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# Council Summons

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For the meeting to be held on  
**Tuesday, 17 January 2023**

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## CITY OF LINCOLN COUNCIL

Sir/Madam,

You are hereby summoned to attend the meeting of the COUNCIL of the City of Lincoln to be held at The Guildhall, Saltergate, Lincoln, LN1 1DH on Tuesday, 17 January 2023 at 6.30 pm.



Chief Executive and Town Clerk

Angela Andrews

### AGENDA

<b>SECTION A</b>	<b>Page(s)</b>
1. Confirmation of Minutes - 29 November 2022	<b>5 - 10</b>
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.	
3. Mayor's Announcements	
4. Receive Any Questions under Council Procedure Rule 11 from Members of the Public and Provide Answers thereon	
5. Receive Any Questions under Council Procedure Rule 12 from Members and Provide Answers thereon	
6. Receive Reports under Council Procedure Rule 2 (vi) from Members	
(a) Report by Councillor Bob Bushell, Portfolio Holder for Remarkable Place	<b>11 - 40</b>
(b) Report by Councillor Chris Burke, Portfolio Holder for Customer Experience and Review	<b>41 - 48</b>
(c) Report by Councillor Jane Loffhagen, Chair of Policy Scrutiny Committee	<b>49 - 50</b>
(d) Report by Councillor Rebecca Longbottom: Chair of Audit Committee	<b>51 - 62</b>

7. Fees and Charges	<b>63 - 74</b>
8. To Consider the Following Recommendations of the Executive and Committees of the Council	
(a) Council Tax Base 2023/24	<b>75 - 86</b>
(b) Localised Council Tax Support Scheme 2023/24	<b>87 - 120</b>
(c) Review of the Constitution - Financial Procedure Rules	<b>121 - 188</b>
(d) Council House and Garage Rents 2023/24	<b>189 - 200</b>

**Present:** Councillor Rosanne Kirk (*in the Chair*),  
Councillor Debbie Armiger, Councillor Alan Briggs,  
Councillor Chris Burke, Councillor Sue Burke, Councillor  
Bob Bushell, Councillor Liz Bushell, Councillor  
Thomas Dyer, Councillor Matthew Fido, Councillor  
Gary Hewson, Councillor Jane Loffhagen, Councillor  
Rebecca Longbottom, Councillor Bill Mara, Councillor  
Adrianna McNulty, Councillor Ric Metcalfe, Councillor  
Neil Murray, Councillor Donald Nannestad, Councillor  
Lucinda Preston, Councillor Hilton Spratt, Councillor  
Mark Storer, Councillor Rachel Storer, Councillor  
Naomi Tweddle, Councillor Pat Vaughan, Councillor  
Calum Watt, Councillor Joshua Wells, Councillor  
Lorraine Woolley and Councillor Emily Wood

**Apologies for Absence:** Councillor Martin Christopher, Councillor David Clarkson,  
Councillor Jackie Kirk, Councillor Clare Smalley and  
Councillor Edmund Strengiel

**25. Confirmation of Minutes - 18 October 2022**

RESOLVED that the minutes of the meeting held on 18 October 2022 be confirmed.

**26. Declarations of Interest**

Councillor Pat Vaughan declared a Personal Interest with regard to the agenda item titled 'Statement of Accounts 2021/22'.

Reason: His daughter worked within the benefits department at the City of Lincoln Council, and similarly his granddaughter worked in the finance department.

**27. Mayor's Announcements**

The Mayor referred to her engagements since the last meeting of the Council, some of which had included:

- The opening of the Cornhill development.
- Remembrance Services.
- The Diwali celebration at the Lincolnshire Showground.
- The switching on of the Christmas Lights.

The Mayor was also pleased to report that she had raised £2,313 as part of her recent charity auction.

**28. Receive Any Questions under Council Procedure Rule 11 from Members of the Public and Provide Answers thereon**

No questions had been submitted by members of the public.

**29. Receive Any Questions under Council Procedure Rule 12 from Members and Provide Answers thereon**

Councillor Watt to Councillor Sue Burke, Portfolio Holder for Reducing Inequality

*Question*

Could the Portfolio Holder comment on the effectiveness of the council's information campaign and distribution of aid to people in Lincoln with regards to the cost-of-living crisis?

*Reply*

In terms of cost-of-living challenges, the Council was a direct deliverer of some schemes but it was a communicator/co-ordinator/facilitator/'sign poster' for other schemes, helping to support and assist other organisations to deliver wherever possible. Angela Andrews, Chief Executive and Town Clerk co-chaired a countywide Cost of Living Challenge Stakeholder Group.

In terms of schemes directly delivered:

- Household Support Fund payments for first two schemes to Lincoln residents:
  - December 2021 to March 2022: £427,542
  - August 2022 to September 2022: £318,570.
- Council Tax Energy Rebate:
  - April 2022 to November 2022 (mandatory scheme): Almost 40,000 households
  - September 2022 to November 2022 (discretionary scheme): Entire government fund of £196,950 allocated.
- Discretionary Housing Payments:
  - Up to the end of October 2022, over £93,000 paid out for 2022/23.

It was also noted that there were a large stock of posters available within the Members' Room on the cost of living crisis for distribution by councillors across their respective wards.

All staff involved in the support and above mentioned schemes were thanked for their hard work.

Councillor Mark Storer to Councillor Nannestad, Portfolio Holder for Quality Housing

*Question*

Following the inquest into the tragic death of the two-year-old-boy, Awaab Ishak, in Rochdale, please can the Portfolio Holder outline what steps the Council is taking to ensure that it protects its residents from mould within its own social housing stock?

*Answer*

The Council was taking its responsibilities as a landlord very seriously, and this included making every effort to ensure its tenants lived in a safe environment. The Council had information on its social media channels on how to manage airflow, ventilation and any mould and damp appearing. When the Council was asked to visit customers properties due to their concern over mould and damp

issues, the Council provided leaflets and face to face advice on ventilation and airflow around the home.

Due to the understandable, significant additional demand for mould and damp surveys since the incident in Rochdale the Council had set up a short-term intervention team that had a range of specialised skills in order that the Council could respond more quickly and provide customers with the reassurances they required. Customer services had been asked to put mould and damp enquiries through to a repair ticket immediately, so the Council triaged, prioritised and ensured the correct categorisation for response.

### *Supplementary*

How many council-owned properties had reported damp or mould?

### *Answer*

The total number was unknown and was not available to the Portfolio Holder at the meeting however, it was noted that enquiries had increased tenfold since the incident in Rochdale. The Portfolio Holder agreed to share this information with the Council once known.

### Councillor Rachel Storer to Councillor Bushell, Portfolio Holder for Remarkable Place

### *Question*

What progress had been made with the Yarborough Swimming Pool ceiling repairs?

### *Answer*

In January 2022 the Council had made the decision to close the swimming pools at Yarborough Leisure Centre following a routine inspection of the ceiling and roof void. This inspection had raised concerns regarding the structure of the suspended ceiling. Further exploratory investigations had revealed that this was limited to the main pool only, so the learner pool was reopened shortly after and Active Nation had delivered an intensive programme of lessons and public use in that pool.

Work then quickly progressed to identify the issues and solutions to allow the main pool to be reopened and the final works consisted of –

- replacement of the existing suspended ceiling,
- ventilation to reduce the humidity in the roof void, improved and easily accessible lighting,
- moving the pool ventilation tubes to more easily accessible areas for maintenance.

The project had been complex.

In July 22 on site works had started including boarding across the entire pool and erecting scaffolding covering the entire area of the pool and pool surrounds, from ground floor to the suspended ceiling, including some bespoke support trusses.

The Portfolio Holder was pleased to report to Council that the ceiling had now been replaced, new ventilation equipment had been installed, and the scaffolding had almost been completely removed.

The Council was now finalising installation of the new lighting system and waiting for the new ventilation unit to be sited on the pool roof, which should be completed shortly. The project was on target for the pool to reopen by the end of December 2022 and in use by 2 January 2023.

*Supplementary*

Has the project remained within the allocated budget?

*Answer*

The Portfolio Holder confirmed that the project had remained within the set budget.

Councillor Thomas Dyer to Councillor Bob Bushell, Portfolio Holder for Remarkable Place

*Question*

Could the Portfolio Holder update the Council with its progress to net zero by the deadline it set itself of 2030?

*Answer*

The Council was delivering on its commitments, as set out in the Climate and Environment Emergency Declaration, which included, working with the Lincoln Climate Commission to prepare a road map to reach net zero carbon for Lincoln by 2030. In September 2022, the Lincoln Climate Commission had produced the 'Lincoln 2030 Climate Action Plan' and accompanying 'Journey to Net Zero' documents that committed to the vision of a carbon neutral Lincoln by 2030, which drew upon expertise in the community (industry, commerce, education, health etc.) and general public to set out the objective, targets and actions to achieve carbon neutrality by 2030. The documents had been published on the Council's website.

The Council's Climate Vision Group had been working on delivering the Council's Decarbonisation Strategy and Action Plan, and actions had been updated in November 2022 and would be available on the Council's Zero Carbon Lincoln webpage.

The Council continued to work with its partners and had recently completed a 'Lincoln Climate Adaptation and Resilience Strategy', as well as being the lead authority to produce the Lincolnshire Climate Impacts Profile which would be updated annually. Both documents would be published on the Council's Zero Carbon Lincoln webpage as soon as possible.

*Supplementary*

Given the Council's desire to achieve net zero, how does the Portfolio Holder anticipate this would be achieved given its financial challenges?



Answer

The Portfolio Holder acknowledged this was a challenge but the Council was committed to achieving the target. The Portfolio Holder commented that he was pleased to see that the Government had taken a move away from fracking however, it was felt that funding was required to insulate homes.

**30. Receive Reports under Council Procedure Rule 2 (vi) from Members  
(a) Report by Councillor Neil Murray, Portfolio Holder for Economic Growth**

Councillor Neil Murray, Portfolio Holder for Economic Development, presented his report to Council, which had been set out on pages 15 – 20 of the agenda. Councillor Neil Murray thanked in advance of the event all officers involved in the 40<sup>th</sup> Lincoln Christmas Market.

The Council was provided with an opportunity to ask questions, where the following points were noted:

- The investment into Greyfriars was welcomed and it was acknowledged that the project was positive for the City.
- The Portfolio Holder was not aware of any significant overspends on any of the Lincoln Town Deal projects. However, this would be clarified and all members of the Council would be advised if there were any.
- It was not anticipated that the Council would be offering free car parking for Christmas shoppers on the late night shopping days, as per previous years owing to the impact of the cost of living crisis on the Council.
- The Leader of the Council and the Chief Executive would write to Ursula Lidbetter, Lincolnshire Co-op's Chief Executive, thanking her for her hard work within the City and to wish her a long and happy retirement.

The report was noted.

**(b) Report by Councillor Naomi Tweddle, Chair of Equality and Diversity Advisory Panel**

Councillor Naomi Tweddle, Chair of Equality and Diversity Advisory Panel presented her report to Council, which had been set out on pages 21 – 56.

As part of discussion on the report, it was suggested that whilst the Council had mental health first aiders in place, the specific ongoing mental health crisis and increased suicide rates within the male population would be considered by the Advisory Panel.

The report was noted.

**31. To Consider the Following Recommendations of the Executive and Committees of the Council  
(a) Statement of Accounts 2021/22**

It was moved by Councillor Ric Metcalfe and seconded by Councillor Donald Nannestad that the Statement of Accounts 2021/22 be approved.

On being put to the meeting, the motion was declared carried.

RESOLVED

That the Statement of Accounts 2021/22 be approved.

**32. To Confer the Position of Honorary Recorder of the City of Lincoln Upon His Honour Judge Simon Hirst**

It was moved by Councillor Ric Metcalfe and seconded by Councillor Donald Nannestad that

In pursuance of the statutory powers derived from the Court Act 1971 and the Local Government Act 1972, His Honour Judge Simon Hirst be appointed Honorary Recorder of the City.

On being put to the meeting, the motion was declared carried.

RESOLVED

That in pursuance of the statutory powers derived from the Court Act 1971 and the Local Government Act 1972, His Honour Judge Simon Hirst be appointed Honorary Recorder of the City.

**COUNCIL**

**17 JANUARY 2023**

**REPORT UNDER RULE 2(vi) OF THE COUNCIL PROCEDURE RULES**

**REPORT BY COUNCILLOR B BUSHELL – PORTFOLIO HOLDER FOR  
REMARKABLE PLACE**

**Introduction**

As we recover from one of the most challenging periods in public service history, I am pleased to report that, overall, the services provided by Community Services staff and associated contractors, have remained at a good standard for the public.

In last year's report I set out that above and beyond the usual performance monitoring work, some additional focus groups had been established to drive forwards improvements where resources allowed. It is fair to say that whilst they are still meeting, work pressures have impacted what can be achieved by these focus groups, but none the less they have made some progress in important areas, namely tree planting, deterring unauthorised encampments, and rewilding. A little more detail on these points is set out later in my report.

One area of increasing focus, which has quite rightly drawn considerable resources out of day to day operational work so far, is that of preparation for the delivery of street scene contracts from 2026. Whilst it may seem a long way off, those who have been able to attend the all-member workshops will have seen that due to the legal and practical constraints, the timetable is actually very tight now given the volumes of work involved. For this reason, it will have to take priority for staff time, and I ask members to be patient if they encounter delays in responses from the few staff on whom this burden currently falls. Given the scale of this work, and the potential financial impacts for the Council, members will understand that presently it must take absolute priority over other work, although I know staff will try to keep as many plates spinning as they are able.

To aid clarity with my report I has sought to divide the relevant work areas under my remit into clear service blocks. Clearly there are some interdependencies and overlap of resources as staff frequently work across areas, but I hope members find this approach broadly helpful.

**Open Spaces.**

**Parks and open spaces- general**

This year has seen Lincoln retain Green Flag Awards for its three main parks, as well as attaining a new first; a Green Heritage Award in recognition of the continued progress made in Boultham Park to reflect and record its history. These remain important recognition for the efforts being made to protect, maintain, and where possible improve, our open spaces offer.

The annual tree planting went off well last year, despite increasing complexity in finding suitable street scene sites that don't impact underground services, and difficulties with supply (due to increasing national and international tree planting demand). I have provided data on the numbers planted in the Arboricultural section below.

Restriction work around unauthorised encampments has been ongoing, with a new barrier in Hartsholme Country Park, and more work planned for the Skellingthorpe Road entrance, subject to funds being available. Last year saw a low level of such encampments, and without wanting to tempt fate, we hope this pattern/trend will continue.

The Council's rewilding of previously highly maintained verges and flower beds now extends to some 20ha. This is a significant improvement in the council's environmental credentials and will be expanded again shortly we hope. However, we are moving resources over a little to focus on some broader environmental initiatives, with experts now looking at such as greening in the city centre and assisting Carholme Golf Club to develop a practical environmental management plan (that will mean golf can co-exist with, and enhance in places, wildlife on the commons), and of course the council flag ship project of mass tree planting in a new nature reserve. More on this later in my report.

Very relevant to this, I should like to make mention here of an important element of the Environment Act 2021. This Act impacts a wide range of issues, including requirements on developers to enhance opportunities for wildlife as an outcome of any development, and for them to make payments to allow this to happen off-site, where appropriate. In preparation for this there is a new requirement for public bodies to develop Local Nature Recovery Strategies. Although formally vested in LCC as a statutory requirement, it is incumbent on CoLC to develop plans to feed into that so as to make the plan robust, and to ensure that developer funding is suitably targeted to protect and enhance biodiversity within the city boundaries. This will be a project that has increasing prominence as soon as greater guidance becomes available, expected early next year.

Another general open spaces point I would like to take the opportunity to raise, is that of communications. The Boutham Park project, combined with existing learning from Hartsholme Park's events programme, has shown that traditional forms of engagement with the public through formal press releases etc, are now too slow for many aspects of our work, and for such as event promotion. Equally, things that the council might wish to publicise may not be considered newsworthy by local media organisations, subject to what they have on that day. The learning has shown that social media is now considered mainstream for information, and whilst the council has restricted use of such approaches historically and been wary of risks associated with it for good reason, it is felt that for many low risk areas of engagement, such as event promotion, the time has come to consider its widened use for several environmental initiatives, not least our parks. Officers are thus tasked with a way to resource this, and to advise me how making increased use of social media might be achieved in the short/medium term. In the meantime, members should expect to see increased promotion on the value of Lincoln's green spaces and trees in the coming months, utilising some drone footage. One to watch out for.

Finally, I would like to close this general open spaces introductory section by giving my thanks to all those who willingly give their time in support of open spaces in the city. This may be by work as a member of a Park Advisory Group, or by direct action in delivery tasks on site with the Volunteer Co-Ordinator. It may even be by time they give to other organisations who do good works in the parks. All of them deserve recognition for helping to look after and maximise the benefits that can be derived from open spaces, and whilst some data on volunteering is identified below, I wished to take this opportunity to record my own personal thoughts here.

## **Allotments**

Members will recall that as a part of a widespread investment strategy in allotments, a new site was opened in the south of the city. Whilst the other significant aspects of the strategy were reported previously, and are thus now consigned to memory, this new and still developing site at Melbourne Road open space stands as testimony to the investment. I therefore welcome the opportunity to briefly update members on its progress. The 38 plots are all fully let, and there is a long waiting list (currently 23 requests). The site has therefore developed an established allotment community and is, as a result, contributing to wider community development. As an established success, I felt it was worth special comment this year, but I also see no reason now why it will not endure and prosper from here onwards, and so this will be the last time I plan to make special mention of it in my reports. It will be folded into the wider allotment update in future.

As at the end of September 2022 the council's allotments had an occupancy rate of 96%. Those not let are in low lying areas that cannot be gardened without significant investment in terms of drainage. The 96% will not therefore be exceeded in the near future. All plots that can be used are being used, or are in the process of reletting, and there continues to be a steady demand for allotment tenancies which is expected to increase if the cost-of-living crisis continues in the long-term.

As we now look forwards to a period of greater normality for most, ever mindful of the waiting lists, we are now having to reverse the more relaxed approach taken in recent years on the issue of enforcement of tenancies where covid may have played a part. This approach was taken to take account of shielding and other requirements of the time, but clearly could not hold indefinitely. We anticipate some kick-back, which will be handled appropriately as we endeavour to make sure that those who just cannot or will not care for their plot properly make way for those who are more enthusiastic.

The new charge levels that the Council found necessary to introduce in February 2022 have now settled and had, as forecast, no impact on demand I am pleased to report. I continue to liaise personally with the allotment societies in the city to gauge feedback on this and other allotment service issues, and I am grateful for their engagement, feedback, and support.

## **Equipped Play Areas**

The Council maintains 28 equipped play areas across the city, ensuring that British Standards are maintained at all times for installation, inspections and maintenance.

High levels of responsibility and care unfortunately means relatively high costs, and this does impact on the council's ability to expand the service and expedite repairs at times. Working closely with the Property Services section, who order the repairs, safety is always the number one concern for this service. It is necessary to close play areas off at times, and officers are under clear instruction not to bow to public pressure to re-open sites unless the necessary safety requirements are in place.

A major refurbishment of Whitton's Park play area has been completed, making good use of some S106 monies. The site has been rather a victim of its own success, with high demand forcing closure for repair of some elements. The large zip-wire has proven especially popular, and further work is planned to shore-up the foundations for this shortly, so as to ensure its long term continued safe use.

A citizen panel survey in summer 2020 showed that 90.5% of respondents who gave an opinion were 'very' or 'fairly' satisfied with the standard of outdoor play provision. No further surveys on this specific topic have been undertaken since, but we do have feedback on open spaces generally- more of which later.

### **The Arboretum.**

It remains as a vital open space for many in the east of the city. It's fantastic heritage as one of Lincoln's very oldest public spaces means development opportunities can be restricted, but yet it also offers that unique window on our social history, critical in Lincoln's Victorian industrial past.

Unfortunately, the Arboretum Advisory Group has lost many of its members over time, but a recent meeting of interested and relevant parties gave fresh emphasis to rejuvenating the group. Despite the limited membership of late, improvements are still being made, and a new power supply to the bandstand will be established shortly. This is considered critical for events/activities, and it is hoped that this simple improvement will encourage community groups to step up and seek use of the site for a wider range of activities in 2023.

### **Boultham Park**

I am pleased to report that the phase one element of the Boultham Park project has now been both completed physically and signed off officially by the National Lottery as completed. The Council's commitments for maintenance endure in line with the funding commitment of course, as does the liaison with Linkage Community Trust as lead agency on the bid. These will continue long term.

Phase two, the lake, is also coming to an end. The delivery of activities is the outstanding aspect of the project, and this was originally scheduled to end in February next year. However, staff have managed to make adjustments with the National Lottery's agreement, to extend engagement and activities until July 2023. Alternative external funding via the National Lottery is being sought, in the hope of extending the engagement work for a further three years, not just at this park but across all our parks. Alas we won't know the fate of that bid until the new year.

Through to July, the Boutham Park lake project will enter the detailed evaluation phase, following hard on the heels of the first phase of the project, to assess the impact the project has had in the widest sense. Evaluation and formal closure for a project of this size will therefore take some time, but I expect to be able to report positively on this in my next report.

In concluding this section, I would take the opportunity to remind members that because of the improvement brought about in the park in recent years we were of course proud for it to be used as one of the areas designated for flower laying following the passing of the Queen

### **Hartsholme Country Park and Camp Site**

The park remains very popular indeed, with the impacts of heavy use during 'lock-down' still evident in several places.

The camp site has fully reopened, and although not attracting quite the same levels of business seen pre-covid, its recovery is sound, and gives grounds for optimism of a full recovery. Higher levels of reported 'staycations' have not unfortunately been reflected in bookings as of yet.

Year on year comparisons on business remain meaningless due to the effects of covid, but we have data that tracks performance over time, so can use 2019 as a baseline with confidence. The first six months of the year showed us to be down 767 spaces / night booked based on 2019. 2021 in full delivered 76.18% of 2019 income levels, and this year will exceed that, but we will not know exactly by how much until the accounts for the full year are concluded.

The use of the camping pods has proved to be popular since their introduction, especially at weekends. They continue to deliver not just income, but a facility for those visiting the city.

Satisfaction with the camp site is running at 92% on average, testimony to the diligence of the operational staff.

The decision to set camp site prices over a year in advance has proven advantageous, as was hoped, for some advance bookings.

As members will know Hartsholme has been subjected to a number of unauthorised encampments in recent years, and so a further measure has now been added to provide greater security for the main buildings and camp site by way of a pop-up bollard. Whilst no steps can ever present unauthorised access completely, this new measure adds a yet another deterrent.

Another capital project that has just come to an end in the park relates to the outlet at the dam wall. Members will be aware that the lake is in fact a designated reservoir, and as such is subject to monitoring and management requirements, including independent assessment. In recent years, the independent engineer who undertakes the statutory inspections has flagged up the flood risks associated with the restriction of the outflow. This has led to enforcement that required the Council to act. Following

the letting of a suitable contract, over the last few months a company has opened up and remodelled the outlet to permit a greater outflow in flood circumstances. This is important work that will help better protect housing in the area from flood risks in exceptional circumstances.

In accordance with requirements for Green Flag status the management plan for the site is kept up to date, and the senior ranger will be submitting the events report shortly. By way of an interim update please see the Events and Activities section below.

Development of a Master Plan for the site, although currently un-resourced, does remain as an objective of the council within its strategic plan.

## **Commons**

This year has seen significant work take place on the commons; all of this being reported to the Commons Advisory Panel, as is normal practice. The commons have again been able to benefit from additional income derived from an agreement with LCFC for car parking on match days. Projects progressed include:

- Pond clearance work West Common
- Installation of benches, West Common and South Common
- Opening of views on to the Viking Way
- Flood alleviation work West Common entrance off Roseberry Avenue.

The Commons Management Plan has a work programme, and there are regular updates against that work programme.

The Carholme Golf Club, operating as they do on West Common land, have developed an Environmental Management Plan that will enhance biodiversity on the area occupied by the golf club, making the area better for the public, and affording the golf club a new/unique environmentally focused marketing opportunity. The first draft has been submitted and is under consideration currently. A revision is expected shortly.

## **Hope Wood**

I would like to make mention here of a new public open space being developed by the council, Hope Wood. This is accessible off Newark Road, via the cycle way, and sits adjacent Boutham Park. The project is making use of Levelling Up parks funding and will see a 3.5Ha site of low lying poorly grazed grassland transformed into a nature reserve with considerable tree planting.

The project is being delivered in conjunction with the Woodland Trust, and with support from Lincolnshire Wildlife Trust.

At time of drafting some basic site clearance work has been ordered, and designs are nearing their final stages. Materials are being ordered. Clearly it will take some years to establish, but it is expected that considerable progress and change will be evident



in the spring. This is another exciting development in support of the council's climate change aims.

### **John Dawber Gardens**

This important site, commemorating as it does some of the city's historic twinning links, is in need of refurbishment. Unfortunately, the financial climate has not made investment possible by the Council, but of late we have been approached by a local group who are in the process of establishing a formal charitable trust with the aim of taking on and attracting funding for the site's rejuvenation. We have been happy to work with them, both on some initial volunteer work, and in progressing the request for a lease of the site. This is to be considered shortly.

### **Events and Activities**

Under the auspices of our in-house established events/activities programme I can advise members that between January and November a total of 11,045 individuals attended events held at Hartsholme Country Park and Swanholme Lakes Local Nature Reserve, Boutham Park and the Arboretum. A total of ninety-four park-led events and 361 self-led events have been held (which have attracted 4342 participants for Park organised events and 6703 participants for self-led activities).

