimination of these barriers.
2. Equality of outcome focuses on policies that either have an equal impact on different groups or intend the same outcomes for different groups.

Evidence. Information or data that shows proof of the impact or non impact - evidence may include consultations, documented discussions, complaints, surveys, usage data, and customer and employee feedback.

Foster good relations. This is explicitly linked to tackling prejudice and promoting understanding.

General Equality Duty. The public sector equality duty on a public authority when carrying out its functions to have ‘due regard’ to the need to eliminate unlawful discrimination and harassment, foster good relations and advance equality of opportunity.

Gender reassignment. The process of changing or transitioning from one gender to another – for example male to trans-female or female.

Harassment. This is unwanted behaviour that has the purpose or effect of violating a person’s dignity or creates a degrading, humiliating, hostile, intimidating or offensive environment.

Human Rights – Human rights are the basic rights and freedoms that belong to every person in the world **- see below**

Marriage and Civil Partnership. Marriage is defined as a 'union between a man and a woman'. Same-sex couples can have their relationships legally recognised as 'civil partnerships'. Civil partners must be treated the same as married couples on a wide range of legal matters. Single people are not protected. Discrimination on grounds of marriage or civil partnership is prohibited under the Act. The prohibition applies only in relation to employment and not the provision of goods and services.

Pregnancy and Maternity. Pregnancy is the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth, and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.

Protected Characteristics. These are the grounds upon which discrimination is unlawful. The characteristics are:

- Age
- Disability
- Gender reassignment
- Race
- Religion and belief (including lack of belief)
- Sex/gender
- Marriage and civil partnership
- Pregnancy and maternity
- Sexual orientation

Public functions. These are any act or activity undertaken by a public authority in relation to delivery of a public service or carrying out duties or functions of a public nature e.g. the provision of policing and prison services, healthcare, including residential care of the elderly, government policy making or local authority services.

Race. This refers to the protected characteristic of race. It refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

Religion or belief. Religion has the meaning usually given to it but belief includes religious and philosophical beliefs including lack of belief (e.g. atheism). Generally, a belief should affect your life choices or the way you live for it to be included in the definition.

Section 11 of the Children Act. This duty is a duty under the Children Act 2004 that requires all agencies with responsibilities towards children to discharge their functions with regard to the need to safeguard and promote the welfare of children. They must also ensure that any body providing services on their behalf must do the same. The purpose of this duty is that agencies give appropriate priority to safeguarding children and share concerns at an early stage to encourage preventative action.
Sex. It refers to whether a person is a man or a woman (of any age).
Sexual Orientation. A person's sexual attraction is towards their own sex; the opposite sex; or to both sexes: *Lesbian, Gay or Bisexual*
Victimisation. Victimisation takes place where one person treats another less favourably because he or she has exercised their legal rights in line with the Equality Act 2010 or helped someone else to do so.
Vulnerable Adult. A Vulnerable Adult is defined as someone over 16 who is or may be in need of community care services by reason of mental or othe disability, age or illness and who is or may be unable to take care of him/herself or unable to protect him/herself against significant harm or exploitation'

Human Rights

Human rights are the basic rights and freedoms that belong to every person in the world. They help you to flourish and fulfill your potential through:

- being safe and protected from harm
- being treated fairly and with dignity
- living the life you choose
- taking an active part in your community and wider society.

The Human Rights Act 1998 (also known as the Act or the HRA) came into force in the United Kingdom in October 2000. It is composed of a series of sections that have the effect of codifying the protections in the European Convention on Human Rights into UK law.

The Act sets out the fundamental rights and freedoms that individuals in the UK have access to. They include:

- Right to life
- Freedom from torture and inhuman or degrading treatment
- Right to liberty and security
- Freedom from slavery and forced labour
- Right to a fair trial
- No punishment without law
- Respect for your private and family life, home and correspondence
- Freedom of thought, belief and religion
- Freedom of expression

- Freedom of assembly and association
- Right to marry and start a family
- Protection from discrimination in respect of these these rights and freedoms
- Right to peaceful enjoyment of your property
- Right to education
- Right to participate in free elections

Many every day decisions taken in the workplace have no human rights implications. However, by understanding human rights properly you are more likely to know when human rights are relevant and when they are not. This should help you make decisions more confidently, and ensure that your decisions are sound and fair.

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