There is also a separate lottery funded programme of events/activities which will feature as a part of the post project review. This has included for some major events such as the opening celebrations, the Lincspirational Plants event, work with Sir F Hill school, social prescribing work. These have been inspiring projects and will be detailed in the final review, as is a requirement for the National Lottery funding.

The best attended self-led events held at Hartsholme were the weekly walking groups which use the network of paths within the park and had 1500 individuals attend. Since the outbreak of Covid in 2020 walking has become a more accessible way of exercising and this is reflected by the figures.

Other organisations which held events at the park came from a variety of sources which included, the University of Lincoln, Hartsholme Electric Model Boat Club (HEMBC), local schools and charities such as the RSPB and British institute for the Deaf (BID)

This year we also saw several networking and picnic type events held by the Ukrainian Culture Centre which have provided invaluable support for the community and the incoming families.

The Park-led event participants most favoured in the annual events calendar to date was undoubtedly the Hartsholme Halloween Trail (844). The amount of people who attended this activity was higher than last year and is nearly back to pre-pandemic levels.

Other events included in the 2022 events program which had high attendance figures included the Easter Egg Trail (638), Toddler Time (230), and the Jubilee Trail (90).

Several adult activities such as the History events, Tree walks and Obelisk workshops, were also organised in 2022 which attracted good attendance figures.

## **Education**

In total 1263 people have engaged so far this calendar year attended in an educational visit at Hartsholme Country Park and Swanholme Lakes Local Nature Reserve (Ranger Led 583 and Self-Led 680). Attendees came from a variety of sources which included several local and non-local schools, and the Home Education network.

Self-guided educational events which proved popular in 2022 had 680 individuals taking part in a wide range of activities including Shelter building, Orienteering and self-guided walks on various subjects.

The most popular Ranger led activity undertaken in 2022, was Mini Beast Hunt followed equally by Shelter Building, Terrific Trees, and Woodland Art.

In 2022 a continuation of the successful education program which took place at Hartsholme continued at Boutham Park. Twenty-two events (609 individuals) to date have been programmed in and delivered within Boutham Park by the Education Ranger in partnership with the Boutham Park Lake Restoration Project and a local school Sir Francis Hill, and local Scout, Cub, and Beavers groups as part of the Outdoor Classroom Project.

These events were part of the lake restoration project (National Lottery funded) and were therefore not subject to a charge.

## **Volunteering**

In more recent years all volunteering for open spaces has been co-ordinated through a single post, ensuring consistency of approach in-line with Council policies, and co-ordination of resources.

The Volunteer coordinator submits an annual update on performance/progress at the end of the year. Below is an interim update so far for the calendar year demonstrating once more that volunteering is showing itself to be extremely beneficial both for our green space sites in terms of works undertaken, but also for the volunteers themselves, with mental health and wellbeing being more important than ever post the Covid 19 restrictions.

Our regular weekly Volunteers are now re-established and have continued their hard work, dedication and commitment on our Green space sites, with many of them now having been Volunteers with Lincoln City Council for over 7 years.

Of particular note, this year has also seen an increase in Office/Group days, with companies and businesses volunteering in groups of around 7- 15 employees and coming to sites for full days. This has proven to be very beneficial for team building and also for enabling employees to re connect with each other after Covid 19, especially useful with increased working from home.

Our main sites for Volunteering continue to be Hartsholme Country Park, Boultham Park, Birchwood Nature Park, Swanholme Lakes Local Nature Reserve and the South Common. Below is a brief outline of tasks and projects carried out on each and the volunteer hours worked on each site so far this year.

### **Hartsholme Country Park and Swanholme Lakes Local Nature Reserve**

Tasks so far this year carried out by our weekly volunteers have included Path works, Fencing, small tree removal, drainage clearance and helping the Education and Events Ranger with projects and events such as Halloween.

There have also been groups from The Environment Agency, BT Call Centre, The Coop and Green Synergy coming to the site for Volunteering days, and in the case of Green Synergy, for training as part of their accredited course they were undertaking.

Volunteer hours = 968

### **Boultham Park**

The Lake Restoration Project has again provided volunteers with lots of varied tasks including, under storey planting around the lake edges, work on the stumpery area and dredging the lake with hand tools.

Groups have again joined us from BT Call Centre, Praxair Solutions, The Coop. Volunteers from Green Synergy spent 2 days planting and training for part of their Conservation and Countryside Management course.

Volunteer hours= 592

### **Birchwood Nature Park**

This site has been looked after by our regular weekly group, with one of the biggest projects being the laying of an established hedge around the meadow area of the park. This will continue into 2023 and hopefully will see 2 sides of the meadow hedge laid and completed. Other tasks have included pond clearance, tree removal from boundaries of nearby properties, wildflower meadow work and path works. The volunteers have made a huge physical impact on this site and improvements can clearly be seen from year to year.

Volunteer hours=336

### **South Common**

The Probation Service/Community Payback were working under Covid restrictions until the middle of 2022. This meant a limit on the number of people they could transport in vans, with a maximum of 2 people per van. They have also had their numbers greatly reduced due to courts struggling to process a back log of cases, and they have informed us this is unlikely to change until mid-2023. They have continued to remove the evasive Turkey Oak trees on site whenever suitable and will be working on a meadow area adjacent to the Vikings Way from September 2022.

Volunteer hours= 127

For the latter part of 2022, more office/work groups have been booked in to volunteer on our sites than ever before, along with Service Users from Green Synergy who have finished their training and are looking to gain more practical experience.

## **Arboriculture**

Tree care is always a priority for the Council as it strives to protect trees against the ever-present demands imposed on them in an urban environment.

In 2022, so far, the council have dealt with just under 2000 tree 'cases', some of which were small, but many were larger complex cases in relation to planning issues.

Some 503 work orders have been raised, with 176 still outstanding.

We planted 149 trees in early 2022, to replace those that had to be removed, underpinning the Council's 'one for one' replanting policy. This is up on the previous year's (2020/21) number of 134 for the same period. This year's tree planting programme is being developed now.

There have been 219 planning applications that have required tree reports. Additionally, there have been 25 more detailed tree consultancy reports also.

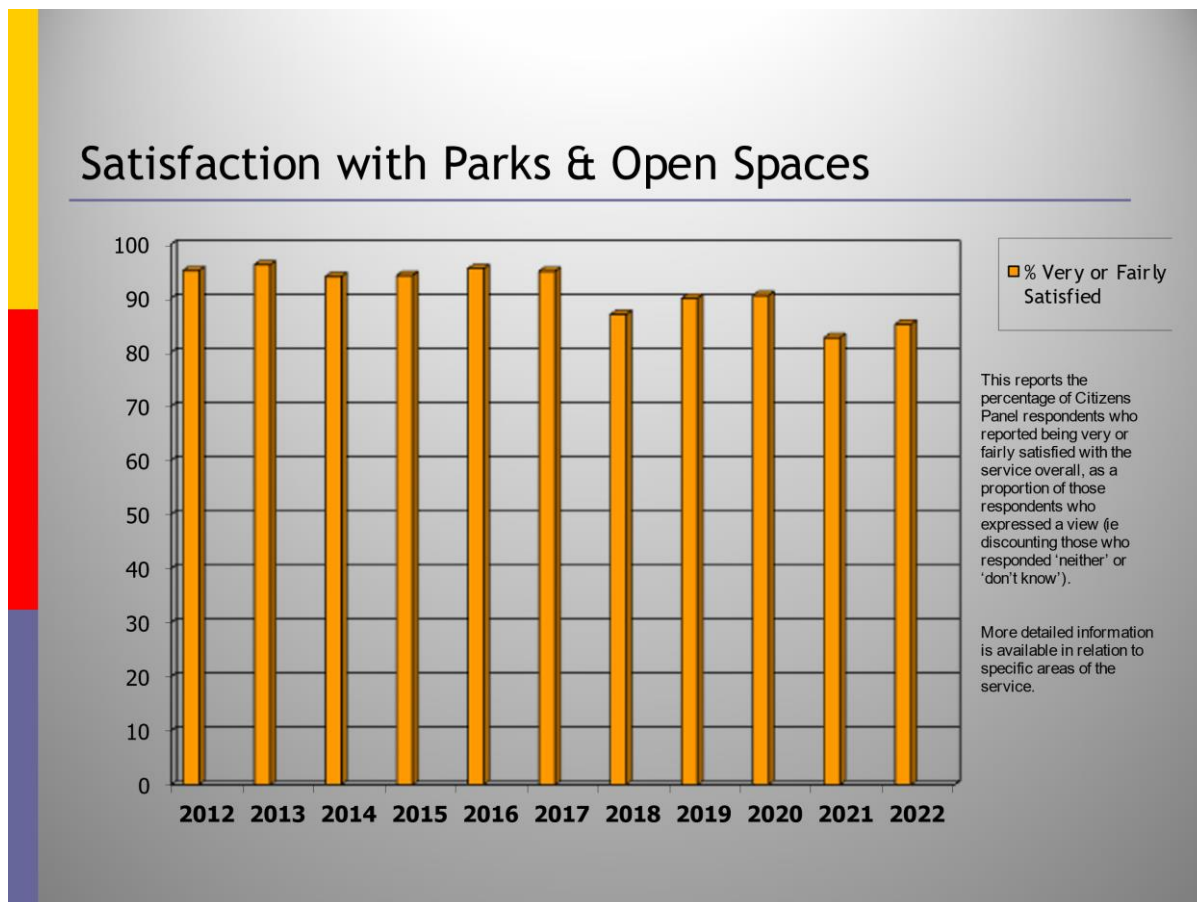
The backlog of tree works is a significant concern and is due to the inability of our contractor to recruit suitably qualified staff. The outstanding work is reprioritised within structured fortnightly meetings, to ensure priorities are met.

## **Travellers**

This year has seen just one unauthorised encampment which was on Skellingthorpe Road (down from four last year). However, another was attempted at Whitton's Park, thwarted by the strengthened defences and early police intervention. Outside of the costs of staff time, clean-up costs were thankfully minimal.

Despite the fall in numbers, we are aware that this could change quickly, and so have retained a focus on adding further deterrent measures. Skellingthorpe sports fields remain a priority before the spring.

**Overview of satisfaction.**



The above is based on July 2022 Citizen Panel data, where a greater level of detail was also asked in relation to specific to parks, commons, trees, shrubs etc. Each was similar in outcome with a slight exception of trees having the slightly lower score.

For clarity, whilst numerous indicators are collected and reviewed for the service, the departmental KPIs for Q3 showed:

Indicator	20/21 target	Average of latest recorded outturns (may not be full year)
Contractor performance points score	50- 150 points	135
Satisfaction parks and open spaces	85% to 90%	85
Allotment occupancy	84% to 92%	96

**Street Scene**

This includes the provision and maintenance of street name plates and art installations, and the maintenance of bus shelters. The city currently has 111 bus

shelters (66 Adshell/ 45 city council), and 22 art installations of varying sizes (now including five new ones in Boultham Park and the Boole Sculpture outside the bus station).

Historically there are two tiers of bus shelter provision. A contract for free provision of those where the advertising pays for the shelter, and those which the council has to manage and pay for. The budget for council-provided bus shelters was removed a number of years ago, when members took a decision that it could no longer afford to maintain bus shelters. Shelters damaged beyond repair are therefore removed. We continue to seek imaginative way to maintain and protect what we can, but ultimately the second tier of bus shelters will be removed over time unless other funding sources can be found.

## **Waste/Recycling**

The Lincolnshire Waste Partnership has been active this last year in the delivery of the action plan underpinning the Joint Municipal Waste Management Strategy for Lincolnshire (JMWMS). This document prioritises the work which drives change for waste services across the county, and ensures a joined-up approach is taken, so reducing any risks of confusion. The JMWMS is now several years old, and so is currently under review.

Members may be aware that we had expected a clear steer from government this year on details connected with the Environment Act 2021, which contained some fundamental changes in a few key areas of waste/recycling policy. Covid has delayed this, but the initial national consultation concluded, leading to further follow-up work taking place now.

Although we do not have total certainty we do know a few key things:

1. A public body will be established to collect income from packaging companies for dissemination to those dealing with the effects /processing of waste packaging (Councils).
2. To obtain funding councils will be required to prove they are operating "effectively and efficiently," which will be predicated on a consistent list of materials.
3. We will be required to collect food waste weekly (timescale for implementation to be determined)

Important points of note about the above.

Point 1. Levels of funding are not yet set out, but where income is being achieved this will be netted off against costs.

Point 2. Will be assessed, but the exact criteria is, as yet unclear. Potentially an independent assessor.

With regards to separate paper and card collections, these may not be mandated directly, but might be required as a part of the 'effective and efficient' assessment. Lincoln, as perhaps the most complex area in Lincolnshire in which to deliver

separation of materials, is not scheduled to commence paper and card collections, within JMWMS, until 2024. Officers are preparing a report for member consideration, but are still awaiting the S51 notice from LCC, which is required for this change. Whilst it is written into the outline programme this has not been signed off by Lincoln's members yet. For this reason, 2024 remains provisional.

It is also possible that the guidance will set out with greater clarity the materials to be collected and methodologies for collection, which could impact the above decision. We are hopeful that the guidance will be published early in the new year, and this will of course be reflected in the revised JMWMS accordingly.

Councils across Lincolnshire continue to have a 'contamination' issue in the recycling stream, reflecting a national problem. Separate paper and card collections have an impact on these figures in that they both remove contaminated paper and card from the Mixed Dry Recycling (MDR) but also place renewed emphasis on sortation by residents through education and enforcement campaigns. The former is negligible in terms of tonnage measurements, so it is felt the latter plays a much bigger part. On that basis I have asked officers to develop a proposal for what we might do to improve our educational and support profile in the new year.

In terms of statistical performance please note that data is always lagged. This report reflects data up to end of June 2022 (Q1).

Domestic general (residual) waste disposed of has reduced by around 3.2% from 2020/21 to 2021/22 (this includes for growth in new properties). It is expected this may continue as a trend as a result of the recession, which is supported by the Q1 data below.

#### Financial years

20/21	547.6 Kg /pa	136.9 Kg/hh av per Q
21/22	530 Kg/pa	132.5 kg/hh av per Q

Q1 of 2022 (April to June) is showing a figure of 129.5 Kg/hh

Following the same trend, the number of residents using the garden waste service has declined. This is part of an erratic but gradual decline in numbers which is believed to be affected by disposable income.

2017	18,241
2018	17,794
2019	17,405
2020	17,514
2021	17,744
2022	16,785 to date.

The reduced buy-in to the green waste service has meant a corresponding reduction in composting tonnages .

## Financial years

20/21	6231.28 Tonnes	16.17% of total waste stream
21/22	5787.32 Tonnes	15.65% of total waste stream

On the assumption that the green waste is still being created, we must assume that it will either be home composted, transferred to the HWRC sites directly, or in some cases, hidden in general domestic or recycling waste. As the general domestic waste tonnages are down, and so are recycling tonnages (see below), there are grounds to suggest that the vast majority is going into HWRCs. However, this does not take account of the contamination rate in recyclable materials, running at 26% last quarter, which showed 18% was 'other' in nature, suggesting significant green waste (amongst other things) is now finding its way into the MDR. More detailed work is taking place around this, with the assistance of LWP colleagues.

## Recycling tonnages

Below are the tonnages collected in MDR after contamination has been removed. It reflects the picture for general domestic waste.

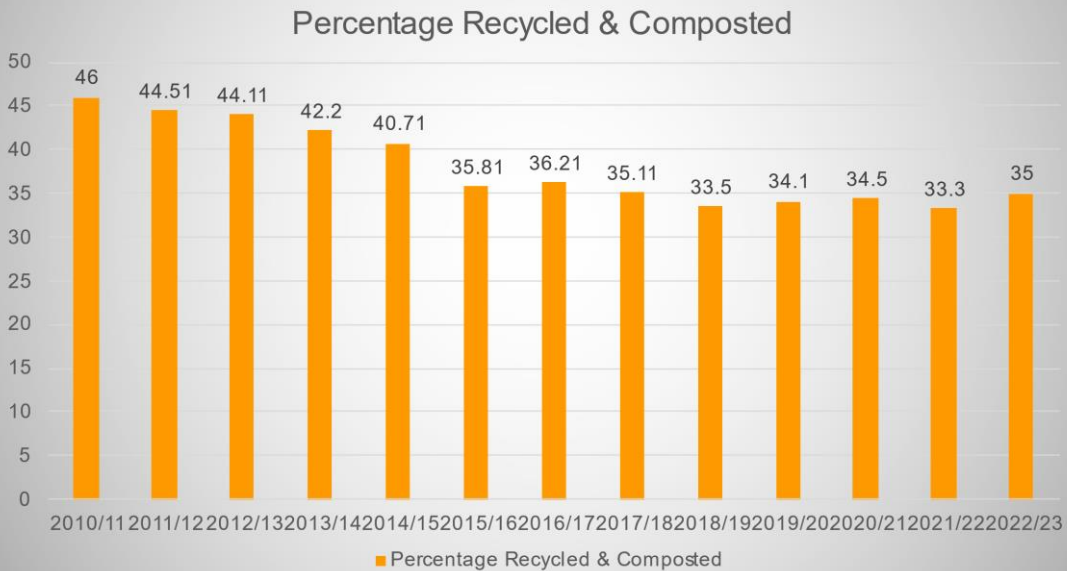
## Financial years

20/21	7048.09 Tonnes	18.29% of total waste stream
21/22	6543.86 Tonnes	17.7 % of total waste stream

The graph below shows combined performance and suggests that there has been a general levelling out of performance in the low to mid 30s. The final bar representing 2022/3 is **not** indicative of actual outturn for the year yet, as it only takes data to the end of June 2022.



## Percentage of waste recycled and composted



NOTE. 2022/23 only reflects Q1 data so is not indicative of a full year's performance.

Satisfaction scores for waste /recycling services have not been tested in corporate surveys since 2021 so have not been updated. They are scheduled for November/December 2022.

For clarity, whilst numerous indicators are collected and reviewed for the service as a part of day to day operations, the departmental KPIs are:

Indicator	20/21 target	Latest recorded outturns (may not be full year)
Percentage of Waste Recycled /composted	33.5% to 39%	34.82%
Contractor performance points score	50 to 150 points	95
Satisfaction with waste services	90% to 96%	97%
Satisfaction with recycling services	90% to 96%	94.5%

## **Street Cleansing**

This section covers all areas of street cleansing, including street sweeping, litter picking, litter bin emptying, fly tipping, and the removal of graffiti and abandoned vehicles.

Fly tipping continued to be an issue for us this year. The installation of CCTV in the Sincil Bank area has proven to be beneficial with a notable reduction in these areas covered. This is helpful, but does show that suggestions that people did not know it was fly tipping due to cultural or language difficulties seems to be debunked to at least some extent. I am awaiting detailed assessment of the impact before reaching any conclusions.

## **Graffiti**

Under lockdown we saw a drop in graffiti, but alas that has not been sustained. We remain committed to graffiti removal as a mainstay of showing commitment to a clean environment. However, getting graffiti cleared is not easy, as much of it is on private property, and as such it is the landowner's responsibility to clear it or at least to give permission for us to do so. Some choose not to, and others won't respond to offers of help from the council.

The below includes all graffiti removed, apart from utility boxes.

2021 Non-Offensive Graffiti – 23 cases removed

2021 Offensive Graffiti – 17 cases removed

TOTAL = 40

2022 Non-Offensive Graffiti – 30 cases removed so far

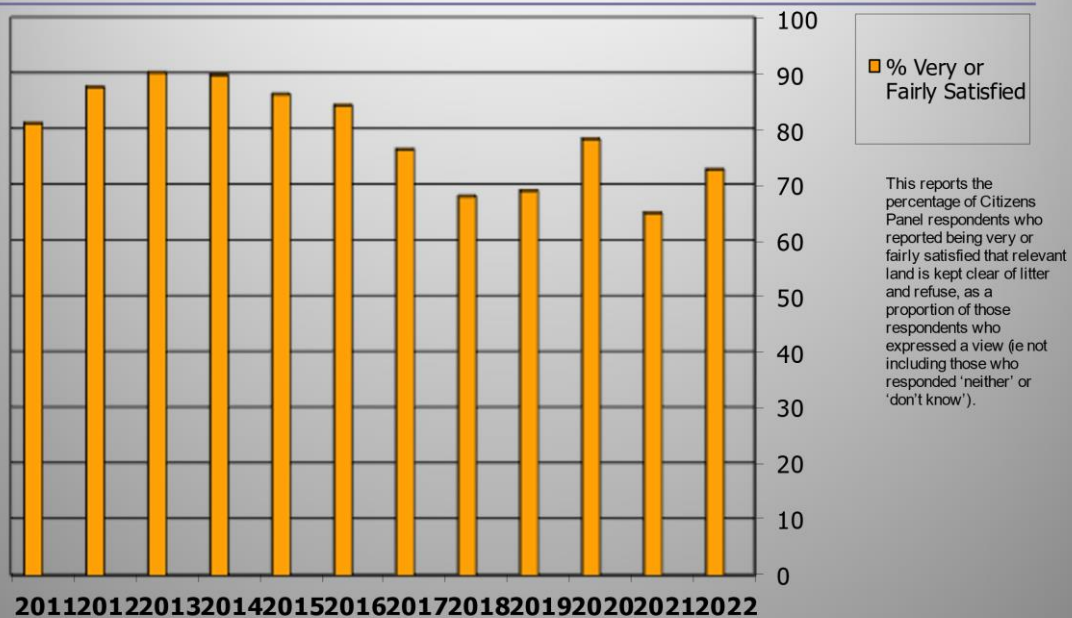
2022 Offensive Graffiti – 15 cases removed so far

TOTAL = 45

## **Litter Policy**

Volunteer litter picking continues to be popular, including many who work through the Council's Volunteer Co-ordinator and work in an organised group. Some however work independently. The Council's continued enthusiasm for volunteer action has to be tempered a little by its responsibilities to make sure, so far as we are able, that such voluntary activities only work on authorised areas and of course that they do this safely. A clear policy has been drafted and adopted to guide this work across the county.

## Satisfaction with Cleanliness



In the summer Citizens Panel survey 2022, 72.8% of respondents who expressed a view reported being very or fairly satisfied with the cleanliness of the city. A higher performance than was seen in the last year. This is always a challenging issue to achieve a good satisfaction score on, and this is a welcome improvement. I will be working closely with the staff and contractor to seek out further incremental improvements this next year. Assessment of the feedback provided means that the focus will be on leaf clearance work, fly tipping, and graffiti. Points I will also want to take up in the service specification documents for 2026 onwards.

For clarity, whilst numerous indicators are collected and reviewed for the service the departmental KPIs are:

Indicator	20/21 target	Latest recorded outturns (may not be full year)
Contractor performance points score	50 to 150 points	80
Satisfaction with cleansing services	68% to 80%	72.8%

## Public Toilets

Last year was an especially difficult year for the service as it went through significant review to meet some very challenging savings targets. Regrettably, the scale of the savings meant that this impacted staff numbers with redundancies being unavoidable, and restrictions on the availability of services being necessary.

Ultimately the savings plan has been delivered, but the effects are still being felt by the service, as resilience is now much depleted adding to the burdens on remaining staff. I wish to express my gratitude to all those involved with this service, as they have been required to show considerable patience and fortitude.

Charges of 20p per use have been in operation at the Bus station, Castle Square and Tentercroft street since January 2017. Covid lockdowns affected income as can clearly be seen below.

	Castle	Lucy Tower	Tentercroft Street	Bus Station	TOTAL
2016/17	£1,731.93	£988.20			£2720.13
2017/18	£10,029.31	£4,588.02	£917.65	£3,115.35	£18,650.33
2018/19	£8,354.97	£2,278.05	£9,176.03	£17,843.46	£37,652.51
2019/20	£8,380.77	£172*	£9,207.88	£18,179.43	£35,940.08
2020/21	£6,134.30	£0	£77	£12,806.74	£19,018.04
2021/22	£9,587.07	£0	£8,504.37	£20,508.21	£38,599.65
2022/23	£3675.42	£0	£4173.33	£9620.23	£17,468.98

This service has again achieved high standards for those facilities entered into the Loo of the Year awards, with Tentercroft achieving gold standard, and Castle and Bus Station platinum standard.

## Sport and Leisure

The past year has been a mixed year for sport and Leisure both locally and nationally. Nationally there has been both a slow recovery from the coronavirus pandemic which saw the sector significantly impacted but also additional measures last winter due to the Omicron variant. Locally the main swimming pool at Yarborough Leisure Centre was shut in January 2022 due to emergency repairs following a routine inspection of the ceiling.

### Yarborough Swimming Pool

In January 2022 we made the decision to close the swimming pools at Yarborough Leisure Centre following a routine inspection of the ceiling and roof void. This inspection raised concerns regarding the supporting structure of the suspended ceiling. Further exploratory investigations revealed that this was limited to the main pool and the learner pool was subsequently boarded off reopened.

Work then quickly progressed to identify the issues and solutions to allow the main pool to be reopened and the final works consist of –

- replacement of the existing suspended ceiling,
- the removal of any redundant equipment in the roof void,
- ventilation to reduce the humidity in the roof void,
- improved and easily accessible lighting,
- move the pool ventilation tubes to more easily accessible areas for maintenance.

The project is complex and many of the preparatory works earlier this year are the type of things that would have been carried out prior to having to close the pool, in an ideal world.

In July 22 on site works started including boarding across the entire pool and erecting scaffolding covering the entire area of the pool and pool surrounds from ground floor to the suspended ceiling, including some bespoke support trusses. So far, the ceiling has been replaced, new ventilation equipment installed and the scaffolding has started to be removed.

We are now waiting for the new ventilation unit to be sited on the pool roof, connected and then the site tidied up. We are on target to have the pool opened by the end of the year.

During the entire time we have ensured that the teaching pool remained open and Active Nation have delivered an intensive programme of lessons and public use in the pool.

### Leisure Centre Stats

19<sup>th</sup> July 2021 saw the implementation of step four of the covid 19 road map. However, the leisure centres kept the booking systems and social distancing in the gyms and classes which limited numbers but built confidence in returning members.

	Q1	Q2	Q3	Q4
<b>Quarterly Usage Yarborough</b>				
Pre-Pandemic (April 19 to March 20)	188,529	190,051	174,255	169,164
2021/22	39,879	87,485	76,946	66,896*
2022/23	51,958	60,934**		
<b>Customers who would recommend Yarborough Leisure Centre</b>				
2021/22	Not available during the pandemic			62%*
2022/23	50%	55%		

\*All pools closed 6<sup>th</sup> Jan 22; Teaching Pool reopened on the 31<sup>st</sup> Jan 22. After the pandemic, swimming was the largest % rise in exercise activities across in England.

\*\*Swimming lessons in the Teaching Pool increase monthly, including use by some Primary Schools and splash sessions for family use.

	Q1	Q2	Q3	Q4
<b>Quarterly Usage Birchwood</b>				
Pre-Pandemic (April 19 to March 20)	57,774	57,138	57,321	57,144
2021/22	20,230	34,549	33,393	39,613
2022/23	33,468	37,616		
<b>Customers who would recommend Birchwood Leisure Centre</b>				
2021/22	Not available during the pandemic			83%*
2022/23	77%	81%		

	Q1	Q2	Q3	Q4
<b>AGP hours usage both sites</b>				
Pre Pandemic (April 19 to March 20)	520	555	612	630
2021/22	895	790	806	775
2022/23	689***	635		

\*\*\*Loss of a major booking to their own refurbished facilities. Returned in Q3 along with another large club.

### Other Activity

- Both Yarborough and Birchwood received a certification of “Very Good” in the Quest Prime Recovery Assessments, (national benchmarking award) for business recovery and customer confidence following the reopening after the pandemic. This is the second highest level of the award, lasting for a year Oct 2021-22.
- Birchwood Leisure Centre scored 94.6% on their external mystery visit for Quest for exemplary customer service and experience.
- Yarborough have been chosen as the status of Lincoln’s Hub for the delivery of the NHS’s Cardiac Rehabilitation provision.
- At the Lincolnshire Sports & Physical Activity Awards in Nov 2021 Active Nation were the winners of the “Organisation that has gone above and beyond to continue to provide sport and/or physical activity to support/benefit the health and wellbeing of an individual or groups of individuals”.
- Active Nation Lincoln were nominated for the workplace well-being award coming second out of all the nominees

### Lincoln 10k

- A new contract was procured in early 2022 with the successful contractor being Run For All (the previous contractor). The first race under the new contract on 30<sup>th</sup> October was a smaller than previous years with 2481 entered and 2079 finished. This was a combination of the short timescale from awarding the contract and a general reduction in entries for this kind of event seen nationally. A Family Fun Run before the main event was trialled this year.

- The date for next year's event has already been announced and applications are already open so we hope that numbers will increase significantly next year.

## **Recreation Services**

The Recreation Service has weathered the pandemic storm with pitch hire and community centre use returning to prior levels and in some cases exceeding former use.

Officers have worked with NHS Lincolnshire Integrated Care Board to deliver a vaccination hub at the Weighing Rooms on Carholme Road. This required coordinating sensitive works to a listed building to enable a clinical environment and logistical challenges to relocate long standing hirers and their equipment. We are grateful to our hirers, in particular the Lincoln Band, for their help and flexibility in enabling this essential programme to be delivered. The Weighing Rooms replaced the Lincolnshire Show Ground as a regional hub and over 500 people a day continue to be vaccinated.

Lincolnshire YMCA have approached the service with a request to adopt and improve St Giles Community Centre and invest in the site with funding from the government Youth Investment Fund. Whilst this is at an early stage it would see significant improvement to the centre with a focus on facilities for children and young people. Earlier this year saw £30,000 of s106 funding used to improve the pitches on The Backies. This site now supports Lincoln Griffins girls' teams for matches and training.

## **Food, Health and Safety**

The Food, Health and Safety Team continue to prioritise protecting public health, taking a risk-based approach, in line with the Food Standards Agency's Recovery Plan which is described below. This allows the service to focus on those businesses that present the greatest risk to public health.

### **FSA Recovery Plan**

The Covid 19 pandemic continues to have an effect on the service and the delivery of official controls.

In order to assist Competent Food Authorities to recover from the impact of COVID-19, the Food Standards Agency's (FSA) issued guidance in the form of a Local Authority Recovery Plan to ensure that resources are targeted where they add greatest value in providing safeguards for public health in relation to food.

As a minimum, Local Authorities should deliver official food controls and related activities as detailed in the Recovery Plan. This will remain in place until decisions are made by the FSA on the modernisation of the food hygiene delivery model and the revised food hygiene rating scheme. The new model is due to be fully implemented in 2024/2025.

We have a Lincoln Recovery Plan complementing the FSA plan.

The Recovery Plan is being implemented alongside delivery of basic service activity:

- official controls where the nature and frequency are prescribed in specific legislation and official controls recommended by FSA guidance that support trade and enable export
- reactive work including enforcement in the case of non-compliance, managing food incidents and food hazards, and investigating and managing complaints
- sampling, and
- ongoing proactive surveillance.

### **Food, Health & Safety Team**

In terms of staff resources, the team consists of the Food, Health & Safety Team Leader, 2 Environmental Health Officers and 2 Food Safety Officers.

### **Volume of Work – Food Safety and Public Health (01/11/21 – 31/10/22)**

- Service Requests (eg. Food and health & safety complaints, food hazard warnings and requests for advice on food safety , health & safety and public health related matters) – 1415
- Food Hygiene Inspections (Official Controls) – 552
- New food business registered - 192
- Food and Environmental Samples Taken – 125
- Infectious Disease Notifications – 30
- Health & Safety Inspections where matters of evident concern found - 8
- Accident Notifications – 43 of which 2 were investigated

### **Official Food Inspections Delivered**

Between 01 November 2021 and 31 October 2022, 552 inspections were carried out. In this time period 290 written warnings were issued, 13 formal Hygiene Improvement Notices served and there were 2 businesses that voluntarily closed due to the public health risk.

### **Examples of Food Safety & Public Health Complex Cases**

During this period, the team have dealt with a number of complex cases. Examples include the following:

- Covid related outbreaks
- Several businesses were complex due to persistent non compliances and it took some time to get them to a stage where they were broadly compliant
- A business with an infestation of rats

### **Examples of Health & Safety Complex Cases**

- A business was served with a Health & Safety Prohibition Notice due to dangerous work equipment, this prevented potential serious injury to employees



- A business was served with a Health & Safety Prohibition Notice due to a dangerous work activity, where there was a serious risk of a fall from height and so this activity was prohibited
- A business was served with a Health & Safety Prohibition Notice due to a dangerous structure being used for the storage of food. This resulted in the removal of the structure and it improved the working conditions for employees and had an effect on food safety too
- An accident investigation where an employee climbed up onto a roof through which he fell.
- Six Informal Notices were issued for matters of evident concern.

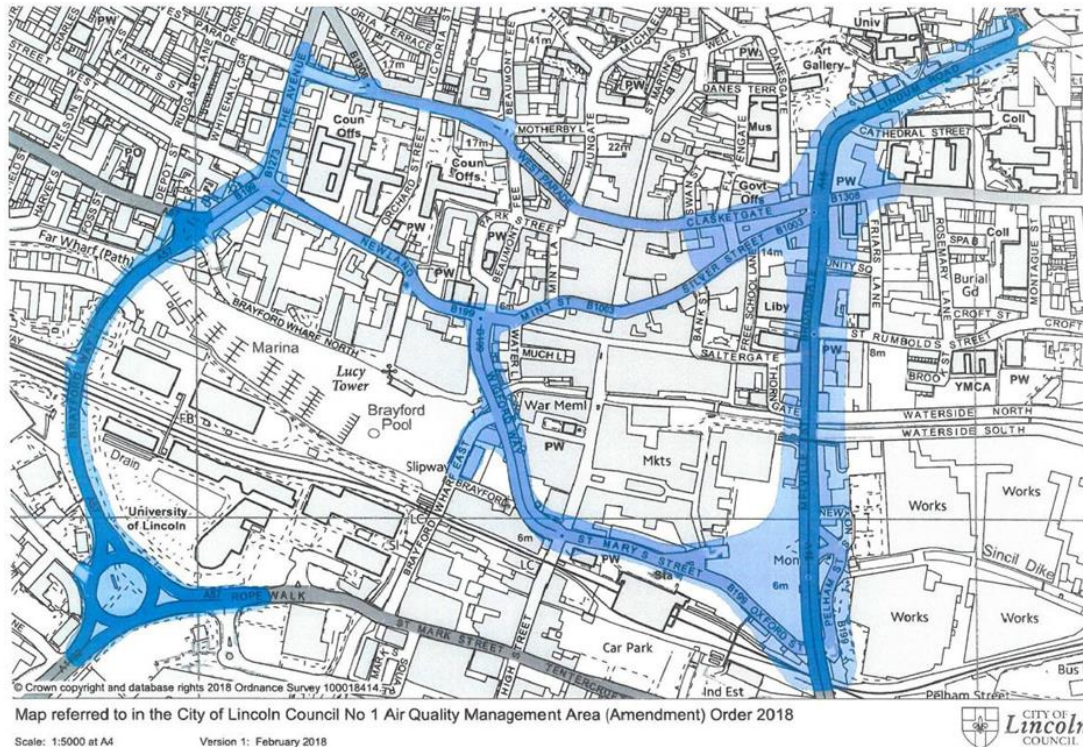
### **Local Air Quality Management**

The Local Air Quality Management (LAQM) process set out in Part IV of the Environment Act (1995) places an obligation on all local authorities to regularly review and assess air quality in their areas, and to determine whether or not the national air quality objectives are likely to be achieved. Local authorities are required to produce an Annual Status Report (ASR), which details the current air pollution levels and provide updates on measures to improve air quality and any progress that has been made.

Where an exceedance is considered likely the local authority must declare an Air Quality Management Area (AQMA) and prepare an Air Quality Action Plan (AQAP) setting out the measures it intends to put in place in pursuit of the objectives.

The Council currently has one AQMA in place due to historic exceedances of the annual mean objective for nitrogen dioxide, a pollutant closely associated with road traffic (as well as other combustion sources). The AQMA closely follows the main road traffic routes through the centre of the city as can be seen on figure 1 below.

*Figure 1 – Current AQMA No.1*



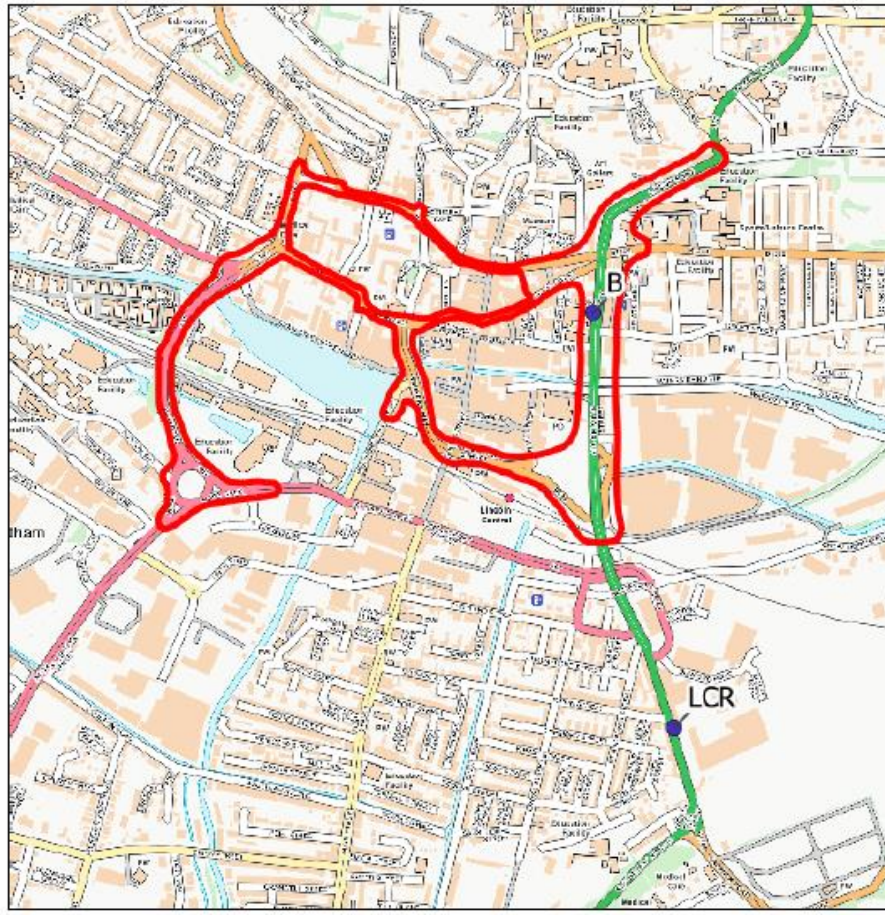
The Council continues to maintain a monitoring network covering the busier roads in the city where pollution levels are expected to be at their highest. The pollutants that are measured include nitrogen dioxide and particulates known as PM<sub>10</sub> (i.e. particulates smaller than 10microns).

Nitrogen dioxide is monitored at 19 locations using a combination of diffusion tubes (low cost passive samplers good for providing data on long term trends) and a continuous analyser (the reference method for assessing both short term and long term exposure). The continuous analyser is part of Defra's national network, which means that the data from that site is subject to their QA/QC and data management protocols.

We also have a continuous PM<sub>10</sub> monitor on Broadgate, which provides data on an hourly basis.

The monitoring sites can be seen in figures 2 & 3 below.

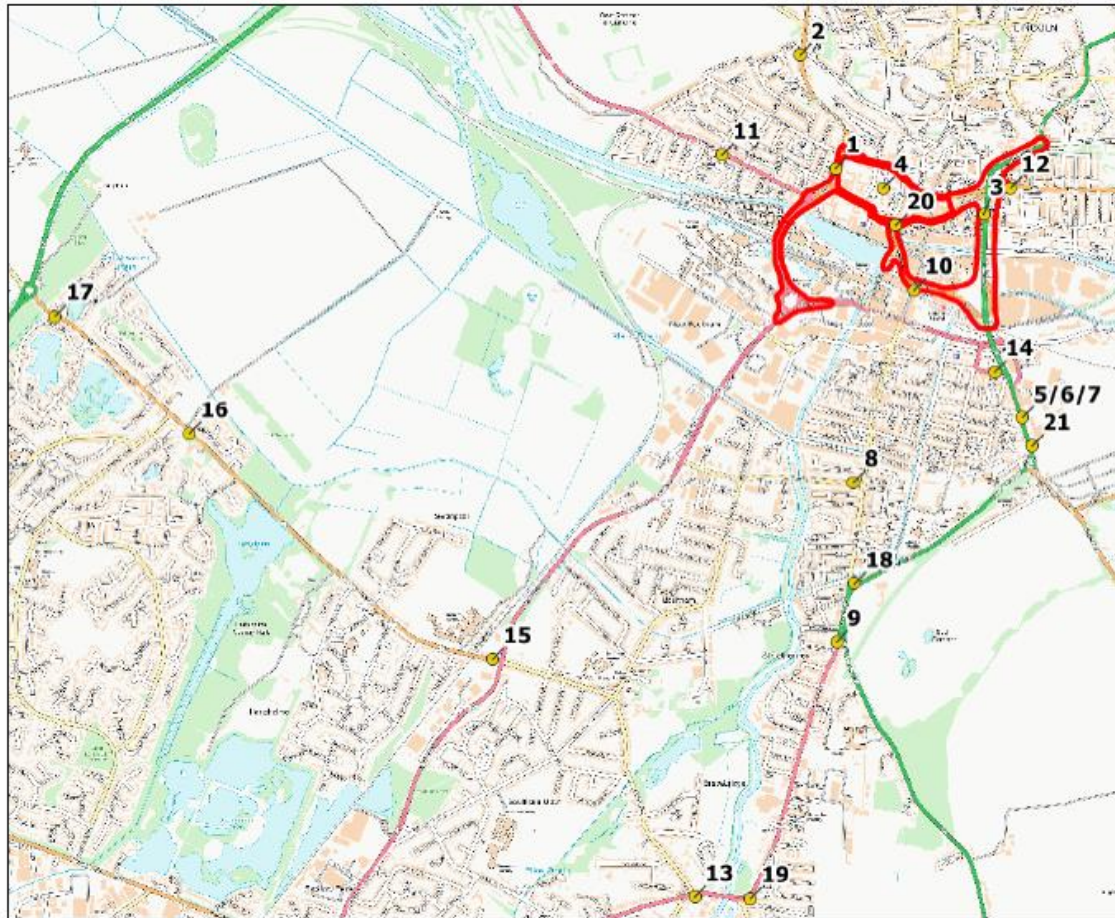
*Figure 2 – Continuous analysers*



- Legend**
- AQMA Boundary
  - Automatic Station

Contains Ordnance Survey Data Crown Copyright and Database Right [2021]

Figure 3 – Nitrogen dioxide diffusion tube sites



**Legend**

- AQMA Boundary
- Diffusion Tube

Contains Ordnance Survey Data Crown Copyright and Database Right [2021]

Although the Council still has an AQMA in place, our monitoring network has not identified any likely exceedances of the national air quality objectives since 2018, when monitoring on Broadgate saw a potential breach of the annual mean objective for nitrogen dioxide. No other monitoring location within the city has seen an exceedance of the air quality objectives since 2013.

The most recent verified data (for 2021) is presented within the Council's Annual Status Report 2022, which was submitted to, and accepted by, Defra during the summer.

In the 5 years up to and including 2019, all the long-term monitoring sites showed an improving trend. This trend continued in 2020 and into 2021. Figures A1, A2 and A3.

Figure A.1 – Trends in Annual Mean NO<sub>2</sub> Concentrations at Monitoring Locations within AQMA

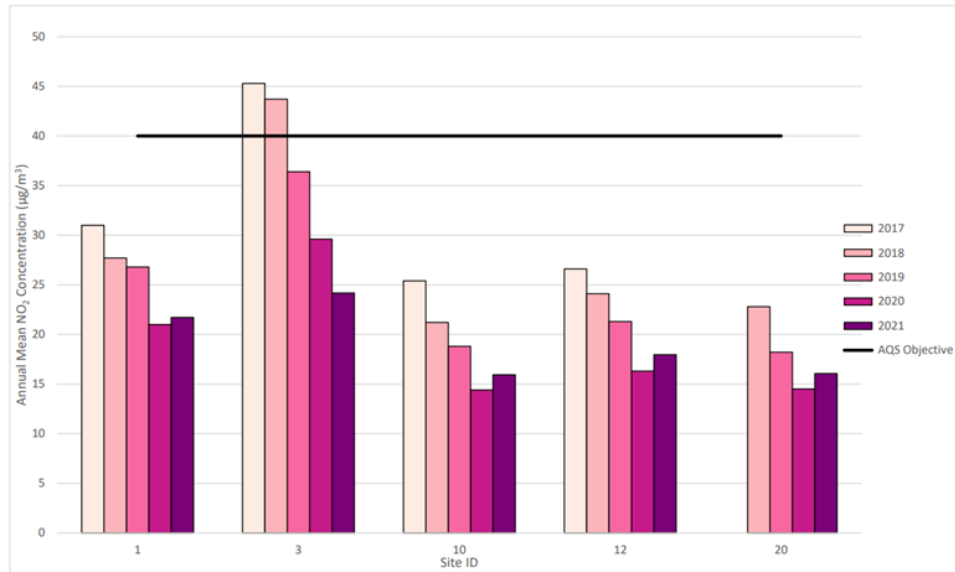


Figure A.2 – Trends in Annual Mean NO<sub>2</sub> Concentrations at Monitoring Locations Outside of AQMA

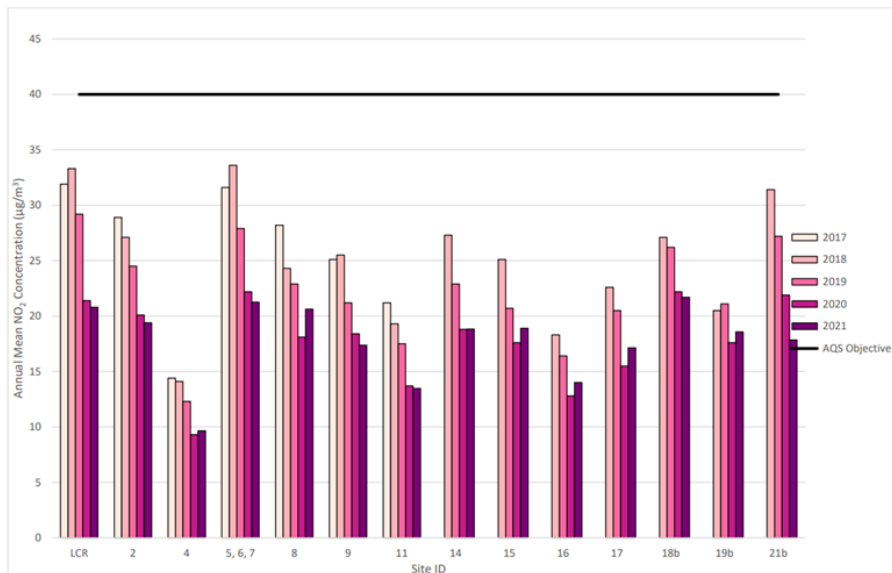
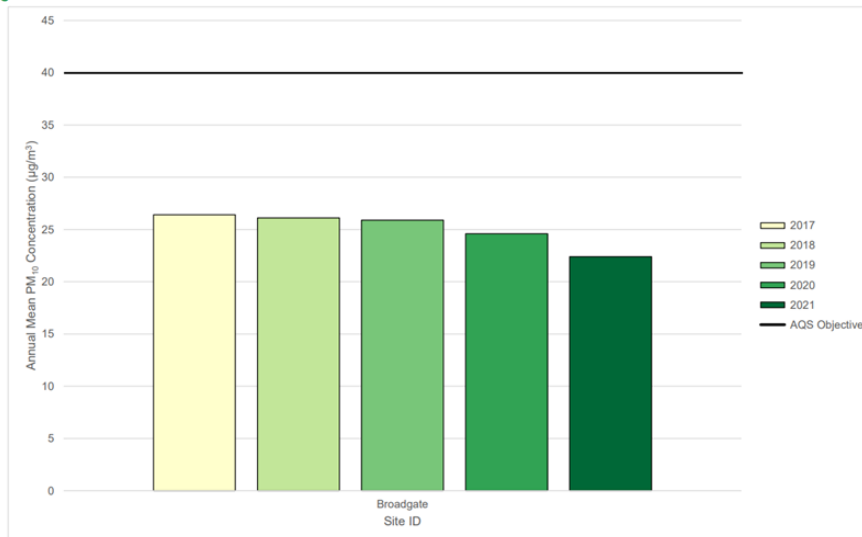


Figure A.3 – Trends in Annual Mean PM<sub>10</sub> Concentrations



Some of the improvements seen in 2020 and 2021 will inevitably have been driven by the response to Covid-19 reducing the amount of traffic on the city centre roads.

However, the opening of the Lincoln Eastern Bypass and embedded changes to peoples work habits will also have had a beneficial impact on the levels being monitored at a number of sites within the City, over and above those resulting from pandemic restrictions.

The available air quality data in 2022 indicates that the pre-pandemic trend of air quality improvements have continued. As such, if this trend is borne out once the full, validated, 2022 monitoring results are available, it is likely that we will seek to revoke the remaining AQMA, in consultation with Defra.

Our current air quality documents are available to the public via the Council website at <https://www.lincoln.gov.uk/environmental-issues/local-air-quality>

## **Licensing**

During the financial year 2021-2022, the licensing team have:

- Issued 420 Vehicle Licences
- Issued 711 Test Certificates
- Issued 1 Private Hire Operator Licence
- Issued 224 Private Hire (PH) Driver Licences
- Issued 20 Hackney Carriage (HC) Driver Licences
- Issued 157 Premises Licence Applications
- Issued 81 Personal Licence Applications

The above data shows the output of the Licensing team in relation to new applications received over the past year. It doesn't consider the management of the various categories of licences which are already in effect during the same period. During the last year 13 drivers were referred through to the private hire and/or hackney carriage subcommittee. The triennial Gambling Policy review was also completed during the last year.

The end of the 21/22 financial year brought the adoption of the Statutory Taxi and Private Hire Vehicle Standards. The main impact of these standards on the Licensing services is the need for 6 monthly checks via the Disclosure and Barring Service (DBS). This brings a greater administrative burden for the team when compared to the previous 3 yearly DBS refresh checks. There are currently 396 active PH driver licences and 34 HC driver licences.

The long-lasting effects of COVID-19 Pandemic remain uncertain for the Licensing Service. The Pandemic saw a drop in the number of new applicants for most of the licensed areas. We are starting to see a rise in the number of PH + HC driver applications, but this is in comparison to recent years where the numbers dropped due to macro-economic factors. The amount of new and active Premises Licences is also rising when compared to last year's figures.

The future demand on the Licensing Service is very difficult to predict, much like many other service areas. With it being a full cost recovery service, the external economic

factors such as the rise in inflation, cost of living crisis and probable recession, make future budget and Fee setting a difficult task to balance.

**In conclusion I would like to express my sincere thanks to all officers and staff who have worked so diligently and conscientiously across this Remarkable Place strategic priority.**

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**COUNCIL**

**17 JANUARY 2023**

**REPORT UNDER RULE 2(vi) OF THE COUNCIL PROCEDURE RULES**

**REPORT BY COUNCILLOR CHRIS BURKE, PORTFOLIO HOLDER FOR  
CUSTOMER EXPERIENCE AND REVIEW**

**Introduction**

This has again proved to be a difficult year as we recover from Covid but also face the greatest cost of living crisis since WW2 caused by rising energy costs and supply line issues. Covid does remain, of course, and still causes some sickness issues however a very successful vaccination program has rendered the disease less effective. The problems we face as a result of an unresolved climate crisis, greed among energy and other companies paying high dividends to shareholders instead of considering customer basic needs and of course the return of an aggressive and dangerous Russian state affect all of us and our Councils delivery to citizens. Government announcements of action by local authorities without intelligent consultation has also caused a strain on our communication systems as the public, understandably, seeks guidance in large numbers from our staff. Brexit has, as anticipated by reliable economists during the Referendum Debate, caused staff shortages in the Labour Market and this has affected our recruitment processes.

As this report shows we have delivered a high standard despite the difficulties the authority faces. I was particularly pleased that staff provided excellent support for the all council Planning Committee which considered the Western Growth Corridor involving all departments but top marks to Democratic Services for ensuring a brilliant broadcasting event. At five hours it was a marathon event but worth the effort and I would compliment Cllr Bob Bushell's Chairing and the staff who supported him. As a result of this work and subsequent discussions there is now support for this major development across the Board.

Investment in IT is paying off and reorganisation with considerable staff support is also proving successful.

Our guiding principle remains as a progressive local authority one that seeks to serve all the communities of our City of Lincoln providing effective but caring delivery. This report demonstrates that our teamwork has delivered the work needed to achieve a constantly improving City as it enters the third decade of the 21<sup>st</sup> Century and recovers to face our new challenges. Every single member of staff can take personal credit for this work.

**Customer Services**

The Customer Service team provide the first contact point for residents calling the council to access services. They answered over 127,000 incoming telephone calls in the financial year ending March 2022. In addition to this they processed more than 25,000 email communications and dealt with a vast number of online service requests, which the team check and authorise before being allocated to a service area.

Following the lifting of Covid restrictions the team continue to see customers face to face by appointment rather than the previous drop-in facility. This is far more efficient, ensuring that appointments are made when staff are available, reducing waiting times for the public. Advisers can also prepare in advance for the customer's enquiry and make sure that the appropriate person deals with the appointment. Where necessary interpretation services and specialist support for vulnerable people can be pre-arranged and in place when the customer arrives.

There has been an increase in difficult calls this year, with a growing number of customers finding paying their bills, rent, and other living expenses challenging. The staff try to seek solutions with callers and refer to specialist services where appropriate, but these calls can be longer than expected.

We are working with a group of colleagues from across the directorates in the Creating Value Processes theme, and in conjunction with the Improving Technology pillar, to drive forward our improvements to the way customers interact with us. A new telephone system will make connecting with colleagues in service areas smoother and quicker, which will reduce the time it takes to respond to customer queries

The staff work incredibly hard to support customers and they are rightly proud of the contribution they make to the smooth running of the council

### **Audit Arrangements**

Internal Audit continues to operate effectively, working as part of the Assurance Lincolnshire Partnership. The team continues to work with Assurance Lincolnshire to provide Audit services to them and other councils which generates income for the Council.

Internal Audit have provided assurance in some key areas during 2021/22 including financial systems, projects and other service areas. The team has continued to use its 'Combined Assurance' model to provide a broader level of assurance to management and members. There was a slight shortfall in resources this year whilst the Audit Manager post was recruited to, some of this was covered through the engagement of an audit consultancy company.

I am very pleased to report that the latest annual Internal Audit report (2021/22) established that overall, the Council was performing well across areas of governance, risk and internal financial control and performing adequately on internal control. There are some improvement areas in relation to IT disaster recovery, risk management and the implementation of agreed audit actions.

External Audit is undertaken by Mazars. Their most recent Annual Report issued for the year ended March 2021 provided an unqualified opinion on the statement of accounts 2020/21 including a positive Value for Money conclusion.

A full audit update is provided to my Portfolio holder meeting which links to the Audit Committee progress reports. This includes updates on all areas of activity including internal audit, counter fraud, finance and treasury, risk management and corporate governance.

I am pleased that the Audit Committee continues to take a positive and pro-active role.

## **Democratic and Electoral Services**

The Electoral Services team successfully delivered the local elections on 5 May 2022, which applied to a third of the City Council's membership. The Electoral Services team worked on the annual canvass. The electoral register will be published in accordance with legislation on 1 December 2022.

The Elections Act 2022 received Royal Assent on 28 April 2022. This legislation contains substantial changes for polling at elections, as well as electoral registration in the UK, including the requirement for voter identification at polling stations. The regulations were recently laid before parliament and are currently working their way through both houses. The polls on 4 May 2023 will be the first date to implement voter identification.

As highlighted at a recent meeting of the Council, the Association of Electoral Administrators, which is the national representative professional body, has expressed serious concerns to the relevant minister in the Department for Levelling Up, Housing and Communities over the deliverability of these changes given the short timeframe. However, in preparation for these changes, members of the electoral services team have been attending training events and seminars. At one of these events, there was a demonstration of the digital platform, which will be used to process requests for voter identification, which electoral services will be required to administer. The digital platform is due to 'go live' in mid-January, however no councils have received training on this system. In addition, there is a programme board of officers in place to oversee the changes.

The efforts of the City Solicitor and Democratic Services in arranging the Planning Committee on 12 January 2022 were vital in ensuring the smooth and successful running of the Council's largest planning application. This meeting attracted a lot of positive feedback on the efficiency and professionalism of the meeting. This meeting was watched online by more than 170 viewers. This helped ensure the meeting had the greatest reach and accessibility; and also helped safely manage capacity at the venue. As a result of this positive experience, the Council is exploring options for improving the equipment in the committee rooms to enable more meetings to be livestreamed at a good quality. However, this equipment would come at a cost. The Democratic Services and Elections Manager is in the early stages of a procurement exercise to make this possible.

## **Business Development and IT**

Business Development have continued to support the organisation. In addition to providing covid support, including assisting with payments of grants to local businesses, other services have continued to move forward. These include:

- Design and development of processes for refuse collection services so that customers can report issues/access services online
- Website improvements including improved accessibility

- Supporting Council Tax energy rebate payments
- Upgrades to core ICT applications to ensure software
- Procuring a new telephony system for enhanced communications and customer support
- Reviewing options for replacement of web-based self-service channels for customers
- Automating customer service feedback processes
- Intranet development, developing Yammer staff communications solutions and investigating e-learning packages
- Developing new project management tools
- Delivering migration of Local Land Charges service to HMLR, as well as assisting HMLR on a national level
- Delivery of new mobile device contract and hardware to staff
- New Intranet to replace City People
- Leading for Lincoln on the DHLUC funded national Housing Repairs Service, presenting at Digital Leader's week and promoting the project nationally.
- Upgrade of Council's document management system to new user interface
- Supporting issues and enquiries coming through Fix My Street
- Replacement of electronic payments provider to make savings and efficiencies
- Support for Council Tax year end processes and billing

The ICT Team have also been engaged in supporting new ways of working including:

- Rollout of devices and new software to almost all staff and Councillors
- Rollout of O365 Citrix Services to staff
- Design and Development of O365 desktop services (what it looks like)
- Design and Development of O365 in our Citrix Environment
- Enhancing the secondary data centre to provide better Disaster Recovery facilities
- Enhancing connectivity into Disaster Recovery facilities e.g., Citrix and VPN at Hamilton House
- Upgrading systems to ensure they are fully supported
- Enhancing ICT security to protect customer data
- Reviewing options for replacement of infrastructure
- Developing new solutions for enhanced desktop services and tools
- Upgrading telephony monitoring facilities in advance of a new telephony system
- Upgrading core network infrastructure to ensure continuous service
- Upgrading core virtualisation infrastructure to ensure support and compliance
- Development of automated process to deploy new kit more quickly
- Design & Development of O365 access on Mobile Devices (tablets and phones)

## **Performance Monitoring**

### **General Performance**

Under my portfolio I have responsibility for ensuring there is a process for producing good quality key operational performance data, which is used to monitor and drive performance improvements across the council.

## **Quarterly Performance Reporting**

The council continues to report performance to elected members and the public through a quarterly performance report. The report covers performance outturns for all 86 strategic performance measures, and for a range of corporate measures. Of these measures the majority are reported on a quarterly basis, with a small number of measures being reported on an annual basis. Included in the report is an analysis of performance outturns for each measure against the targets set. This analysis is presented in the form of a dashboard with supporting analytical and descriptive text, which provides a clear view of performance across service areas. This enables key stakeholders such as the Corporate Management Team, Performance Scrutiny Committee and Executive Committee to easily identify those measures with performance below target, above target and within target boundaries and the reasons for this. There continues to be a number of volumetric measures reported, which are those where a team cannot influence the outturn but are still valuable for contextual information. The dashboards included in the report are extracted directly from the PIMS performance system, which allows for clear referencing between the report and the system. The format of the quarterly performance report continues evolve and improve to meet the changing needs of the organisation.

## **External Audit on Performance Monitoring**

During the summer of 2022 an external audit was undertaken on performance monitoring at the council. The following actions were identified from the audit. In most cases the Corporate Policy Team were already aware of the actions identified in advance of the audit, however Covid-19 and the diversion of the Corporate Policy Team onto Covid-19 work streams, specifically the emergency befriending service, necessitated a planned delay. In addition, resource pressures in the team have impacted on the delivery of the scheduled work. This follows two members of the Corporate Policy Team leaving the authority.

However, throughout this time a full range of performance management information has continued to be accurately reported and utilised to effectively identify and address performance issues across service areas.

Actions identified from the audit as areas of focus –

1. Update of the Local Performance Management Framework (LPMF) incorporating the Data Quality Policy.
2. Ensure all performance measures have associated control sheets.
3. Assess the Performance Information Management System (PIMS) and how it delivers against the original design brief.
4. Create a table for tracking outstanding requests from Performance Scrutiny Committee.
5. Include a recommendation within all Corporate Management Team and Performance Scrutiny Committee covering reports, which asks officers and members to feedback on whether the report continues to meet their needs.

A work programme has been developed to deliver the actions identified by the audit and procedures have already been put in place for actions four and five from Quarter 2 2022/23 performance reporting. Further details on actions one to three are provided below.

### **1) Update of the Local Performance Management Framework (LPMF) incorporating the Data Quality Policy.**

The council continues to strictly follow the Local Performance Management Framework and the current LPMF continues to work well. It is expected that the framework will be refreshed by June 2023 to reflect slight changes to performance reporting, and to ensure the framework remains fit for purpose looking ahead. A specific focus will be on driving a more performance driven culture. As part of this refresh the Data Quality Policy will also be reviewed to ensure this continues to meet the needs of the council and ensure a high level of data quality is maintained.

### **2) Ensure all Performance Measures have Associated Control Sheets.**

There is an acceptance that data quality can always be improved, and to help improve this further, all council performance measures will have an associated control sheet in place by the end of April 2023. The control sheets will clearly define each performance measure and include the calculation(s) used to determine the measure outturn and to ensure data quality. The process of ensuring all performance measures have accurate and detailed control sheets in place commenced in early November 2022.

### **3) Assess the Performance Information Management System (PIMS) and how it Delivers Against the Original Design Brief.**

The council's performance system (PIMS) continues to be an effective tool for collecting and monitoring performance measure outturns and supporting commentary. A review will take place running up to June 2023 to confirm the system continues to deliver against its original brief, but also with a specific focus on identifying what further performance analysis / tools the council would like to attain from the system.

## **Target Setting**

Performance targets continue to be reviewed on an annual basis to reflect changes in the marketplace, the council's strategic direction, as well as current outturn achievements. The targets for 2022/23 were reviewed in November 2021.

For each targeted measure, both a high and low target is agreed with the service manager, Assistant Director, Director, and Portfolio Holder. For those measures recorded as quarterly in the system, just one high and one low target is set for the year, whilst for those cumulative and seasonal measures, individual quarterly targets are set. A number of measures in the system are recorded as volumetric and have no targets allocated to them. Targets continue to be formally approved by the Corporate Management Team, Performance Scrutiny Committee and Executive.

The target setting process for 2023/24 is expected to commence in January 2023, which will ensure targets are agreed and in place ready for Quarter 1 2023/24 reporting.

### **Lincoln City Profile (LCP)**

On an annual basis the City of Lincoln Council produces the Lincoln City Profile report. The report provides the latest demographic data for the City of Lincoln in one central document, drawing data from national, local, and internal data sets. The profile paints a unique picture of what it is like to live and work in Lincoln. The contents of the Profile are split into eight key chapters. These include:

- Population
- Economy
- Welfare
- Crime
- Health
- Education
- Housing
- Environment and Climate

The latest Lincoln City Profile 2022 includes an additional chapter focused on the impact of Covid-19 on the city. Within this section includes a breakdown of Covid-19 cases in Lincoln, vaccination data split by age, furlough data and the number of support grants issued to businesses in Lincoln.

The latest data for each dataset included within the LCP is presented within a chart showing clear comparison of Lincoln data against data for the East Midlands region. A link to the data source is also provided, which allow users of the profile to access the very latest data available post the publication of the current version of the LCP. The current LCP can be viewed on the council's website via the following link and I would encourage all members to take a look at the wide range of informative data included - [Lincoln City Profile 2021/22](#).

Data collection for the next version of the LCP is scheduled to commence in January 2023, with the Lincoln City Profile 2023 expected to be published in May 2023.

### **Project Management – The Lincoln Project Management Model (LPMM)**

The LPMM continues to provide practical advice, tools and techniques to council staff involved in managing projects to ensure all projects are planned and managed effectively taking into consideration the size of the project, cost, anticipated duration, complexity, and the risk it brings.

The LPMM is split into three levels of projects. These are:

- Significant capital build ('Mega') projects
- Strategic Projects
- Service area projects

To ensure all LPMM guidance is easily accessible, a project management section has been developed on the new staff intranet, Hub. Included in this area are a wide range guidance documents, together with a range of templates to assist in each stage of the project management process. Using a standardised set of guidance and templates

ensures the approach to project management is delivered consistently across the council and ensures all key elements of project management are fully considered.

The LPMM continues to be reviewed regularly to ensure this remains fit for purpose and in line with the requirements and expectations of the council.

## **Conclusion**

I conclude by again praising our staff for their brilliant response during a crisis year that will prove more challenging yet. That said I am hugely impressed by the preparations everybody is making to deal with what is ahead and I am sure that we will ensure that our citizens continue to receive the best possible service.

I would also like to welcome all new employees to the council and thank you all for hitting the ground running and contributing to our success over the past 12 months. Needless to say, Government cuts also continue to challenge us as we seek to continue the development of our brilliant City but even so we are preparing to move to the next stage of our shared Vision 2025 and be ready to play our part as our City community moves positively forward.

**Councillor Chris Burke,  
Portfolio Holder, Customer Experience and Review**



**COUNCIL**

**17 JANUARY 2023**

**REPORT UNDER RULE 2(VI) OF THE COUNCIL PROCEDURE RULES**

**Report by Councillor Jane Loffhagen, Chair of Policy Scrutiny Committee**

**Introduction**

This year's Policy Scrutiny Committee's membership consists of the following Councillors: Debbie Armiger, Jane Loffhagen Rebecca Longbottom, Bill Mara, Mark Storer, Calum Watt and Emily Wood.

Substitute member(s): Councillors Gary Hewson and Pat Vaughan. The Vice-Chair of the committee is Councillor Calum Watt

Officers attending include: Francesca Bell, Caroline Bird, Steve Bird, Paul Carrick, Tracey Parker and Simon Walters. Thank you to all Officers who attended for their work .

I would like to thank all Committee members for their contributions. We have had a full and varied range of themes and undertaken our role as a "critical friend" to the Council in ensuring the Council is operating in the best interests of the residents of Lincoln.

The committee has been, since May, scrutinising and discussing major themes and making recommendations, among them:

- Updated Animal Policy (inc Welfare Statement)
- Updated Noise Policy
- Updated Internal Domestic Abuse Policy
- Bulky Items Collections
- CCTV Code of Practice Update
- Neighbourhood Working Update
- Localised Council Tax Support Scheme 2023/24

Minutes of these meetings are available to any members who wish for more details about discussions that took place and questions asked by Members. Each subject was considered carefully and thoughtfully by Members and many questions asked.

The Committee also received regular updates on the work of the Health Scrutiny Committee (HSC) held on 18 May 2022, 15 June 2022, 13 July 2022, 12 October 2022 and 9 November 2022 which were attended on behalf of the City Council. The subjects and organisations scrutinised were:

- United Lincolnshire Hospitals NHS Trust – Elective Recovery Plan and Response to the Care Quality Commission Inspection
- Untied Lincolnshire Hospitals Trust – Reconfiguration of Urology Services Update.
- Reconfiguration of Four NHS Services in Lincolnshire: Orthopaedics; Urgent and Emergency Care; Acute Medicine; and Stroke Service

- Engagement by the NHS in Lincolnshire on Lincolnshire's Second Community Diagnostic Centre
- NHS Dental Services in Lincolnshire
- Lincolnshire Pharmaceutical Needs Assessment – Response of the Committee to the Consultation Draft
- Cancer Programme Update and Lincolnshire Living with Cancer Programme
- The Lincolnshire People Board Strategy for Recruiting and Retaining Talent
- Humber Acute Services Programme – Update
- North West Anglia NHS Foundation Trust: Restoration Recovery Update and Progress on Clinical Strategy for Stamford and Rutland Hospital Site
- Lincolnshire Pharmaceutical Needs Assessment 2022
- Spalding GP Surgery Managed List Dispersal
- East Midlands Ambulance Service NHS Trust
- Ashley House Service Change
- Replacement of Lincolnshire's Adult Acute Mental Health Wards
- Lakeside Medical Practice, Stamford – Update
- Lincoln Medical School
- Integrated Care System Clinical Care Portal Data Sharing
- General Practice Provision [Lincolnshire Local Medical Committee]
- General Practice Provision [NHS Lincolnshire Integrated Care Board]
- Hawthorn Medical Practice Skegness – Care Quality Commission Report.

Minutes of the Health Scrutiny Committee are available to all members who wish to know further details of discussions that took place and questions asked. The Health Service faces many challenges currently as Members will be aware and the Committee has represented the interests of Lincolnshire residents on all occasions.

### **Work Programme for Future Meetings**

- Recycling- paper and card collections proposal
- Health and Wellbeing Strategy
- Post Implementation Review – Public Conveniences
- County Homelessness Strategy
- Grounds, Street Cleansing, Waste/Recycling Contracts after 2026

I encourage Members of the Committee to identify future items from the new Executive Work Programme and elsewhere for inclusion in the work programme for 2022/23. The function of the Policy Scrutiny Committee strengthens the position of the Council to ensure that we are able to deliver our strategic priorities, inform the decision making process and make robust decisions. In addition, the Committee makes sure that the Council is improving value for money and efficiency and helps to make sure we are open and accountable to our residents.

**Councillor Jane Loffhagen**  
**Chair of Policy Scrutiny Committee**

**COUNCIL**

**17 JANUARY 2023**

**REPORT UNDER RULE 2(VI) OF THE COUNCIL PROCEDURE RULES**

**Report by Councillor Rebecca Longbottom, Chair of the Audit Committee**

Madam Mayor, Members of the Council

**Introduction**

This report summarises the work of the Audit Committee during the period January 2022 – December 2022 and is to confirm that the Committee’s function is consistent with best practice as well as demonstrating the positive impact of its work.

In this period, there were seven scheduled meetings of the Committee.

One meeting was cancelled, due to the national mourning period following the death of Her Majesty Queen Elizabeth II, all agenda items were deferred to the next available meeting.

**Purpose of the Audit Committee**

The Audit Committee, as a key part of the Council's corporate governance arrangements, oversees and assesses the Council’s risk management, control and governance arrangements and advises the Council on their adequacy and effectiveness.

It also has responsibility for reviewing the statutory financial reporting process through approval of the Statement of Accounts and receiving key reports from the External Auditor.

Specifically, it provides:

- Oversight and challenge to the Statement of Accounts.
- Oversight and review of the Annual Governance Statement.
- A review of the Internal Audit Strategy and Audit Plan.
- A review of Internal Audit progress reports and recommendations including appropriate follow up actions for outstanding Audit recommendations.
- An examination of the External Audit Plan.
- Consideration of External Audit reports, including the “report to those charged with governance,” the “Annual Audit letter” and “certification of grant claims and returns report.”
- Review of Counter Fraud arrangements and associated monitoring reports.

- Annual review of the Council's Treasury Management Policy / Strategy.
- Annual review of risk management arrangements.
- Oversight of Information Governance including data protection.
- Annual review of key partnership governance arrangements.

### **Membership and Independence**

The Audit Committee comprises seven Councillors and (since 2013) one Independent Member. The current independent member, Jane Nellist, from the Education sector is a qualified accountant with experience of public sector finance and was appointed in April 2016. Having one or more independent members, particularly with a financial background, is seen as best practice, as their experience and expertise assists the Audit Committee to discharge its role more effectively.

Indeed, the Government announced in May 2022 its intention to legislate, once Parliamentary time allows, to make it mandatory to have at least one independent member. Further to this the Chartered Institute of Public Finance and Accountancy (CIPFA) recently published guidance on Audit Committees recommends that each Audit Committee should include at least two co-opted independent members to provide appropriate technical expertise. This latest Guidance is currently being reviewed, as set out below under the Audit Committee's Terms of Reference.

The Audit Committee and the Officers have found the independent member's contribution to be particularly useful and I would like to offer my thanks for her continued support.

As Chairman of the Committee, I confirm I am free from Executive functions, and have not had my independence impaired during my time to date as Chair.

### **Membership during 2022/23**

The membership for 2022/23 is:

Councillor Rebecca Longbottom (Chair)  
 Councillor Helena Mair (Vice Chair) (Jan – May)  
 Councillor Jackie Kirk (Vice-Chair) (May – onwards)  
 Councillor David Clarkson  
 Councillor Thomas Dyer  
 Councillor Gary Hewson  
 Councillor Calum Watt  
 Councillor Rosanne Kirk (Jan – May)  
 Councillor Emily Wood (May – onwards)  
 Jane Nellist (Independent Member)

## **Relationships**

I am happy to report that there continues to be a sound working relationship between officers and Members of the Committee.

Internal Audit functional responsibility rests with Jaclyn Gibson (Chief Finance Officer) on behalf of the Chief Executive while the Audit Manager (Amanda Stanislawski) has a direct reporting line to all levels of the Authority both at officer and member level.

I am satisfied through discussions with External Audit representatives and Internal Audit that relationships between Internal and External Audit have been satisfactory and are effective.

Mazars have been the External Auditors since September 2018.

The External Auditor takes consideration of and uses the work of our internal auditors in connection with their integrated audit of the Council's financial statements and other work. External and internal auditors collaborate to minimise duplication of effort and work in tandem to help management and the Audit Committee ensure that the Council's financial reports and other information are accurate and that its system of internal control is effective. Internal Audit has also audited elements of the housing benefit subsidy claim on behalf of the External Auditor, which also provides a saving on the audit fee.

## **Audit Committee - Terms of Reference**

The Audit Committee's Terms of Reference (ToRs) were last reviewed in February 2021 (no changes were required). The ToRs incorporated CIPFA guidance on Audit Committees, which sets out various requirements, which were in effect at that time.

CIPFA have recently issued a revised Position Statement on Audit Committees, setting out the principles recommended for committees operating in local government to follow. In addition to this, CIPFA have also published Audit Committees: Practical Guidance for Local Authorities. This guidance covers the core functions of committees including relevant legislation and professional standards that the members should be aware of and a framework to support the appointment, training and development of audit committee members.

Both the Position Statement and Guidance will now be reviewed to identify any necessary changes required in the Audit Committee's ToRs. This is due to be considered by the Audit Committee in June 2023.

## **Internal Audit Terms of Reference (IA Charter)**

These were last reviewed in June 2022, with only minor changes made. The changes were reviewed by the Audit Committee.

## **Audit Committee Training**

Committee Members received relevant training during the year, including:

- Understanding the Council's financial statements;
- Treasury Management
- Audit Committee Effectiveness

Further training on counter fraud will be provided when an e-learning product is available, and a refresher on risk management is currently being scheduled.

I was also delighted to attend the Audit Committee: Leadership Essentials Programme delivered by the Local Government Association. The programme, aimed at Audit Committee Chairs, discussed how Audit Committees can be most effective, drawing on the insights of auditors to ensure that the public can have confidence in the way the council is managing its financial affairs. This was a very informative and useful programme.

### **Regional Audit Committee Chair Forums**

In late 2021 the Department for Levelling Up, Homes and Communities (DLUHC) announced a series of new measures aimed at improving local audit delays. This included a new measure to provide, via the Local Government Association sector grant, for a number of targeted training events for audit committee chairs. These targeted forums are intended to further strengthen the capability and skills of audit committee members.

I was able to attend the inaugural forum for the East Midlands region in March 2022 and the second one in June. Unfortunately, neither myself nor my Vice Chair were able to attend the latest meeting in November 2022. Whilst still at an early 'forming' stage, I am sure that these forums will prove a useful opportunity to share good practice and learn about the latest audit issues and network with other Audit Committee Chairs and Members.

### **Information Governance and Data Protection**

The Committee continues to receive periodic update reports on Information Governance from the Data Protection Officer (DPO). The Audit Committee recognises this is a significant area and presents a number of risks which are being adequately addressed. I am particularly pleased with the new Data Protection training that has been delivered during 2022, with current completion levels of around 90%. However, there is always further work to be done around training, new systems, policy updates etc. and this is work in progress.

### **Internal Audit and the Audit Committee**

#### **Independence**

To comply with best practice, I can confirm that the Audit Committee is suitably independent and that the Committee's ToRs are consistent with CIPFA best practice guidance (although the latest Guidance is currently being reviewed with any changes to the ToRs to be considered by the Committee). Internal audit is an independent,

objective assurance and consulting activity designed to add value and improve the City Council's operations.

Operationally it sits under the Chief Executive and has freedom to report to any level within the organisation.

### **Audit Plan, Progress Reports, and the Annual Internal Audit Report**

The Audit Committee approves the Annual Internal Audit Plan and the Internal Audit Strategy.

The work of internal audit is reviewed at each meeting. This review includes a summary of audit reports as well as performance against the plan and other measures. Most audits achieve a substantial level of assurance, although this has reduced from the previous year when the majority of audits achieved a high level of assurance. However, the level of high priority recommendations has reduced, with more medium priority recommendations. This level of assurance reflects that whilst there are some improvements needed in the application of controls to manage risks, the controls are still operating sufficiently. Those audits which require a greater degree of improvement are classed as having limited or no assurance. There has been one limited assurance report during 2022.

An Annual Report by the Audit Manager is presented to the Audit Committee following the end of the financial year, which also helps to support the Annual Governance Statement.

The 2021-22 Annual Internal Audit Report to the June 2022 meeting gave a Performing Well (green) assurance across areas of governance, risk, and financial control and a Performing Adequately (amber) assurance to internal control. In terms of internal control, this level of assurance was due to a number of factors including recovery from coronavirus, similar levels of assurance to last year, and there were a high number of actions remaining to be implemented.

During 2021-22 the team were without an Audit Manager for almost 5 months and a revised (reduced) plan was agreed by Audit Committee for the remainder of that year. Although a new Audit Manager was in post ahead of the 2022-23 year, unfortunately both the Principal Auditor and Auditor posts have now been vacant since September 2022. Whilst three recruitment exercises have been undertaken, it has still not been possible to recruit to these roles. Some additional capacity has been provided through the Assurance Lincolnshire partnership, as well as through some temporary resource and through the buying in of external support. However, there has still been a reduction in the number of audit days available and a revised (reduced) plan was agreed by Audit Committee in November 2022. The revised plan focuses on core financial audits and other key areas to enable internal audit to provide an annual opinion on the governance, risk and control environment at the year end. Work continues to recruit to these roles to ensure a full audit plan for 2023-24.

## **Counter Fraud**

The Committee also reviews counter-fraud arrangements and received an annual Fraud & Error Report in June 2022 and a six-monthly update in December 2022.

The Council is currently part of the Lincolnshire Counter Fraud Partnership (LCFP), a partnership of Lincolnshire Councils led by Lincolnshire County Council.

The focus of work in 2022-23 was to be around Money Laundering, council tax single person discount and Covid grants post assurance work. However, some projects have been delayed including the introduction of a continuous rolling review of the Council Tax single person discount, due to a re-prioritisation of resources to deliver the Council Tax Energy Rebate scheme, work will now commence on the review in early 2023.

The Committee considers relevant corporate counter fraud policies and any updates, as well as information on fraud risk and fraud training. It reviewed the Fraud Risk Register in March 2022, and the Whistle Blowing Policy in November 2022.

The Council's main fraud strategies and policies can be found on the Council's website.

The Council continues to be involved with the National Fraud Initiative (fraud and error) which involves national data matching using a range of Council data sources. Matches are received and reviewed by officers. Data submitted in 2020 was reviewed in 2021/22.

The cyber fraud threat is an ongoing risk and the Council continues to place high importance on cyber security and has included it as an Amber risk within the Fraud Risk Register. The Committee monitors agreed actions relating to anti-malware and is also monitoring IT Disaster recovery arrangements as this is currently a significant issue on the Annual Governance Statement.

The City of Lincoln Council is a "Friends Against Scams" organisation ([www.friendsagainstscams.org.uk](http://www.friendsagainstscams.org.uk)) to help protect the city's residents, staff, and members from becoming victims of scams. The partnership with a National Trading Standards body, involves encouraging staff and others to take part in scam awareness and advice training. The Council works with partners to publicise and warn against scams operating nationally and locally.

## **Audit Recommendations and Agreed Action**

Another important part of the Committee's role is helping to ensure that audit recommendations are implemented. The Committee ensures that officers are acting on recommendations from both internal and external audit with updates being received at alternating meetings. Committee agreed a revised Follow up protocol in July 2022 aimed at strengthening the process.

The Audit Committee have asked for additional information on older outstanding recommendations and managers have attended to provide more detailed information.



This approach will continue and appears to have had a positive effect on the effective implementation of audit recommendations.

Audit recommendations are integrated into the Council's performance management system and are regularly reviewed by Managers, Directorate Management teams and Corporate Management Team (CMT) as well as Portfolio holders. The number of high priority recommendations outstanding is low.

### **Assurance Lincolnshire Partnership**

The Council's Internal Audit Team is part of the wider Assurance Lincolnshire Partnership which includes the City of Lincoln Council, Lincolnshire County Council, and Nottinghamshire County Council. Assurance Lincolnshire provides internal audit services to ten Councils in Lincolnshire and Nottinghamshire (including the three core partners).

The partnership continues to make good progress and yields positive benefits for the internal audit service in Lincoln.

Whilst the Audit Team is still committed to providing Audit staff to undertake audit work for Lincolnshire County Council, as a way of reducing the cost of audit for the Council, due to the current reduction in resources this has not been fully possible during 2022-23. However, reflecting the positive benefits to the audit service in Lincoln, the partnership has been able to provide Audit staff to the Council to support delivery of its 2022-23 audit plan.

### **Audit Standards**

I am very pleased to report on behalf of the Committee that the City of Lincoln Council and the wider Assurance Lincolnshire partnership received their external quality assessment review (EQA) in February 2022 undertaken by CIPFA. Overall, the assessor concluded that the Partnership Fully Conformed to the requirements of the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note. One action (low priority) and five enhancements (advisory) were made, these will be included in the Council's Quality Assurance Improvement Plan (QAIP).

The Internal Audit function are very pleased with the outcome of the External Quality Assessment. They pride themselves on being an experienced, competent and innovative internal audit provider, who strives to maintain and develop its service by embedding quality in all elements of internal audit activity. This assessment helps provide confidence to the Council over the quality of the service and the excellent people who deliver its internal audit work and plan.

### **Audit Committee Work Programme**

The Committee receives reports mainly from the Audit Manager, the Chief Finance Officer and the External Auditor covering a wide range of topics. A selection of areas covered / reviewed this year includes:

- Annual Governance Statement (review of AGS and update reports on significant issues)
- Information Governance updates
- Statement of Accounts (review)
- Treasury Management Policy and Strategy (consultation prior to approval by Council)
- Annual Internal Audit Report
- Internal Audit Strategy and Plan
- Internal Audit progress reports
- Counter Fraud Reports
- Risk Management Annual Report
- Report to those Charged with Governance
- Annual Audit Letter (External Audit)
- Partnership Governance
- CIPFA Financial Management Code

The Audit Committee receives an annual “Combined Assurance” report. Working with management, Internal Audit records first, second and third line assurances for all of the key areas of Council business. The aim is to give senior management and the Audit Committee an insight on assurances across all critical activities, key risks, and projects. Assurances are drawn from the “three lines of defence” including management, corporate business assurance functions such as performance management, and internal audit plus other third parties. The report also feeds into the Audit Manager’s annual internal audit opinion, internal audit plan and annual governance statement. The next report will be presented to the Audit Committee in March 2023.

### **External Audit Arrangements, Reports and Conclusions**

The external auditor’s primary role is to express an opinion on whether management has given a true and fair view of the information in its financial statements. The auditor expresses this assurance in an auditor’s report.

External auditors also examine and express an opinion on grant claims and returns made by the Council, to ensure that accurate figures are reported to Central Government, and that claims for grant funding are made in accordance with relevant rules.

Currently, External Audit assess whether the Council has appropriate arrangements to deliver value for money and this is also reported annually.

The Council's external audit for 2021-22 was provided by a private sector accountancy firm, Mazars, procured through Public Sector Audit Appointments.

The Audit Committee has a role to comment on the scope and depth of external audit work, through considering plans and reports to ensure the work gives value for money.

The Committee considers the reports of External Audit and inspection agencies, including the External Auditor's "Annual Auditor Letter" and the report to "Those Charged with Governance."

The Committee has considered the 2021/22 report to "Those Charged with Governance". On behalf of the Committee, I am pleased to report that the 2021/22 final accounts were presented by the Council for audit by the required (revised) statutory date and the External Auditor was proposing to issue an unqualified opinion (at the time of writing this is still pending). As part of the audit work undertaken, Mazars considered the internal controls in place to be relevant to the preparation of the financial statements. The findings of this work resulted in one level 3 (low) priority recommendation being made in respect of journals, which will be addressed.

The External Auditor also confirmed that it has not identified any significant weaknesses in the Council's arrangements for securing economy, efficiency, and effectiveness in its use of resources (value for money approach), again the conclusion of this work is still pending.

## **Regulatory Framework**

### **Risk Management**

The Committee has a role (through its ToRs) in overseeing risk management strategies and receives an annual report. I am pleased to report that risk management arrangements are working well, and risk management is used effectively to help manage our strategic, operational and project risks.

### **Financial Statements**

The Committee reviews the authority's financial and assurance statements, including the Statement of Accounts and the Annual Governance Statement, ensuring the latter properly reflects the risk environment and any actions required to improve it and then to recommend its adoption.

### **Annual Governance Statement and Code of Corporate Governance**

The Annual Governance Statement is a statutory statement and provides an overview of key governance arrangements within the Authority, including any significant control issues arising during the year. This is signed by the Leader of the Council and Chief Executive and is presented to Council alongside the Statement of Accounts. The Audit

Committee monitors all “significant issues” arising from the Statement approximately each quarter. There is currently one “significant issue” in respect of IT Disaster Recovery which has an Amber rating. Good progress is being made to mitigate the risks identified.

City of Lincoln Council must ensure that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, and used economically, efficiently, and effectively. It also has a duty under the Local Government Act 1999 to secure continuous improvement in the way our functions are exercised, having regard to economy, efficiency, and effectiveness. In discharging this overall responsibility, the council must put in place proper governance arrangements for our affairs.

The Council’s Code of Corporate Governance is about how we ensure that we are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest, and accountable manner. It sets out the documentation, systems, and processes by which the authority transparently controls its activities. It enables us to monitor the achievement of our strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money. The Audit Committee approves the Code of Corporate Governance and updates – it was last reviewed in February 2022. The code is based on the set of seven core principles of Delivering Good Governance in Local Government (CIPFA / Solace 2016).

### **Treasury Management**

The Committee’s role is to assess the robustness of the Council’s Treasury Management policy and strategy. Training is provided to the Committee by the Council’s Treasury Management consultants. The Committee reviews the strategy and considers the adoption of Treasury Management indicators prior to Council approval.

### **The Council’s Constitution**

The Committee has a role in reviewing certain aspects of the Council’s Constitution, in particular contract procedure rules and financial procedure rules when changes occur. Financial Procedure Rules were reviewed in November 2022, with Contract Procedure Rules scheduled for later in 2023.

### **Effective Challenge**

The Committee provides effective challenge across the full range of Council services and provides independent assurance on the risk management and governance framework and associated internal control environment to the Council and the public.

The Committee has received a variety of reports from both Internal and External Audit during the year. It has scrutinised and challenged the findings of audit reports on risk and control issues, sought clarification and in some cases required detailed explanations and action plans to address significant issues.

## **Impact of the Audit Committee's Work**

By completing the work programme and providing challenge where required, the Audit Committee has:

- increased public confidence in the Council's governance arrangements
- reinforced the importance and independence of internal and external audit and other review processes that reported to the Audit Committee
- assisted in the co-ordination of assurance with internal audit and, in so doing, made management more accountable
- provided additional assurance through a process of independent and objective review; and raised awareness of the need for internal control and
- helped ensure the timely implementation of audit recommendations.

## **Conclusions**

This annual report has summarised the work of the Audit Committee over the last twelve months and has demonstrated the breadth and impact of the Committee's work.

I confirm, therefore, that the City Council's Audit Committee and Audit function is consistent with best practice

In conclusion, I would like to express my appreciation and thanks to Jackie Kirk Vice-Chair, Jane Nellist, the Independent Member, to all of those elected members who have served on the Committee, to Jaclyn Gibson, Colleen Warren, and the Finance team, Amanda Stanislawski and the Internal Audit team, Sally Brooks and all of those officers that have provided reports, training, and guidance to the Committee.

**Councillor Rebecca Longbottom**  
**Chair of Audit Committee**

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**SUBJECT: FEES AND CHARGES**

**DIRECTORATE: COMMUNITIES & ENVIRONMENT**

**CHIEF EXECUTIVE AND TOWN CLERK**

**REPORT AUTHORS: JACLYN GIBSON, CHIEF FINANCE OFFICER**

**KIERON MANNING, ASSISTANT DIRECTOR, PLANNING**

**SIMON COLBURN, ASSISTANT DIRECTOR, HEALTH & ENVIRONMENT**

## 1. Purpose of Report

1.1 To report for information the amendment to fees and charges, which were applied with effect from 1<sup>st</sup> December 2022, in respect of:

- Car Parking
- Crematorium
- Christmas Market

## 2. Background

2.1 The Council approved a balanced budget for 2022/23 in March 2022, but much has changed since that point. Spiralling inflation, soaring energy prices and nationally agreed pay agreements are set to add significant cost pressures to the Council's budgets. These are in the main part caused by national issues, beyond the Council's control, and are impacting all Councils. In addition, the current cost of living crisis has the potential to increase demand for the Council's services by those who rely on the safety net provided by local government. These unforeseen and unavoidable pressures have seriously impacted the assumptions that underpin the MTFS. As a result of these pressures, the General Fund is currently forecasting a significant financial shortfall for 2022/23.

2.2 The impact of these new financial pressures the Council is facing cannot be underestimated and are not solely related to 2022/23. These inflationary increases will permanently increase the cost base of the Council and will have implications for the Medium-Term Financial Strategy.

2.3 As a result, the Council has implemented a range of mitigation actions, as part of a financial recovery programme, to ensure it retains a sustainable financial position in 2022/23, whilst a new Towards Financial Sustainability Programme is developed for the medium-term.

### **3. Amendments to Fees & Charges – Crematorium and Car Parking Sessional Fees**

- 3.1 In response to the significant cost pressures that the Council was facing, a range of mitigating actions were developed in order to reduce expenditure or increase income levels. This included a review of fees and charges income to identify any areas where the cost of service provision had significantly increased. This review identified that the cost of maintaining and servicing the Council's car parks, primarily the running costs of the multi-storey car parks, and the cost of providing cremation services had both increased both significantly, primarily due to soaring energy prices and contractual commitments.
- 3.2 Increased fees and charges for these two specific service areas, to reflect the increase in their operating costs, were therefore agreed to be applied with effect from 1<sup>st</sup> December 2022. These increases were agreed under delegated authority, as per Financial Procedure Rules (forming part of the Council's Constitution), which allows the relevant Assistant Directors to amend fees and charges by +/- 50% following consultation with the Chief Finance Officer and the relevant Portfolio Holders.
- 3.3 In relation to cremation fees, an increase of 12.5% was applied. This related to both residents and non-residents. A revised schedule of charges is as set out in Appendix A.
- 3.4 In relation to car parking sessional fees, individual increases vary across the range of car parks and specific tariffs, with an average increase of £0.27p per tariff. The highest increase is £1. A revised schedule of charges is as set out in Appendix B

### **4. Amendments to Fees & Charges – Christmas Market**

- 4.1 The schedule of fees and charges for the Park & Ride element of the Christmas Market for 2022, were approved as part of the 2022/23 budget by Full Council in March 2022. However, the rounding of these charges was not applied, leaving the charges stated as pounds and pence. For ease and speed of payment, particularly for those customers using cash, it was agreed under delegation by the relevant Assistant Director that these charges would be rounded to the nearest pound as follows:

	<b>Approved 2022/23 Fees</b>	<b>Proposed 2022/23 Fees</b>
Pre Booking Online	£12.4	£12
Thursday	£13.4	£13
Friday	£14.4	£14
Saturday	£15.5	£15
Sunday	£14.4	£14
Minibus	£25.8	£25

- 4.2 The revised schedule for charges is set out in Appendix C.



## 5. Strategic Priorities

- 5.1 Income from fees and charges represents a significant proportion of the General Fund's overall revenue resources, supporting the delivery of the Council's MTFS and ultimately the Council's vision and strategic priorities.

## 6. Organisational Impacts

### 6.1 Finance

Financial procedure rule 7.1.4 allows the following:-

*In respect of services where fees and charges apply or may apply in circumstances where services are obliged through regulations to achieve cost recovery or where other market led factors influence the service and its charging structure, the relevant Assistant Director has the discretion to amend the set fees and charges by +/- 50%, after consulting with the Chief Finance Officer and relevant Portfolio Holder. Such an occurrence shall be reported by the Assistant Director to full Council at the earliest opportunity.*

The increases being applied are less than +50% of the original fees for 2022/23. The Assistant Director for Health & Environment and the Assistant Director for Planning have therefore exercised their discretion in consultation with the relevant Portfolio Holders and the Chief Finance Officer in October 2022 and reported to full Council on the 17<sup>th</sup> January 2023, being the earliest opportunity after the charges were implemented, to do so.

The additional income generated by the increase in the car parking and crematorium fees and charges will be used to partially offset the significant budget shortfall, which is forecasted for 2022/23 and will contribute towards the ongoing budget pressures that the Council faces over the period of the MTFS. The additional income forecasted to arise from these increases in fees and charges is follows:

	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Crematorium	48,210	132,640	136,620	140,720	144,940
Carparking	196,690	144,370	148,700	153,170	157,760
<b>Total</b>	<b>244,900</b>	<b>277,010</b>	<b>285,320</b>	<b>293,890</b>	<b>302,700</b>

There are no specific financial implications arising from the amendments to the Christmas Market fees and charges.

### 6.2 Legal Implications including Procurement Rules

There are no specific legal implications arising as a result of this report. The delegation to vary set fees and charges is provided for within the Financial Procedure Rules section of the Council's Constitution.

### 6.3 Equality, Diversity and Human Rights

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

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

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

The potential for any Equality and Diversity issues to arise has been considered and it is concluded that no issues relating to this, nor the Human Rights Act 1988 are relevant.

## 7. Risk Implications

- 7.1 Any increase in fees and charges increases the risk that demand will be detrimentally impacted. In forecasting the likely levels of additional income to be generated from the in-year increases, an estimate of a potential reduction in demand/usage has been provided for.

Due to the reliance of income from fees and charges in MTFS and the sensitivity of them to changes a thorough risk assessment is undertaken as part of the MTFS and monitored on a regular basis with key income budgets reported to the Executive and Performance Scrutiny Committee on a quarterly basis.

## 8. Recommendation

- 8.1 That Council notes the amendment of Car Parking, Crematorium and Christmas Market Fees and Charges in accordance with the relevant financial procedure rules.

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

Three

**List of Background Papers:**

None

**Lead Officer:**

Jaclyn Gibson, Chief Finance Officer  
Jaclyn.gibson@lincoln.gov.uk

**ENVIRONMENT- FEES AND CHARGES WEF 01/04/2022 - 31/03/2023**

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

	<b>PREVIOUS 2020/21</b>	<b>PREVIOUS 2021/22</b>	<b>CURRENT 2022/23 01/04/22</b>	<b>CURRENT 2022/23 01/12/22</b>
			-	-
			<b>30/11/22</b>	<b>31/03/23</b>
	<b>£</b>	<b>£</b>	<b>£</b>	

**CREMATION FEES**

Body Parts/Slides/Blocks	80.00	83.00	<b>85.00</b>	<b>95.00</b>
Child up to sixteen years	No Charge	No Charge	<b>No Charge</b>	<b>No Charge</b>
Person over sixteen years (Fee inclusive of Urn, Medical Refs Fee & Cremation Certificate)	780.00	805.00	<b>830.00</b>	<b>935.00</b>
Charge for non-city residents :				
Person over sixteen years (Fee inclusive of Urn, Medical Refs Fee & Cremation Certificate)	780.00	805.00	<b>830.00</b>	<b>935.00</b>
Service Extension (20 min period)	180.00	185.00	<b>190.00</b>	<b>215.00</b>

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**PARKING SERVICES - FEES AND CHARGES WEF 01/04/2022 - 31/03/2023**

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

	PREVIOUS 2020/21	PREVIOUS 2021/22	CURRENT 2022/23 01/04/22 -30/11/22	CURRENT 2022/23 01/12/22 -31/03/23	
	£	£	£		
- Lucy Tower Street					
1 hour	1.60	1.80	1.80	2.20	inc VAT
2 hours	3.20	3.40	3.50	3.90	inc VAT
3 hours	4.80	5.00	5.00	5.50	inc VAT
4 hours	6.20	6.40	6.50	6.70	inc VAT
Over 4 hours and up to 8am next day	8.50	8.50	8.50	9.00	inc VAT
Evening Charge	3.80	4.00	4.00	4.50	inc VAT
- City Hall (Season Tickets Prohibited)					
1 hour	1.60	1.80	1.80	2.20	inc VAT
2 hours	3.20	3.40	3.50	3.90	inc VAT
3 hours	4.80	5.00	5.00	5.50	inc VAT
4 hours	6.20	6.40	6.50	6.70	inc VAT
Over 4 hours and up to 8am next day	8.50	8.50	8.50	9.00	inc VAT
Evening Charge	3.80	4.00	4.00	4.50	inc VAT
- Motherby Lane (Season Tickets Prohibited)					
1 hour	1.60	1.80	1.80	2.20	inc VAT
2 hours	3.20	3.40	3.50	3.90	inc VAT
3 hours	4.80	5.00	5.00	5.50	inc VAT
4 hours	6.20	6.40	6.50	6.70	inc VAT
Over 4 hours and up to 8am next day	8.50	8.50	8.50	9.00	inc VAT
Evening Charge	3.80	4.00	4.00	4.50	inc VAT
- Flaxengate					
1 hour	1.60	1.80	1.80	2.20	inc VAT
2 hours	3.20	3.40	3.50	3.90	inc VAT
3 hours	4.80	5.00	5.00	5.50	inc VAT
4 hours	6.20	6.40	6.50	6.70	inc VAT
Over 4 hours and up to 8am next day	8.50	8.50	8.50	9.00	inc VAT
Evening Charge	3.80	4.00	4.00	4.50	inc VAT
- Tentercroft Street					
1 hour	1.60	1.80	1.80	2.20	inc VAT
2 hours	3.20	3.40	3.50	3.90	inc VAT
3 hours	4.80	5.00	5.00	5.50	inc VAT
4 hours	6.20	6.40	6.50	6.70	inc VAT
Over 4 hours and up to 8am next day	8.50	8.50	8.50	9.00	inc VAT
Evening Charge	3.80	4.00	4.00	4.50	inc VAT
- Lincoln Central Car Park					
1 hour	1.60	1.80	1.80	2.20	inc VAT
2 hours	3.20	3.40	3.50	3.90	inc VAT
3 hours	4.80	5.00	5.00	5.50	inc VAT
4 hours	6.20	6.40	6.50	6.70	inc VAT
Over 4 hours and up to 8am next day	8.50	8.50	8.50	9.00	inc VAT
Evening Charge	3.80	4.00	4.00	4.50	inc VAT
- Castle (Season Tickets Prohibited)					
1 hour	1.80	1.90	1.90	2.00	inc VAT
2 hours	3.00	3.20	3.20	3.50	inc VAT
3 hours	5.00	5.20	5.50	5.50	inc VAT
4 hours	6.00	6.00	6.20	6.50	inc VAT
Over 4 hours and up to 8am next day	8.50	8.80	9.00	9.00	inc VAT
Evening Charge	3.50	3.80	4.00	4.50	inc VAT

**PARKING SERVICES - FEES AND CHARGES WEF 01/04/2022 - 31/03/2023**

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

	PREVIOUS 2020/21	PREVIOUS 2021/22	CURRENT 2022/23 01/04/22 -30/11/22	CURRENT 2022/23 01/12/22 -31/03/23	
	£	£	£		
- Westgate (Season Tickets Prohibited)					
1 hour	1.80	1.90	1.90	2.00	inc VAT
2 hours	3.00	3.20	3.20	3.50	inc VAT
3 hours	5.00	5.20	5.50	5.50	inc VAT
4 hours	6.00	6.00	6.20	6.50	inc VAT
Over 4 hours and up to 8am next day	8.50	8.80	9.00	9.00	inc VAT
Evening Charge	3.50	3.80	4.00	4.50	inc VAT
- The Lawn Complex					
1 hour	1.80	1.90	1.90	2.00	inc VAT
2 hours	3.00	3.20	3.20	3.50	inc VAT
3 hours	5.00	5.20	5.50	5.50	inc VAT
4 hours	6.00	6.00	6.20	6.50	inc VAT
Over 4 hours and up to 8am next day	8.50	8.80	9.00	9.00	inc VAT
Evening Charge	3.50	3.80	4.00	4.50	inc VAT
- Langworthgate					
1 hour	1.80	1.90	1.90	2.00	inc VAT
2 hours	3.00	3.20	3.20	3.50	inc VAT
3 hours	5.00	5.20	5.50	5.50	inc VAT
4 hours	6.00	6.00	6.20	6.50	inc VAT
Over 4 hours and up to 8am next day	8.50	8.80	9.00	9.00	inc VAT
Evening Charge	3.50	3.80	4.00	4.00	inc VAT
- St Pauls (Season Tickets Prohibited)					
1 hour	1.80	1.90	1.90	2.00	inc VAT
2 hours	3.00	3.20	3.20	3.50	inc VAT
3 hours	5.00	5.20	5.50	5.50	inc VAT
Evening Charge	3.50	3.80	4.00	4.00	inc VAT
- Broadgate					
1 hour	1.50	1.50	1.60	1.80	inc VAT
2 hours	2.80	3.00	3.00	3.00	inc VAT
3 hours	4.20	4.30	4.50	4.50	inc VAT
Over 4 hours and up to 8am next day	6.00	6.00	6.00	6.80	inc VAT
Evening Charge	2.80	2.80	3.00	3.00	inc VAT
- Chaplin Street					
1 hour	1.50	1.50	1.60	1.80	inc VAT
2 hours	2.80	3.00	3.00	3.00	inc VAT
3 hours	4.20	4.30	4.50	4.50	inc VAT
Over 4 hours and up to 8am next day	6.00	6.00	6.00	6.80	inc VAT
Evening Charge	2.80	2.80	3.00	3.00	inc VAT
- Rosemary Lane (Season Tickets Prohibited)					
1 hour	1.50	1.50	1.60	1.80	inc VAT
2 hours	2.80	3.00	3.00	3.00	inc VAT
3 hours	4.20	4.30	4.50	4.50	inc VAT
Over 4 hours and up to 8am next day	6.00	6.00	6.00	6.80	inc VAT
Evening Charge	2.80	2.80	3.00	3.00	inc VAT
- Weekend/Bank Holiday					
Up to 2 Hours	2.50	2.80	3.00	3.00	inc VAT
24 hours	4.00	4.00	4.50	5.00	inc VAT
Evening Charge	2.80	2.80	3.00	3.00	inc VAT

**PARKING SERVICES - FEES AND CHARGES WEF 01/04/2022 - 31/03/2023**

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

	PREVIOUS 2020/21	PREVIOUS 2021/22	CURRENT 2022/23 01/04/22 -	CURRENT 2022/23 01/12/22 -	
	£	£	30/11/22 £	31/03/23	

**OTHER**

- Car Park Evening Permit	97.50	100.00	103.00	103.00	inc VAT
- 7 Day Scratch Cards	44.00	45.00	45.00	45.00	inc VAT
- Evening Scratch Card (All sites)	25.00	25.00	25.00	25.00	inc VAT
- Hampton/Hermit Street Compound	139.00	145.00	149.00	149.00	inc VAT
- Motorcycle parking where available	2.50	2.50	2.50	3.00	inc VAT

**Additional Information:**

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

<b>1 hour paid</b>	<b>1 extra hour</b>	<b>(2 hours parking)</b>
<b>2 hours paid</b>	<b>2 extra hours</b>	<b>(4 hours parking)</b>
<b>3 hours paid</b>	<b>3 extra hours</b>	<b>(6 hours parking)</b>
<b>4 hours paid</b>	<b>All Day</b>	
<b>24 hours paid</b>	<b>To end of day on which ticket expires</b>	

**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) £5 all day during the months of July and August

**CHRISTMAS SHOPPING**

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

Applicable to Pay by Phone on selected Thurs/Fri/Sat/Sun from Christmas Lights ceremony to Christmas Eve) Free parking between 16:00 hrs to 08:00 hrs

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**REGENERATION & TOURISM- FEES AND CHARGES WEF 01/04/2022 - 31/03/2023**SERVICE : **CHRISTMAS MARKET**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2020/21 £	PREVIOUS 2021/22 £	CURRENT 2022/23 £	
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**PARK AND RIDE**

Pre Booking Online	12.00	12.00	12.00	inc VAT
None Pre Booked				
Thursday	13.00	13.00	13.00	inc VAT
Friday	14.00	14.00	14.00	inc VAT
Saturday	15.00	15.00	15.00	inc VAT
Sunday	14.00	14.00	14.00	inc VAT
Mini Bus	25.00	25.00	25.00	inc VAT

**MARKET RIGHTS**

Market Rights - Per Stall*	2.5 x Normal License Fee	2.5 x Normal License Fee	2.5 x Normal License Fee	
*During market period				

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<b>SUBJECT:</b>	<b>EXTRACT FROM COMMITTEE: EXECUTIVE – 3 JANUARY 2023 - COUNCIL TAX BASE 2023/24</b>
<b>REPORT BY:</b>	<b>CHIEF EXECUTIVE AND TOWN CLERK</b>
<b>LEAD OFFICER:</b>	<b>ALI HEWSON, SENIOR DEMOCRATIC SERVICES OFFICER</b>

**1. Matter for Council**

- 1.1 To note 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 in respect of its Council Tax Base;
- 1.2 To approve the Chief Finance Officers' calculation of the Council Tax Base for the financial year commencing 1<sup>st</sup> April 2022 and ending 31<sup>st</sup> March 2023.
- 1.3 To approve, 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 2023/24 financial year is 25,249.48.

**List of Background Papers:** Executive– 3 January 2023, Minute.  
Council Tax Base 2023/24 - Report +App A/B

**Lead Officer:** Ali Hewson, Senior Democratic Services Officer  
Telephone – 873370

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**SUBJECT: COUNCIL TAX BASE 2023/24**

**DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK**

**LEAD OFFICER: MARTIN WALMSLEY, ASSISTANT DIRECTOR – SHARED REVENUES AND BENEFITS**

## **1. Purpose of Report**

- 1.1 The purpose of this report is to seek Executives' recommendation of the Council Tax Base for the financial year 2023/24.

## **2. Executive Summary**

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

## **3. Background**

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

## **4. Special Items**

- 4.1 Before setting the Council Tax Base, the issue of any special items relating to a part of the Council's area must be considered. If there are any items of expenditure that relate to one part of the local authority area, then that expenditure can be levied on those residents in that area and not on others.
- 4.2 There are no items of special expenditure.

## **5. Council Tax Base**

- 5.1 Certain assumptions have to be made in order to determine the number of dwellings within the Authority's area, and these are set out in Appendix A.
- 5.2 The calculation of the Council Tax Base, detailed in Appendix B, is based upon the number of dwellings on the Valuation List, provided by the Government's Valuation Office. The figures are adjusted for exempt dwellings and for dwellings subject to disabled reduction. The number of chargeable dwellings in each band is further adjusted for discounts, exemptions, premiums, and Council Tax Support. The resultant figure is the total equivalent number of dwellings which are then converted using ratios into the number of Band D equivalents. For 2023/24, the equivalent number of Band D properties is calculated at 25,636.01
- 5.3 The Council Tax Base is finally determined by multiplying the sum of the Band D equivalents by the Authority's estimated collection rate, which has been assumed

at 98.25% for 2023/24. This is the estimate of the percentage of the 2023/24 Council Tax set which will be collected in total, and not the expected in-year collection rate in 2023/24. This results in a proposed Council Tax base for 2023/24 of 25,249.48.

## **6. Strategic Priorities**

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

## **7. Organisational Impacts**

7.1 Financial

The Council must confirm its Council Tax Base as a pre-requisite to setting the Council Tax charge for 2023/24.

7.2 Legal Implications

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

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.

Due to the nature of the report, no specific Equality Impact Analysis is required.

## **8. Risk Implications**

8.1 The key risk associated to this report are financial, in terms of the accuracy of the forecasted Council Tax Base. Any variance between the Base and the final Council Tax liability in 2023/24 will result in the declaration of either a surplus or deficit on the Collection Fund.

## **9. Recommendations**

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

- a) Notes that there are no special items as defined in Section 35 of the Local Government Finance Act 1992 (as amended) applicable to any part or parts of the City of Lincoln local authority area;
- b) Approves the Chief Finance Officers' calculation of the Council Tax Base for the financial year commencing 1<sup>st</sup> April 2022 and ending 31<sup>st</sup> March 2023, as set out in Appendix B of this report;
- c) Approves, in accordance with the Chief Finance Officers' calculation, and pursuant to the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended), that the Council Tax Base for the 2023/24 financial year is 25,249.48.

<b>Key Decision</b>	No
<b>Do the Exempt Information Categories Apply</b>	No
<b>Call In and Urgency:</b> Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
<b>Does the report contain Appendices?</b>	Yes
<b>If Yes, how many Appendices?</b>	Two
<b>List of Background Papers:</b>	None
<b>Lead Officer:</b>	Martin Walmsley, Assistant Director – Shared Revenues and Benefits, Telephone (01522) 873597



## APPENDIX A: Executive 3<sup>rd</sup> January 2023

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

<b>Number of Dwellings:</b>	The number of dwellings on the Council's database as at 30 <sup>th</sup> November 2022.
<b>Exempt properties:</b>	These are laid down by Regulations and are properties exempt from Council Tax, e.g., student occupied property. The total in each of the exemption categories has been calculated as at 30 <sup>th</sup> November 2022 and it has been assumed that the exemption will remain throughout 2023/24.
<b>Disabled relief:</b>	These are properties that are occupied by disabled persons and may be placed in a lower valuation band if they fulfil the criteria laid down by the Regulations. The number of these properties has been calculated at 30 <sup>th</sup> November 2022 and it has been assumed that the relief will remain throughout 2023/24.
<b>Discounts on relevant Day – i.e., 25%, 50%, 10% + 100% levy:</b>	These are laid down by Regulations, in addition to technical changes introduced from April 2013, and are properties subject to a percentage discount from the Council Tax, i.e., second homes, single person households or empty properties. The total in each of the discount categories has been calculated as at 30 <sup>th</sup> November 2022 and it has been assumed that the discount will remain throughout 2023/24.
<b>Net additions expected In year:</b>	This is an estimate of the number of dwellings known to be currently under construction plus the anticipated number to be constructed throughout 2023/24. Account is taken where dwellings will not come into a charge until part way through the year. Adjustments to discounts and exemptions and appeals are also taken into account.
<b>Council Tax Support:</b>	These are estimates of the amount of Council Tax Support to be granted in 2023/24 (localised replacement scheme for Council Tax Benefit from April 2013).
<b>Collection Rate:</b>	It is assumed that 98.25% of the Council Tax due for 2023/24 will be collected.

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## Appendix B

### City of Lincoln - 2023/24 Council Tax Base Estimate as at 30th November 2022 / Executive 3<sup>rd</sup> January 2023 - Appendix B

Valuation Bands	A-	A	B	C	D	E	F	G	H	Year 2023/24
VO Schedule		28305.00	9073.00	4925.00	2551.00	1436.00	516.00	136.00	46.00	46988.00
Exemptions Under Classes B,D-W		-2260.00	-439.00	-208.00	-104.00	-315.00	-124.00	-3.00	-22.00	-3475.00
<b>Subtotal</b>		<b>26045.00</b>	<b>8634.00</b>	<b>4717.00</b>	<b>2447.00</b>	<b>1121.00</b>	<b>392.00</b>	<b>133.00</b>	<b>24.00</b>	<b>43513.00</b>
Disabled bands		51.00	51.00	43.00	28.00	12.00	7.00	4.00	8.00	204.00
adjusted disabled band	51.00	51.00	43.00	28.00	12.00	7.00	4.00	8.00		204.00
<b>Subtotal</b>	<b>51.00</b>	<b>26045.00</b>	<b>8626.00</b>	<b>4702.00</b>	<b>2431.00</b>	<b>1116.00</b>	<b>389.00</b>	<b>137.00</b>	<b>16.00</b>	<b>43513.00</b>
25% Discounts	-5.25	-3116.00	-709.50	-342.00	-142.25	-53.50	-18.50	-2.25	0.00	-4389.25
50% Discounts	0.00	-13.00	-5.50	-2.00	-3.00	-2.00	-2.00	-5.50	-4.00	-37.00
100% Discounts	0.00	-133.00	-20.00	-9.00	-2.00	-1.00	0.00	0.00	-1.00	-166.00
50% levy (Premium on empty homes - discretionary)	0.00	0.50	0.00	0.00	0.50	0.00	0.00	0.00	0.00	1.00
100% Levy (Premium on homes empty 2-5 years)	0.00	55.00	11.00	2.00	5.00	2.00	2.00	1.00	0.00	78.00
200% Levy (Premium on homes empty 5-10 years)	0.00	30.00	2.00	0.00	0.00	2.00	0.00	0.00	0.00	34.00
300% Levy (Premium on homes empty 10+ years)	0.00	54.00	6.00	3.00	0.00	0.00	0.00	3.00	0.00	66.00
Council Tax Support (Pension Age)	-3.42	-1573.14	-257.78	-104.46	-17.71	-7.65	-0.99	0.00	0.00	-1965.15
Council Tax Support (Working Age)	-20.69	-3848.25	-281.33	-57.24	-19.02	-6.12	-0.88	0.00	0.00	-4233.53
Estimated Future Adjustment	0.00	200.00	40.00	10.00	5.00	3.00	1.00	1.00	0.00	260.00
Adjusted dwellings	21.63	17701.11	7410.89	4202.29	2257.53	1052.74	369.62	134.25	11.00	33161.06
RATIO TO BAND D	5/9th	6/9th	7/9th	8/9th	9/9th	11/9th	13/9th	15/9th	18/9th	
Band D equivalent	<b>12.02</b>	<b>11800.74</b>	<b>5764.02</b>	<b>3735.37</b>	<b>2257.53</b>	<b>1286.68</b>	<b>533.90</b>	<b>223.75</b>	<b>22.00</b>	<b>25636.01</b>
Less Estimated non-collection (1.75%)	-0.21	-206.51	-100.87	-65.37	-39.51	-22.52	-9.34	-3.92	-0.39	-448.63
Crown properties (Band D Equivalent )		0.00	5.06	23.56	33.50					62.10
<b>Council Tax Base</b>	<b>11.81</b>	<b>11594.23</b>	<b>5668.21</b>	<b>3693.56</b>	<b>2251.52</b>	<b>1264.16</b>	<b>524.56</b>	<b>219.83</b>	<b>21.62</b>	<b>25249.48</b>

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**67. Council Tax Base 2023/24**

Purpose of Report

To seek the Executive's recommendation to the City Council of the Council Tax Base for the financial year 2023/24.

Decision

That it be recommended to the City of Lincoln Council that:

- a) It be noted that there were no special items as defined in Section 35 of the Local Government Finance Act 1992 (as amended) applicable to any part or parts of the City of Lincoln local authority area;
- b) The Chief Finance Officer's calculation of the Council Tax Base for the financial year commencing 1 April 2023 and ending 31 March 2024, as set out in Appendix B of this report be approved;
- c) In accordance with the Chief Finance Officer's calculation, and pursuant to the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended), that the Council Tax Base for the 2023/24 financial year be 25,249.48.

Alternative Options Considered and Rejected

None. There was a requirement to set the Council Tax base for the City of Lincoln area for each ensuing financial year, in accordance with the Local Government Finance Act 1992 and Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended).

Reasons for the Decision

Before setting the Council Tax Base, the issue of any special items relating to a part of the Council's area must be considered. If there were any items of expenditure that related to one part of the local authority area, then that expenditure could be levied on those residents in that area and not on others. There were no items of special expenditure for the 2023/24 financial year.

The calculation of the Council Tax Base, was based upon the number of dwellings on the Valuation List, provided by the Government's Valuation Office. The figures were adjusted for exempt dwellings and for dwellings subject to disabled reduction. The number of chargeable dwellings in each band was further adjusted for discounts, exemptions, premiums, and Council Tax Support. The resultant figure was the total equivalent number of dwellings which were then converted using ratios into the number of Band D equivalents. For 2023/24, the equivalent number of Band D properties was calculated at 25,636.01.

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<b>SUBJECT:</b>	<b>EXTRACT FROM COMMITTEE: EXECUTIVE – 3 JANUARY 2023 – LOCALISED COUNCIL TAX SUPPORT SCHEME 2023/24</b>
<b>REPORT BY:</b>	<b>CHIEF EXECUTIVE AND TOWN CLERK</b>
<b>LEAD OFFICER:</b>	<b>ALI HEWSON, SENIOR DEMOCRATIC SERVICES OFFICER</b>

**1. Matter for Council**

- 1.1 To approve a 'no change' to the core Council Tax Support Scheme for the financial year 2023/24.
- 1.2 To approve an Exceptional Hardship Fund of £25,000 to be available for the financial year 2023/24.
- 1.3 To give approval for further detailed modelling of a Universal Credit banded scheme from 2024/25 to be undertaken, with a view to consulting on such a scheme for 2024/25.

**List of Background Papers:** Executive– 3 January 2023, Minute.  
Localised Council Tax Support Scheme 2023/24 – Report + App1-4

**Lead Officer:** Ali Hewson, Senior Democratic Services Officer  
Telephone – 873370

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<b>SUBJECT:</b>	<b>LOCALISED COUNCIL TAX SUPPORT SCHEME 2023/24</b>
<b>DIRECTORATE:</b>	<b>CHIEF EXECUTIVE &amp; TOWN CLERK</b>
<b>REPORT AUTHOR:</b>	<b>MARTIN WALMSLEY, ASSISTANT DIRECTOR – SHARED REVENUES AND BENEFITS</b>

## 1. Purpose of Report

- 1.1 To provide information regarding the outcome of consultation regarding 2023/24 Council Tax Support scheme options.
- 1.2 To propose options for a Council Tax Support scheme for the 2023/24 financial year, which must be approved by Council before 31<sup>st</sup> January 2022.

## 2. Background

- 2.1 The Council Tax Benefit system was abolished on 31<sup>st</sup> March 2013 and replaced by the Council Tax Support (CTS) Scheme. This scheme can be determined locally by the Billing Authority having had due consultation with precepting authorities, key stakeholders and residents. As at 24<sup>th</sup> August 2022, there were 8,441 residents claiming Council Tax Support in the City of Lincoln. 2,636 are pensioners who are protected under the legislation and receive CTS as prescribed by the Government (broadly similar to the level of Council Tax Benefit). It is the 5,805 working age (including those classified as 'vulnerable' for CTS purposes) claimants where a local scheme can be determined which can change the level of support provided.
- 2.2 Unless a decision by the Council is made to apply scheme changes to vulnerable working-age customers, the localised CTS scheme would historically only be applied to non-vulnerable working age. Vulnerable working-age customers are those that have one of the following for CTS purposes:
  - Disability Premium;
  - Enhanced Disability Premium;
  - Severe Disability Premium;
  - Disabled Child Premium;
  - In receipt of a war pension;
  - Qualifies for disabled or long-term sick earnings disregard;
  - Employment and Support Allowance (income-related, where the support or work-related component is received and has been recorded separately).

The split of the 5,805 working age CTS recipients is as follows:

- Working age – vulnerable: 3,110;
- Working age (not vulnerable): 2,695.

- 2.3 The initial City of Lincoln CTS Scheme from 2013/14 effectively 'protected' working age Council Tax payers seeking support, retaining eligible entitlement of up to 100% and not restricting other areas of entitlement calculation. However, in recent years the scheme has changed in light of increasing scheme costs and budget pressures.
- 2.4 The proposed CTS scheme must go through certain steps to comply with the provisions stated in the Local Government Finance Act 2012, before it can be adopted by this Council as a Billing Authority:-

- *Before making a scheme, the authority must (in the following order):-*
  - *Consult any major precepting authority which has power to issue a precept to it,*
  - *Publish a draft scheme in such manner as it thinks fit, and*
  - *Consult such other persons as it considers are likely to have an interest in the operation of the scheme.*

### 3. Changes in Caseload

- 3.1 Whilst for a period of time claimant levels remained stable, Covid-19 had an impact on the amount of CTS awarded, with significant increases in caseload and cost of the scheme.
- 3.2 The table below shows how Lincoln's CTS caseload has changed over the last three years.

	<b>Working age</b>	<b>Pension age</b>	<b>Total</b>
September 2019	5,639	2,903	8,542
October 2019	5,626	2,878	8,504
November 2019	5,578	2,881	8,459
December 2019	5,578	2,881	8,459
January 2020	5,601	2,865	8,466
February 2020	5,586	2,865	8,451
March 2020	5,638	2,853	8,491
April 2020	5,684	2,840	8,524
May 2020	5,972	2,835	8,807
June 2020	6,197	2,842	9,039
July 2020	6,159	2,832	8,991
August 2020	6,177	2,814	9,021
September 2020	6,225	2,806	9,031
October 2020	6,163	2,797	8,969
November 2020	6,193	2,786	8,979
December 2020	6,182	2,773	8,955
January 2021	6,227	2,754	8,981
February 2021	6,227	2,754	8,981
March 2021	6,227	2,747	8,974
April 2021	6,253	2,726	8,979
May 2021	6,250	2,726	8,976
June 2021	6,220	2,720	8,940

July 2021	6,191	2,718	8,909
August 2021	6,166	2,704	8,870
September 2021	6,120	2,679	8,799
October 2021	6,081	2,664	8,745
November 2021	6,042	2,653	8,695
December 2021	5,993	2,649	8,642
January 2022	5,924	2,642	8,566
February 2022	5,901	2,638	8,539
March 2022	5,898	2,645	8,543
April 2022	5,912	2,640	8,552
May 2022	5,882	2,636	8,518
June 2022	5,891	2,618	8,509
July 2022	5,846	2,626	8,472
August 2022	5,805	2,636	8,441

- 3.3 The level of CTS caseload is an important factor when considering the potential cost of a local CTS scheme – as effectively an increase in caseload increases the cost of the scheme, and vice versa the cost decreases when the CTS caseload reduces. Understandably, the Covid-19 pandemic had a direct impact on the number of residents claiming CTS. It can be seen that caseloads rose sharply in 2020 and 2021 as an outcome of the impact of Covid-19 on the economy and residents’ incomes. The caseload then plateaued somewhat before falling and returning back to pre-pandemic levels. However, with the ongoing cost of living pressures on residents there is the potential that the number of claimants may begin to increase again.

#### 4. City of Lincoln Council 2022/23 CTS Scheme

- 4.1 The current, 2022/23 scheme has the following restrictions for working age customers: -
- Capital limit £6,000;
  - Minimum entitlement of £2 per week;
  - Property banding capped at Band B e.g., a customer in Band C (and above) property, will only have their CTS calculated on Band B liability;
  - Backdating restricted to 1 month; and
  - Temporary absence from home in line with Housing Benefit regulations.

#### 5. Council Tax Support Scheme Options for 2023/24

- 5.1 In this Council’s Medium Term Financial Strategy (MTFS), the budgeted cost of the 2023/24 CTS scheme is £1,277,300 (i.e., City of Lincoln Council’s share 14.5%, - (with the estimated total scheme cost of c£8.8m dependent on increases in the main preceptors levels of Council Tax).

If the Council wishes to continue protecting vulnerable working age CTS recipients, then any changes to the CTS scheme will only apply to 2,695 customers or 34.92% of the caseload. Changes to the CTS scheme may be made for vulnerable working age customers too, however pension age residents are ‘protected’ and the ‘default’ government scheme effectively applies.

City of Lincoln’s CTS caseload as at 24<sup>th</sup> August 2022, can be broken down as follows:

Caseload breakdown	Caseload	% of total caseload
Total caseload	8,441	
Pensioner	2,636	31.23%
Working age vulnerable	3,110	36.84%
Working age non-vulnerable	2,695	34.92%

- 5.2 Based on the current core elements of the existing scheme, caseload increases of 0% and 5% have been modelled, along with Council Tax increases of 1.9% and 2.5%. These are summarised in **Appendix 1**, giving an indication of the potential cost and savings to City of Lincoln Council. Also included is the potential value for non-collection, based on the collection figure currently included in the MTFS (98.75%).
- 5.3 As a billing authority the Council can decide whether or not to amend core elements of its scheme each year. Proposed options for consultation that were considered by Executive on 17<sup>th</sup> October 2022, are included at Appendix 1 to this report.

There will be some technical changes that will still need to be applied to ensure that the Council's scheme complies with the Prescribed Scheme Regulations (for example, covering Universal Credit, premiums and discounts). These details are awaited from the Department for Levelling Up, Housing and Communities (DLUHC).

Technical amendments to the scheme in relation to uprating incomes, applicable amounts, disregards and allowances are to be collated once statutory details have been released by the Secretary of State.

- 5.4 In developing the modelling for each of the CTS scheme options a number of assumptions have been made, as follows:
- **No uprating of benefits figures** - although a figure of 10.1% benefits uprating has since been announced in the Autumn Statement, - impacts of this will be monitored and assessed going forward.
  - As the Council and major preceptors are likely to set differing levels of Council Tax increases, this creates a variety of modelling scenarios. **Council Tax increases of 1.9% and 2.5%** have therefore been assumed for modelling purposes. The final costs of the scheme will though be increased by the actual level of Council Tax increases applied. The modelling does not though take into consideration that the Council's percentage share of the overall cost of the scheme would slightly reduce if other preceptors increase their Band D by a greater percentage than the Council, this would in effect reduce the cost of the scheme to the Council.
  - **No increase in caseload for 2023/24, also a 5% caseload increase.** These caseload projections would effectively allow for the currently-slightly decreasing CTS caseload to continue, then potentially rise due to forecast increased cost of living pressures. Of course, officers can only predict the economy and subsequent impacts on CTS caseload, particularly in the current climate this cannot be an 'exact science'.

- **Collection rate of 98.75%.** The MTFs assumes a collection rate of 98.75% for 2023/24 (this is same as the 2022/23 figure).

5.5 The options considered for consultation by Executive on 17<sup>th</sup> October 2022, were as follows, (both options are modelled including the factors as set out in paragraph 5.4 (above):

- **Option 1: No change to the current scheme;**
- **Option 2: Introduction of a ‘banded scheme’ for Universal Credit recipients based on earnings income** - \*see paragraph 5.6 (below) for further information.

## 5.6 **Universal Credit Banded Scheme Based on Earnings Income**

For 2023/24, an option which was put forward for consideration is to make a fundamental change to the way CTS is calculated for customers who are in receipt of Universal Credit (UC).

Due to the way UC is re-assessed on a monthly basis by Department for Work and Pensions (DWP) – this means some Council Taxpayers have their UC entitlement altered each month – for example, where they have a fluctuating wage. If the UC recipient is also receiving CTS, this subsequently means that they then have a re-assessment of their CTS entitlement – meaning that it is possible to keep having a new bill sent each month, with instalments for repayment being ‘re-set’ – which can be confusing for customers, as well as administratively inefficient for officers – and preventing recovery progressing where there is non-payment of Council Tax. This is a particular issue with customers who have opted to pay by direct debit, as month after month the instalment resets and the direct debit is never taken. This moves their whole debt to the end of the year where potentially they are asked to pay more than they can afford, when they may have made every effort to pay this during the year.

Therefore, an option which could be considered is to adopt an income-banded local CTS scheme for UC recipients based on claimant and partners earnings. Above this, an option could also be to have fixed non-dependant deductions for these claims. Key objectives would be to move towards a scheme that is more adaptable to UC regulations, - and to provide clarity to UC claimants as to what their entitlement to CTS will be.

This scheme looks purely at whether a Universal Credit claimant (and partner, if applicable) is working and if so, what their net monthly earnings are. Officers would receive this information directly from the DWP.

This modelled scheme option has a series of 'income bands' and a customer's entitlement to CTS is based on what band their earned income falls within. A banded scheme means that small changes in a claimant's income will not necessarily change their entitlement to CTS.

To give this some context in terms of numbers, the CTS working age caseload as at 24<sup>th</sup> August 2022 is 8,441, and of this figure 3,414 customers are in receipt of UC –

equating to 40.45%.

For the purposes of modelling such a scheme, the following parameters have been included. However, if this option was to be taken forward for further consideration/consultation – further work would be carried out on these income bands and levels of non dependant deduction.

<b>Income bands – monthly earnings</b>	<b>Contribution towards Council Tax (monthly)</b>
Not in work or less than £290	£0
£290 to £609.99	£35
£610 to £1,159.99	£80
£1,160 to £1,844.99	£120
£1,845 to £2,369.99	£185
£2,370 to £2,899.99	£240
Over £2,900	No entitlement to Council Tax Support

5.7 Whilst the UC banded scheme modelled as part of this report (paragraph 5.6 (above)), is likely to achieve some efficiencies, - potentially now is not the right time to change to this scheme. There are variables around entitlement which would result in some customers receiving an increased CTS award, and with some receiving a reduced CTS award. The initial modelling of the UC banded scheme also shows that the banded scheme could actually cost more due to there being more increased than decreased awards, also due to claimant numbers potentially increasing due to the cost of living challenges – which could be a further financial pressure for the Council at a time when it is facing escalating costs due to current economic factors.

Also, UC numbers are still relatively low – however, with the government announcing an intention to complete the next phase of managed migration from legacy benefits to UC by the end of 2024, the UC banded scheme would potentially achieve further efficiencies from either 2024/25 or 2025/26.

5.8 **Continuation of the Exceptional Hardship Scheme:** Exceptional Hardship Payments (EHP) assist persons who have applied for CTS and who are facing ‘exceptional hardship’ – it is similar to the Discretionary Housing Payment scheme (DHP) for Housing Benefit shortfalls. EHP provides a further financial contribution where an applicant is in receipt of CTS but the level of support being paid by the Council does not meet their full Council Tax liability.

The Council is required to provide financial assistance to the most vulnerable residents, who have been disproportionately affected by the changes made in 2023 to the CTS Scheme. Since April 2013, the Council has agreed to introduce an EHP scheme each year, in order to provide a safety net for customers, in receipt of Council Tax Support who were experiencing difficulty paying their Council Tax. Exceptional Hardship falls within Section 13A(1) of the Local Government Finance Act 1992 and forms part of the CTS Scheme.

The cost of EHP awards is borne solely by City of Lincoln. As at 16<sup>th</sup> December

2022, a total of £11,365 EHP has been awarded for 2022/23. It is proposed that an EHP budget of £25,000 be in place for 2023/24.

The EHP scheme could be particularly vital if an option such as that detailed in paragraph 5.6 was to be implemented – as this could potentially be used in appropriate circumstances to make payments to CTS recipients with reduced awards under the scheme and suffering exceptional hardship as a result.

## 5.9 Committee and Consultation Timetable

5.10 The timetable to approve any changes to the new scheme takes into account the existing calendar of meetings. Full Council as the Billing Authority needs to approve the scheme after consultation as outlined in paragraph 2.4.

5.11 The timetable is as follows:

- Executive: 17<sup>th</sup> October 2022, *to consider/approve options for consultation*
- Consultation starts (6 weeks): 19<sup>th</sup> October 2022, *including consultation with public, other appropriate organisations (e.g., Citizens Advice), and major precepting authorities*
- Policy Scrutiny Committee: 22<sup>nd</sup> November 2022, *as part of consultation process*
- Consultation Ends: 29<sup>th</sup> November 2022
- Executive: 3<sup>rd</sup> January 2023, *to refer to Council a recommendation on a proposed 2023/24 scheme*
- Council: 17<sup>th</sup> January 2023, *the Local Government Finance Act 2012 requires a full review of the scheme by the Billing Authority. City of Lincoln Council will need to approve a new scheme after consultation by 31<sup>st</sup> January 2023.*

## 6. Outcomes of Consultation

### 6.1 Question 1

- **Do you agree that there should be reduced support if a household has more income coming in or have savings to pay Council Tax**
  - Yes: 87
  - No: 15
  - Don't know: 12

### Question 2

- **Current scheme to continue into 2023-24**
  - Yes: 100
  - No: 8
  - Don't know: 7

### Question 3

- **If you answered No or Don't know to question 2 – customers were**

**invited to make any other comments or suggestions.**

- Comments made by 12 customers

Q3
People who are nearing retirement will be panicked into bereavement opportunities and those who are ill equipped ?
NO
I just don't know
Low income shouldn't pay
Keep it the same
Im currently unemployed due to being made redundant. So i dont know what to do
I think £6000 is too low because many households with children will be facing hardship in the coming year. I think it used to be £10000. Also, £6000 is eroded by the inflation and the value of the pound, so it is a real-terms decrease to just leave it. I think it should be uprated, and should probably be higher at, say, £7200.
Care leavers, should have to pay. Even if it's only a nominal amount. Unoccupied properties should have the premium charge to pay earlier than 2 years. There's not enough housing available. So they should start paying after about 4-6 months. That time scale is enough to employ tradespeople if needed, arrange your own moving dates or advertise the property for rental or sale
I believe that backdating should be restricted to 3 months and not 1. I believe that it's very important that people who can't work due to being disabled should continue to receive the support until/if they return to full time work.
I DON'T KNOW
I want reduction council tax
N/A

6.2 Following the consultation period, Lincolnshire County Council confirmed no comment or objection to the proposed 'no change' to the scheme.

## 7. Significant Policy Impacts

### 7.1 Strategic Priorities

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

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



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

## 7.2 Organisational Impacts

### **Finance** (including whole life costs where applicable)

The actual cost of the discount scheme in 2023/24 will not be known for certain until the end of the financial year and will be dependent on the actual caseload in year as well as the levels of Council Tax set by the City Council and the major precepting authorities.

An indicative range of costs for 2023/24 based on various scenarios and the options set out in section 5 of this report are set out in Appendix 1.

The estimated cost of the scheme, based on current caseload, is taken into consideration when calculating the Council's tax base for the financial year and will impact on the estimated Council Tax yield for the year. Any difference in the actual cost of the discount scheme to that estimated in the tax base calculation will be accounted for within the Collection Fund and will be taken into account when future years surpluses or deficits are declared.

It is proposed an Exceptional Hardship Fund of £25,000, be made available during 2023/24 – the cost of this fund is wholly borne by City of Lincoln Council as Billing Authority.

## 7.3 Legal implications inc Procurement Rules

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

The regulations for the City of Lincoln Council scheme proposed to be adopted are to be collated and made available for Council in January 2023.

## 7.4 Equality, Diversity and Human Rights

The Authority will be obliged to comply with its general equality duty under the Equality Act 2010 – an Equality Impact Assessment is included at Appendix 4 to this report.

## 7.5 **Staffing**

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

## 8. **Risk Implications**

- 8.1 The Council, along with the other preceptors, bears the risk of the cost of the Council Tax Support scheme should caseload increase causing the cost to increase more than predicted.
- 8.2 Any revisions to the scheme must be approved by 31<sup>st</sup> January 2023, before the new financial year begins.
- 8.3 The scheme cannot be changed mid-year and therefore it is vital an appropriate scheme is in place.

## 9. **Recommendations**

### 9.1 Executive is asked to:

- 1) Consider this report, taking into consideration the responses as part of the consultation.
- 2) Executive is asked to recommend to Council that it:
  - (a) Approves a 'no change' to the core Council Tax Support scheme for 2023/24 as set out in Section 4 and subject to the technical amendments described in paragraph 5.3;
  - (b) Approves an Exceptional Hardship Fund of £25,000 to be available, for the financial year 2023/24;
  - (c) Approves further detailed modelling of a Universal Credit banded scheme from 2024/25 to be undertaken, with a view to consulting on such a scheme for 2024/25.

<b>Key Decision</b>	Yes
<b>Do the Exempt Information Categories Apply</b>	No
<b>Call In and Urgency:</b> Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
<b>Does the report contain Appendices?</b>	Yes
<b>If Yes, how many Appendices?</b>	4
	<p>Appendix 1 – Council Tax Support Modelling 2023/24</p> <p>Appendix 2 – Policy Scrutiny Committee Draft Minutes 22<sup>nd</sup> November 2022</p> <p>Appendix 3 – Consultation response from Lincolnshire Police and Crime Commissioner</p> <p>Appendix 4 – Equality Impact Assessment</p>
<b>List of Background Papers:</b>	None
<b>Lead Officer:</b>	Martin Walmsley – Telephone 01522 873597

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Appendix 1: 3<sup>rd</sup> January 2023 – Executive - City of Lincoln Council – Council Tax Support 2023/24 scheme

<b>Option 1: No change to the current scheme</b>	<b>Estimated Total Spend (all preceptors)</b>	<b>City of Lincoln Spend – 14.5%</b>	<b>Difference to MTFS (£1,277,300) – (saving) / cost</b>	<b>Amount expected to be collected using collection figure of 98.75%</b>
<ul style="list-style-type: none"> <li>• 0% caseload change</li> <li>• 1.9% Council Tax increase</li> </ul>	£8,381,407	£1,215,304	(£61,996)	(£61,221)
<ul style="list-style-type: none"> <li>• 0% caseload change</li> <li>• 2.5% Council Tax increase</li> </ul>	£8,554,088	£1,240,343	(£36,957)	(£36,495)
<ul style="list-style-type: none"> <li>• 5% caseload increase</li> <li>• 1.9% Council Tax increase</li> </ul>	£9,335,984	£1,353,718	£76,418	£75,463
<ul style="list-style-type: none"> <li>• 5% caseload increase</li> <li>• 2.5% Council Tax increase</li> </ul>	£9,395,275	£1,362,315	£85,015	£83,952

Appendix 1: 3<sup>rd</sup> January 2023 – Executive - City of Lincoln Council – Council Tax Support 2023/24 scheme

Option 2: Universal Credit Banded Scheme based on earnings income	Estimated Total Spend (all preceptors)	City of Lincoln Spend – 14.5%	Difference to MTFS (£1,277,300) – (saving) / cost	Amount expected to be collected using collection figure of 98.75%
<ul style="list-style-type: none"> <li>• 0% caseload change</li> <li>• 1.9% Council Tax increase</li> </ul>	£8,421,750	£1,221,154	(£56,146)	(£55,444)
<ul style="list-style-type: none"> <li>• 0% caseload change</li> <li>• 2.5% Council Tax increase</li> </ul>	£8,594,431	£1,246,193	(£31,107)	(£30,718)
<ul style="list-style-type: none"> <li>• 5% caseload increase</li> <li>• 1.9% Council Tax increase</li> </ul>	£9,376,327	£1,359,567	£82,267	£81,239
<ul style="list-style-type: none"> <li>• 5% caseload increase</li> <li>• 2.5% Council Tax increase</li> </ul>	£9,435,620	£1,368,165	£90,865	£89,729

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Further information re Option 2:

This UC Banded Scheme based on earnings would result in some Council Taxpayers receiving a higher level of CTS than under the current scheme, and some customers would receive a reduction in CTS. Based on the modelling that has taken place:

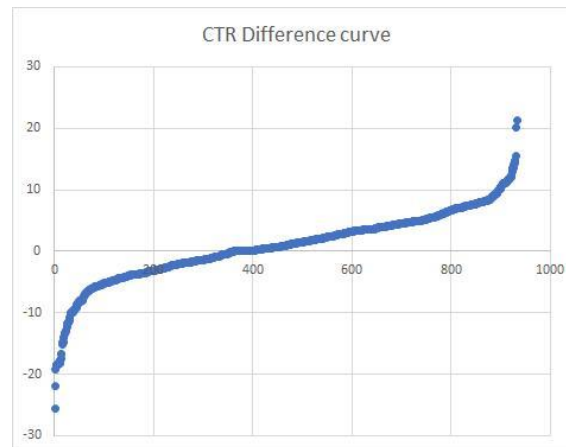
- Biggest **increase** for a resident: **£21.37 per week**
- Biggest **decrease** for a resident: **£25.56 per week**
- 536 have an increased award, 36 no change, 361 have a reduced award.

**Appendix 1: 3<sup>rd</sup> January 2023 – Executive - City of Lincoln Council – Council Tax Support 2023/24 scheme**

<b>Difference in weekly entitlement range: From (£) (- decrease, + increase)</b>	<b>Difference in weekly entitlement range: To (£)(- decrease, + increase)</b>	<b>Number of customers</b>
-20.01	-30.00	2
-10.01	-20.00	32
0.01	-10.00	327
0	0	36
+0.01	+10.00	499
+10.01	+20.00	35
+20.01	+30.00	2

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Below: Council Tax Support (also known as Council Tax Reduction (CTR)) ‘distribution curve’ of potential increased and decreased awards from initial modelling:



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EXTRACT FROM COMMITTEE

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Policy Scrutiny Committee

22 November 2022

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**DRAFT**

**25. Localised Council Tax Support Scheme 2023/24**

Tracey Parker, Revenues and Benefits Manager:

- a. presented the proposed scheme for Local Council Tax Support for the financial year 2023/24 and accompanying Exceptional Hardship Payments Scheme, as part of the formal consultation period.
- b. gave the background to the scheme as detailed at paragraph 2 of the report and advised that there were currently 8441 residents claiming Council Tax Support in Lincoln.
- c. advised that there were 2,636 pensioners in receipt of Council Tax Support and they were protected under the legislation so that they would not be affected by any changes made to the Council Tax Support Scheme.
- d. further advised that there were 5,805 working claimants who would be affected by any changes made to the scheme, and such any potential reduction in support being provided. Unless a decision by the Council was made to apply scheme changes to vulnerable working-age customers, the localised Council Tax Scheme.
- e. highlighted the impacts of Covid-19 on the amount of Council Tax Scheme awarded, with significant increases in caseload and cost of the scheme as detailed at paragraph 3 of the report.
- f. referred to paragraph 4 of the report and gave an overview of the current Council Tax Support Scheme.
- g. advised that based on the current core elements of the existing scheme, caseload increases of 0% and 5% had been modelled, along with Council Tax increases of 1.9% and 2.5%. These were summarised in Appendix 1 of the report which gave an indication of the potential cost and savings to the City of Lincoln. Also included was the potential value for non-collection (based on projected collection in the tax base of 98.75%)
- h. explained that as a billing authority the Council could decide whether or not to amend core elements of its Council Tax Support scheme each year. Officers were proposing options for consultation to change certain core elements of the scheme which were summarised at Appendix 1 of the report.

**Appendix 2: 3<sup>rd</sup> January 2023 – Executive - City of Lincoln Council – Council Tax Support 2023/24 scheme – Policy Scrutiny Committee 22<sup>nd</sup> November 2022 Draft Minutes**

- i. referred to paragraph 5.3 and 5.4 of the report and explained the technical amendments and assumptions that had been made in developing the modelling for each Council Tax Support Scheme.
- j. reported that the options considered for consultation by Executive on 17<sup>th</sup> October 2022 were as follows:
  - Option 1: No change to the current scheme;
  - Option 2: Introduction of a 'banded scheme' for Universal Credit recipients based on earnings income ( as detailed at paragraph 5.6 of the report)
- k. referred to paragraph 5.8 of the report which detailed the Exceptional Hardship Payments Scheme and proposed an Exceptional Hardship Budget of £25,000 be put in place for 2023/24.
- l. asked for committee's consideration and comments as part of the formal consultation process.

**Question:** Asked if there was a banded scheme in place at the moment.

**Response:** There was not a banded scheme in place at the moment. Currently the Department of Work and Pensions notified the Council if there was a change in Universal Credit and therefore there would be a change to the Council Tax Support. A banded scheme had been modelled for this year, however, due to the cost-of-living crisis and the potential increases in cost to the Council it was decided not to go ahead with a banded scheme this year. The public consultation had been based on no change to the current scheme as agreed by Executive.

**Question:** Asked what the difference was between the banded scheme that had been modelled this year and the proposed banded scheme for next year.

**Response:** A banded scheme would mean that changes were made each month, this could save money in admin costs and allow residents to budget better.

**Comment:** It would be interesting to know how much the admin costs were next year.

**Question:** Asked why the banded scheme was not being brought in this year.

**Response:** Due to the fluctuations from month to month, it was felt that this would not be the right time to introduce the scheme due to the cost-of-living crisis.

**Question:** Asked why a banded scheme would be better in the future.

**Response:** More modelling work on a banded scheme was required to see if it was feasible in the future.

**Comment:** Suggested that an average bill could be issued each month and then a final bill at the end of the year.

**Response:** In this circumstance some customers would then be issued with a large bill at the end of the year.

**Question:** Referred to paragraph 5.1 of the report and asked for clarification.

**Appendix 2: 3<sup>rd</sup> January 2023 – Executive - City of Lincoln Council – Council Tax Support 2023/24 scheme – Policy Scrutiny Committee 22<sup>nd</sup> November 2022 Draft Minutes**

**Response:** Clarified that pensioners were protected by legislation but working age vulnerable and non- vulnerable residents were not protected by legislation, however, the City of Lincoln Council used discretion to protect the working age vulnerable from changes to the scheme

**Question:** Asked if any Councils did not have a Council Tax Support Scheme.

**Response:** No, not that we were aware of.

**Question:** Asked if there were any Councils that did not operate an Exceptional Hardship Fund.

**Response:** No, a scheme was required by legislation.

**Question:** Referred to paragraph 5.6 of the report and asked if the amount of income was in relation to money received from working or money received from Universal Credit.

**Response:** It related to earnings received.

**Question:** Asked if residents who could not pay their Council Tax would qualify for the Exceptional Hardship Fund.

**Response:** The individuals' circumstances would be considered in this situation.

RESOLVED that

1. the 'no change' scheme for 2023/24 be supported as the preferred option.
2. That further detailed modelling of a Universal Credit banded scheme for 2024/25 be supported.
3. The Exceptional Hardship Scheme of £25,000 for 2023/24 be supported.

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**Lincolnshire**  
**POLICE & CRIME COMMISSIONER**  

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**SAFER TOGETHER**

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**Date:** 29<sup>th</sup> November 2022  
**Our Ref:** JF/ch/2022-1355

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

By Email: [Jaclyn.Gibson@lincoln.gov.uk](mailto:Jaclyn.Gibson@lincoln.gov.uk)

Dear Jaclyn

**CONSULTATION ON PROPOSED COUNCIL TAX SUPPORT SCHEME FOR 2023/24**

Thank you for your letter of 19<sup>th</sup> October in which you seek views on City of Lincoln Council's proposed Council Tax Support Scheme for 2023/24. I note that two options are being consulted upon:

- **Option 1: No change to the current scheme;**
- **Option 2: Invite customers to comment on changes they would like to see if they do not agree to Option 1.**

No doubt you will inform us in due course of any material proposed changes emerging under Option 2. Thank you for giving us the opportunity to comment.

Thank you for giving us the opportunity to comment.

Yours sincerely

*Julie Flint*

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**Julie Flint**  
Chief Finance Officer

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Equality with Human Rights Analysis Toolkit



SECTION A

Name of policy / project / service	Council Tax Support Scheme 2023/24
Background and aims of policy / project / service at outset	<p>The Council must review and reapprove its Council Tax Support scheme each year as part of its budget setting process, and make any necessary changes for 1<sup>st</sup> April 2023.</p> <p>It is recognised that the combined effects of the wider welfare reform package on the residents of the District requires a robust and detailed Equality Impact Assessment (EIA).</p> <p>This EIA makes reference to data derived from the current Council Tax Support caseload.</p> <p>Following agreement by Executive on 17<sup>th</sup> October 2022 to consult on a ‘no change’ scheme for 2023/24 of the draft scheme, formal consultation commenced on 19<sup>th</sup> October 2022 and ended 29<sup>th</sup> November 2022, - which included to those in receipt of Council Tax Support, potentially interested organisations such as Citizens Advice, and other Council Tax major precepting authorities.</p> <p>As a ‘no change’ scheme is being proposed this time round, there is likely to be minimal impact from an equalities perspective.</p>
Person(s) responsible for policy or decision, or advising on decision, and also responsible for equality analysis	Martin Walmsley, Assistant Director – Shared Revenues and Benefits
Key people involved <i>i.e. decision-makers, staff implementing it</i>	<ul style="list-style-type: none"> <li>• Decision Makers – City of Lincoln Members, and Executive</li> <li>• Staff implementing any changes</li> </ul>

**SECTION B**

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

	Is the likely effect positive or negative? (please tick all that apply)			Please describe the effect and evidence that supports this?*	Is action possible to mitigate adverse impacts?	Details of action planned including dates, or why action is not possible
	Positive	Negative	None			
Age	Y	Y		<p>Pensioners are a protected group for the purposes of Council Tax support Scheme so will not be financially affected, therefore any reduction in benefit would be borne by the remainder of those in receipt of Council Tax Support (working age).</p> <p>There could be a risk people of working age who will bear all the financial impact of the changes, may resent the fact that pensioners are exempt. Working age claimants with younger children under 5 are more likely to be unemployed or work part-time hours (and are mostly female), therefore childcare costs could be a barrier to employment. However, the current Council Tax Support scheme takes childcare costs up to a certain level into account, also Universal Credit takes account of childcare costs in the assessment of entitlement.</p> <p>Due to the current economic climate, it is more difficult for younger people to access employment providing further financial difficulties. Council Tax Support will only be available to those young people who are liable to pay Council Tax and this only applies</p>	Yes	<p>Action dependant on outcome of consultation and Executive recommendation on 3<sup>rd</sup> January 2023</p> <p>With effect from 1<sup>st</sup> April 2023</p>

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Appendix 4 – 3<sup>rd</sup> January 2023 – Executive - City of Lincoln Council– Council Tax Support 2023/24 scheme Equality Impact Assessment

				to householders over 18 years of age. If the young person is living in their parent or other householder's home they will not be liable to pay Council Tax so will not be affected by the Council Tax Support scheme unless they are a non-dependent in the householder's home.		
Disability including carers (see Glossary)	Y			<p>The Department for Work and Pensions states that disabled people are less likely to be in employment, therefore the proposals do not impact on this group to the extent that they are regarded as a vulnerable group – or certain incomes would be disregards under the ‘All working age banded scheme’.</p> <p>To qualify as ‘disabled’ the person must</p> <ul style="list-style-type: none"> <li>• Qualify for a disability, enhanced disability or severe disability premium for the claimant or partner, or</li> <li>• Qualify for disability or enhanced disability premium for a dependent, or</li> <li>• Qualify for a disability earnings disregard, or</li> <li>• Receive a disability related council tax reduction.</li> <li>• Be in receipt of Employment and Support Allowance (Work Related or Support Group component).</li> </ul>	Yes	<p>Action dependant on outcome of consultation and Executive recommendation on 3<sup>rd</sup> January 2023</p> <p>With effect from 1<sup>st</sup> April 2023</p>
Gender re-assignment			Y	This does not have any effect on the decisions made under this policy.	N/A	

**Appendix 4 – 3<sup>rd</sup> January 2023 – Executive - City of Lincoln Council– Council Tax Support 2023/24 scheme Equality Impact Assessment**

Pregnancy and maternity			Y	This does not have any effect on the decisions made under this policy.	N/A	
Race			Y	Persons from abroad are excluded from provision by statute but race or ethnicity itself does not have any effect on the application of the scheme.  Scheme rules do not take into account race or ethnicity.  Council Tax Support is proposed to be considered to potentially affect all working age customers.	N/A	
Religion or belief			Y	There is no evidence at this stage of an impact in relation to religion or belief	N/A	
Sex			Y	This does not have any effect on the decisions made under this policy.	N/A	
Sexual orientation			Y	This does not have any effect on the decisions made under this policy.	N/A	
Marriage/civil partnership			Y	This does not have any effect on the decisions made under this policy.	N/A	
Human Rights (see page 8)			Y	This does not have any effect on the decisions made under this policy.	N/A	

- 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

**Appendix 4 – 3<sup>rd</sup> January 2023 – Executive - City of Lincoln Council– Council Tax Support 2023/24 scheme Equality Impact Assessment**

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

**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):


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

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Conclusion of Equality Analysis (describe objective justification for continuing)	<p>Council Tax has to be paid by all those liable to pay it but some people will have limited means to do this because of their low income or they have higher living costs due to illnesses, disabilities or family or personal circumstances.</p> <p>Council Tax is required to raise month to fund Council services but a certain amount of money is directed to those who cannot afford to pay the Council Tax to reduce the financial burden on those households because they need it or because society considers that financial support is beneficial to help certain categories of people in certain situations.</p> <p>As 'no change' scheme is proposed for 2023/24.</p>
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When and how will you review and measure the impact after implementation?	<p>The policy and Council Tax Support is the responsibility of City of Lincoln Council. It is approved by Executive and then Full Council. It will be administered by the Council's Shared Revenues and Benefits Service.</p> <p>The Council continually analyses its Council Tax Support caseload and produce figures showing the main groups of working age claimants getting Council Tax Support now and likely to be affected by changes to the current scheme. Extracts of the data will allow monitoring of the main types of people affected by the policy can take place as required.</p>
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**Appendix 4 – 3<sup>rd</sup> January 2023 – Executive - City of Lincoln Council– Council Tax Support 2023/24 scheme Equality Impact Assessment**

Checked and approved by responsible officer(s) (Sign and Print Name)		Date	
Checked and approved by Assistant Director (Sign and Print Name)	 Martin Walmsley	Date	2 <sup>nd</sup> December 2022.

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**68. Localised Council Tax Support Scheme 2023/24**

Purpose of Report

1. To provide information regarding the outcome of consultation regarding 2023/24 Council Tax Support Scheme options.
2. To propose options for a Council Tax Support Scheme for the 2023/24 financial year, which must be approved by Council before 31st January 2023.

Decision

- (1) That the content of the report, taking into consideration the responses received as part of the consultation be noted.
- (2) That it be recommend to the City of Lincoln Council that:
  - (a) A 'no change' to the core Council Tax Support scheme for 2023/24, as set out in Section 4 of the report, subject to the technical amendments described in paragraph 5.3 be approved.
  - (b) Provision of an Exceptional Hardship Fund of £25,000, for the financial year 2023/24, be approved.
  - (c) Approval be given to a further detailed modelling of a Universal Credit banded scheme from 2024/25 to be undertaken with a view to consulting on such a scheme for 2024/25.

Alternative Options Considered and Rejected

An option to adopt an income-based local CTS scheme for Universal Credit recipients.

Reasons for the Decision

The council tax benefits system had been abolished by the government on 31 March 2013 and replaced by the Council Tax Support Scheme, which could be determined locally by the City of Lincoln Council, as the billing authority, after consultation with precepting authorities, key stakeholders and residents.

As at 24 of August 2022, there had been 8,441 residents claiming Council Tax Support in Lincoln, with 2,636 of these as pensioners protected under the legislation and receiving Council Tax Support, as prescribed by the Government, broadly similar to the level of Council Tax Benefit.

It was the 5,805 working age (including those classified as 'vulnerable' for CTS purposes) claimants, where a local scheme could be determined which could change the level of support provided. The split of the 5,805 working age CTS

recipients was 3,110 working age (vulnerable) and 2,695 working age (not vulnerable)

The initial City of Lincoln CTS Scheme from 2013/14 effectively 'protected' working age Council Tax payers seeking support, retaining eligible entitlement of up to 100% and not restricting other areas of entitlement calculation. However, in recent years the scheme had changed in light of increasing scheme costs and budget pressures.

Unless a decision was made by Council to apply scheme changes to vulnerable working-age claimants, the localised CTS scheme would historically only be applied to non-vulnerable working age claimants.



<b>SUBJECT:</b>	<b>EXTRACT FROM COMMITTEE: AUDIT COMMITTEE – 15 NOVEMBER 2022 - REVIEW OF THE CONSTITUTION - FINANCIAL PROCEDURE RULES</b>
<b>REPORT BY:</b>	<b>CHIEF EXECUTIVE AND TOWN CLERK</b>
<b>LEAD OFFICER:</b>	<b>CLAIRE TURNER, DEMOCRATIC SERVICES OFFICER</b>

**1. Matter for Council**

1.1 To approve the revised Financial Procedural Rules.

**List of Background Papers:** Audit Committee– 15 November 2022, Minute.  
Review of the Constitution - Financial Procedure Rules - Report

**Lead Officer:** Claire Turner, Democratic Services Officer  
Telephone – 873619

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<b>SUBJECT:</b>	<b>REVIEW OF THE CONSTITUTION – FINANCIAL PROCEDURE RULES</b>
<b>DIRECTORATE:</b>	<b>CHIEF EXECUTIVE AND TOWN CLERK</b>
<b>REPORT AUTHOR:</b>	<b>JACLYN GIBSON, CHIEF FINANCE OFFICER</b>

## **1. Purpose of Report**

- 1.1 To present to the Audit Committee the revised Financial Procedure Rules for consideration and recommendation for adoption by Council.

## **2. Executive Summary**

- 2.1 The Financial Procedure Rules provide a framework for officers to work within to ensure compliance with the need to secure proper administration of the Council's financial affairs as required by section 151 of the Local Government Act 1972.
- 2.2 The last fundamental review took place in 2018, as approved by Council on 10<sup>th</sup> April 2018. There have been further amendments to document since that time.
- 2.3 The Financial Procedure Rules state that they must be reviewed at least every 3 years. The scheduled review in 2021 was delayed due to impact of the Covid19 pandemic. The Rules have been reviewed to ensure they reflect best practice and for any amendments required in relation to changes in the environment in which the Council operates.

## **3. Background**

- 3.1 The Financial Procedure Rules are intended to provide a framework of rules and procedures within which the Council will conduct its financial affairs. The Financial Procedure Rules lay down the principles to be followed in securing a proper administration of the Council's financial affairs as required by Section 151 of the Local Government Act 1972.
- 3.2 The last fundamental review of the Financial Procedure Rules was undertaken in 2018 following a major review, and were updated to reflect accounting regulations, legislation and best practice in force at that time. Since that time, they have not been subsequently updated.
- 3.3 Regular review of the Financial Procedure Rules should ensure that they remain robust and relevant to the current organisational environment and in line with best practice, as identified in the CIPFA Code of Financial Management.

## **4. Financial Procedure Rules**

- 4.1 The revised Financial Procedure Rules (Appendix A) have been compiled using the existing rules but also from comparison against other authorities, assessed

against the requirements of the CIPFA Code of Financial management and in accordance with changes in accounting regulations and practices.

4.2 Key changes from the existing Financial Procedure Rules have been highlighted in the appendix in yellow, with those parts to be removed shown as struck through. The main changes include:

- the inclusion of external audit requirements and the arrangements for appointment of external auditors (section 3)
- financial planning arrangements including further detail on the budget and financial planning process with financial approval limits now include in a new Part B of the Rules to provide further clarity and ensure the document is user friendly (section 4)
- financial management arrangements including the inclusion of key principles and the removal of the detail of financial approval limits, which have now been included in the new Part B of the Rules (section 5)
- further clarity of the roles and responsibilities for orders and payments for works, goods and services including the introduction of a new section on officer responsibilities in relation to contracts for works, goods and services (section 6)
- external arrangements including further detail on officer responsibilities in relation to external funding (section 10)

As part of the Financial Procedure Rules a new part, Part B Financial Approval Limits, has now been included. This is intended to include the key elements of the Rules that have specific approval limits attached to them, into a shorter, clearer document. This should provide clarity for Elected Member and Officers as to the approval processes for decisions and is also intended to be in a more user-friendly format than the main Rules. This document has been compiled from the relevant approval limits in the current version of the Rules, where any changes are proposed these are also highlighted in yellow.

4.3 Specific changes to delegations and limits are;

<b>Procedure Rule</b>	<b>Current</b>	<b>Proposed</b>
Part B 1.2A	All new capital budget approvals, outside of the annual budget process, require the approval of the Executive	For new capital schemes, that have no revenue implications e.g. fully grant funded, up to £100,000 to be delegated to the Chief Finance Officer.
Part B 3.2A	The approval of the write off of debts up to £5,000 is delegated to all Assistant Directors in the Chief Executive Directorate	In addition to the current delegations, the Assistant Director: Housing to be delegated to approve the write off of tenant arrears up to £5,000.

4.4 The key theme in these changes has been to ensure that officers have the flexibility required in order to respond to the environment in which the Council operates, whilst still ensuring that a sound system of internal control is maintained.

## **5. Strategic Priorities**

5.1 Keeping the Council's Financial Procedure Rules under regular review and up to date is an element of sound corporate governance.

## **6. Organisational Impacts**

6.1 Finance - There are no direct financial implications from the adoption of these rules although the framework that they provide is a key consideration when managing the financial affairs of the whole organisation.

6.2 Legal Implications including Procurement Rules - The Council is required under Section 151 of the Local Government Act to ensure that it makes arrangements for the proper administration of its financial affairs. These rules lay down the principles to be followed to secure that proper administration.

6.3 Equality, Diversity and Human Rights

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

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

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

Due to the nature of the report, no specific Equality Impact Analysis is required.

## **7. Risk Implications**

7.1 The review of the Financial Procedure Rules will ensure that the Council continues to have effective arrangements in place to maintain a sound system of internal control whilst giving Officers and Elected Members the flexibility to deliver services.

7.2 The Rules provide guidance and general advice to Officers and Elected Members as to their responsibilities and as such, they are a means of mitigating risk and controlling financial behaviour within the Council.

**8. Recommendation**

8.1 That the Audit Committee comment on the revised Financial Procedure Rules.

8.2 That the Audit Committee recommends to Council for approval;

i) the revised Financial Procedure Rules (Appendix A);

**Is this a key decision?** Yes

**Do the exempt information categories apply?** No

**Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?** No

**How many appendices does the report contain?** Yes - one

**List of Background Papers:** None

**Lead Officer:** Jaclyn Gibson, Chief Finance Officer  
Jaclyn.gibson@lincoln.gov.uk

# **FINANCIAL PROCEDURE RULES**

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## **PART A – FINANCIAL PROCEDURE RULES**

*Revised July 2022*

### **1. INTRODUCTION**

#### **1.1 Status of Financial Procedure Rules**

1.1.1 Financial Procedure Rules lay down the principles to be followed in securing a proper administration of the Council's financial affairs as required by Section 151 of the Local Government Act 1972.

1.1.2 These Procedure Rules shall be read in conjunction with the Council's;

- i) Responsibility for Functions (Constitution Part 3)
- ii) Contract Procedure Rules (Constitution Part 4)
- iii) Budget and Policy Framework Procedure Rules (Constitution Part 4)

1.1.3 These Procedure Rules apply to every Member and officer of the Council and anyone, including consultants, acting on its behalf.

1.1.4 These Financial Procedure Rules shall apply in relation to any partnership for which the Council is the accountable body unless the Council expressly agrees otherwise.

1.1.5 These Procedure Rules are supplemented by other related documents, issued by the Chief Finance Officer, which are designed to give guidance, including operational financial instructions. In the event of contradiction, the Financial Procedure Rules take precedence.

1.1.6 Financial Procedure Rules shall not override any statutory provisions that apply.

1.1.7 Financial Procedure Rules will be reviewed by the Chief Finance Officer at intervals of not more than three years and will be subject to approval by the full Council.

1.1.8 Failure to comply with these Procedure Rules or instructions issued under them will be subject to consideration as a disciplinary offence. Breaches of these Procedure Rules must be reported to the Chief Finance Officer and Internal Audit, who will be responsible for investigating the circumstances and recommending the further action to be taken.

#### **1.2 General Roles and Responsibilities**

1.2.1 These Financial Procedure Rules set out the roles and responsibilities of the Council and officers in financial matters. They should be read in conjunction with the Constitution, specifically Article 13, which details other specific responsibilities.

##### **Full Council**

1.2.2 The full Council is responsible for approving the overall Budget and Policy Framework within which the Executive operates having regard to the Chief Financial Officer's comments in his/her Local Government Act 2003 Section 25 report. The

budget setting process includes the setting of the Council Tax and Housing Rent levels to be levied, and the approval of the Prudential Indicators as required by the CIPFA Prudential Code for Capital Finance in Local Authorities.

1.2.3 The full Council approves these Financial Procedure Rules.

### **The Executive**

1.2.4 The Executive is responsible for proposing the Budget and Policy Framework to full Council, and for discharging executive functions in accordance with that framework.

1.2.5 The Executive monitors financial performance and service performance and makes changes, within the Budget and Policy Framework to ensure the budget is met or met within the limits determined by the Council.

### **Chief Finance Officer (Section 151 Officer)**

1.2.6 Section 151 of the Local Government Act 1972 requires the Council to appoint a suitably qualified person to be responsible for the proper planning, administration and monitoring of its financial affairs. The Chief Finance Officer fulfils this statutory role.

1.2.7 The Chief Finance Officer is responsible for:

- i) the proper administration of the authority's financial affairs;
- ii) setting and monitoring compliance with financial management standards;
- iii) advising on the corporate financial position and on the key financial controls necessary to secure sound financial management;
- iv) providing financial information;
- v) preparing the Medium Term Financial Strategy including the Revenue Budget and Capital Programme;
- vi) reporting to the Council on the robustness of the annual budget and the adequacy of the Council's financial reserves and balances
- vii) Treasury Management.
- viii) the preparation of the Annual Statement of Accounts in accordance with proper practices
- ix) ensuring the Council, Executive, Members and Chief Officers are advised of the financial implications of all proposals as appropriate.

1.2.8 Section 114 of the Local Government Finance Act 1988 requires the Chief Finance Officer to report to full Council, the Executive and the External Auditor if he/she considers the Council, the Executive or an officer has made or is about to;

- i) make a decision involving expenditure or a loss which is or would be unlawful,
- ii) take an unlawful action which has resulted in or would result in a loss or deficiency to the Council or;
- iii) make an unlawful entry in the Council's accounts

Before making any report to the Council or the Executive the Chief Finance Officer shall consult the Chief Executive (Head of Paid Service) and the City Solicitor

**(Monitoring Officer).**

- 1.2.9 The Chief Finance Officer also has a duty under Section 25 of the Local Government Action 2003 to report to the Council on;
- i) the adequacy of the proposed reserves,
  - ii) the robustness of the budget
- 1.2.10 In order to carry out these responsibilities;
- i) the Council must provide the Chief Finance Officer with sufficient resources,
  - ii) the Council recognises the Chief Finance Officer as its principal financial adviser with access to all meetings as he/she considers necessary (including the right to be heard),
  - iii) the Council recognises that neither it, nor any committee, Member or officer can require the Chief Finance Officer to breach any of his/her statutory duties.
- 1.2.11 The Council is also required by section 114 of the 1988 Act to have a designated deputy, currently the Financial Services Manager, to carry out these functions.

**Chief Officers**

- 1.2.14 The term, “Chief Officers”, refers to the Council’s Chief Executive and the Strategic Directors.
- 1.2.15 Chief Officers are each accountable to the Council for the financial management and administration of those services and activities allocated to them in accordance with Council policy.
- 1.2.16 Chief Officers are responsible for the overall arrangements within their Directorates and that due regard is given to compliance with the requirements of these Procedure Rules.

**Assistant Directors**

- 1.2.17 Assistant Directors are responsible for bringing these Procedure Rules and related documents to the attention of staff, for highlighting aspects of particular relevance to certain staff and for disseminating related documents including financial instructions as appropriate.
- 1.2.18 Assistant Directors are responsible for the accountability and control of staff and the security, custody and control of all other resources including buildings, furniture, equipment, stocks, stores, cash and other valuable resources or assets used by their service.

**All Officers**

- 1.2.19 All officers are responsible for ensuring that all actions they perform comply with the requirements placed upon them by the Council. They must also ensure that actions

they take are properly authorised and within the sphere of responsibility their post possesses.

- 1.2.20 All officers have a general responsibility for taking reasonable action to provide for the security and use of the resources and assets under their control, and ensuring that the use of these resources and assets is legal, is consistent with Council policies and priorities and provides value for money.
- 1.2.21 All officers must report to a Chief Officer, the Chief Finance Officer or Internal Audit any occasions where they believe that these Procedure Rules, Contract Procedure Rules, Council policy or financial instructions are not being followed, or where Council resources or assets are at risk.

### **Other Responsibilities**

- 1.2.22 Chief Officers and Assistant Directors are required to carry out their tasks in accordance with these Procedure Rules. These officers may authorise other officers to carry out tasks for which they have responsibility as set down by these Procedure Rules.
- 1.2.23 Chief Officers have the same rights and responsibilities as Assistant Directors for any matters falling under their direct management.

## **2. ACCOUNTING ARRANGEMENTS**

### **2.1 Accounting Arrangements**

2.1.1 Subject to statutory requirements, all accounting procedures and records of the Council and its officers shall be determined by the Chief Finance Officer.

2.1.2 The Chief Finance Officer may issue detailed financial instructions on any aspect of accounting procedures and records to be applied generally or to specific departments or functions.

### **2.2 Accounting Records**

2.2.1 The Chief Finance Officer shall be responsible for keeping the principal accounts and financial records of the Council.

2.2.2 The Chief Finance Officer shall ensure the safe retention of all accounting records, including paid invoices and certificates, for as long as may be statutorily required, currently 7 years for prime records such as invoices and 3 years for budget records.

2.2.3 All Directorate financial procedures and records shall be complied and maintained in accordance with such direction given by the Chief Finance Officer.

2.2.4 Assistant Directors must ensure that a complete audit trail, allowing financial transactions to be traced between accounting records and original documents, is maintained.

### **2.3 Accounting Systems and Procedures**

2.3.1 Assistant Directors shall consult with and must obtain permission from the Chief Finance Officer before introducing, amending or discontinuing any system, record or procedure that relates to any area covered by these Procedure Rules.

### **2.4 Directorate Financial Management Arrangements**

2.4.1 Chief Officers are responsible for the operation of financial processes within their Department and in consultation with the Chief Finance Officer shall ensure adequate controls are in place.

### **2.5 Annual Statement of Accounts**

2.5.1 The Chief Finance Officer should ensure that the Council's accounts are prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom, for each financial year ending 31<sup>st</sup> March and the CIPFA Service Reporting Code of Practice and prepared, published and audited in accordance with the Accounts and Audit Regulations 2003, or any subsequent Regulations.

2.5.2 The Chief Finance Officer is responsible for selecting the Council's accounting policies, including any change to these policies and ensuring that they are applied accurately and consistently.

## **2.6 Trading Accounts**

- 2.6.1 The Chief Finance Officer will advise on the establishment and operation of trading accounts. Each trading account will have defined objectives, including the way in which surpluses or deficits will be dealt with.
- 2.6.2 Assistant Directors will observe all statutory requirements in relation to services that maintain trading accounts, including the maintenance of a separate revenue account to which all relevant income is credited and all relevant expenditure, including overhead costs, is charged, and to produce suitable information for the statutory disclosure in the Statement of Accounts.
- 2.6.3 Assistant Directors will ensure that the same accounting principles are applied in relation to trading accounts as for other services unless, in the opinion of the Chief Finance Officer, arrangements which are more advantageous to the Council are permissible.

### 3. AUDIT ARRANGEMENTS

#### 3.1 Internal Audit

3.1.1 The Accounts and Audit Regulation 2015 require that a, “relevant body shall maintain an adequate and effective system of internal audit of their accounting records and control systems and review its effectiveness on an annual basis.” The Authority’s Internal Audit function fulfils this role.

3.1.2 ~~Internal Audit operates in accordance with the Code of Practice for Internal Audit in Local Government in the United Kingdom, published by CIPFA and with Terms of Reference approved by the Council and included with the Audit Committee’s Terms of Reference, again also approved by the Council.~~

Internal Audit operates in accordance with the Public Sector Internal Audit Standards and as set out in the Internal Audit Charter, as approved by the Council.

3.1.3 The Internal Audit Manager (Head of Internal Audit) ~~Internal Audit~~ shall review, appraise and provide assurances on (and report to the Audit Committee or Executive if deemed necessary) the following matters;

- i) the soundness, adequacy and application of internal controls;
- ii) the extent to which the Council’s assets and interests are accounted for and safeguarded from losses of all kinds arising from fraud, other offences, waste, extravagance, inefficient administration, poor value for money or other cause;
- iii) the suitability and reliability of financial and other management information used within the Council,
- iv) the extent of compliance with, and the effectiveness of, relevant policies, plans and procedures.
- v) Assistant Directors self-assessments of the status of the governance framework, including systems of internal controls in place, for each of their service areas.

3.1.4 In pursuance of their duties Internal Audit shall have the authority under the Accounts and Audit Regulations to;

- i) access/enter at all reasonable times any Council premises or land;
- ii) have access to all assets, records, documents, minutes. Correspondence and control systems relating to any aspect of the Council;
- iii) require and receive such information and explanations as are necessary concerning any matter under examination;
- iv) require any employee of the Council to produce cash, stores, or any other Council property under his/her control;
- v) request access to records belonging to third parties, such as contractors and partners,
- vi) have full and free access to all officers, Members and Committees.

3.1.5 Whenever a matter arising out of any audit activity, or otherwise, comes to the attention of Internal Audit and this reveals, or suggests, the possibility of any irregularity, the Internal Audit Manager shall consult immediately with the Chief Finance Officer and City Solicitor, to determine the nature of any action to be taken

and to effect compliance with these Procedure Rules.

- 3.1.6 The effectiveness of a continuous Internal Audit shall be reported to the Audit Committee annually on a regular basis, and at least every two years. and as appropriate the results of audit reviews, which are deemed of interest, in accordance with the CIPFA code of audit practice. The results of External Quality Assessments of Internal Audit will also be reported to the Audit Committee.

## 3.2 External Audit

- 3.2.1 The appointment process for the Council's External Auditors will be recommended by the Audit Committee to the full Council. The basis duties of the external auditor are governed by Part 5 of the Local Audit and Accountability Act 2014
- 3.2.2 The External Auditors and other statutory inspectors must be given reasonable access to premises, personnel, documents and assets that it is considered necessary for the purposes of their work. Regard must be given to sensitivity of data though, and if there is any doubt about whether it is appropriate to provide such data to the external auditor or other statutory inspector, advice should be sought from the Chief Finance Officer.
- 3.2.3 The Section 151 Officer must be consulted upon and approve arrangements to commission external auditors to undertake audit of any statutory grants whereby the awarding body requires an independent audit to be undertaken e.g., Housing Benefit Subsidy, Homes England Compliance.



## 4. FINANCIAL PLANNING

### 4.1 **Medium Term Financial Strategy and Budget Preparation (Revenue and Capital, including the Housing Revenue Account).**

4.1.1 The procedure for the preparation of the Medium Term Financial Strategy, revenue estimates and capital programme will be determined each year by the Chief Finance Officer. This procedure will be consistent with any direction given by the Executive which shall fulfil all statutory requirements.

4.1.2 Assistant Directors shall prepare estimates of revenue expenditure and income for all of the Council's services and estimates for the capital programme in accordance with the directions issued by the Chief Finance Officer.

4.1.3 The Chief Finance Officer shall collate the revenue and capital estimates and present them to the Executive together with the Medium Term Financial Strategy as part of the Budget and Policy Framework process. The Medium Term Financial Strategy will provide a five year forward assessment (for the next budget year and the four following years) of the revenue estimates based on present levels of service and efficiency but reflecting also decisions taken on new commitments and the budgetary impact of savings programmes. This plan should highlight total net expenditure (after income for fees and charges) on services and on financing costs, shown separately to make the implications explicit and in accordance with government guidelines.

4.1.4 The Executive shall consider the aggregate effect of these estimates and programmes on the Council's financial resources and, after consultation on proposed amendments, shall submit them to the full Council for approval, on or before the statutory date each year, together with a recommendation for the Council Tax and Housing Rent Levels to be levied for the following year, having determined the supporting resources to be used.

### 4.1 **Introduction**

4.1.1 The Council is responsible for agreeing the Council's Corporate Plan, Budget and Policy Framework that will be proposed by the Executive, to a Council Meeting for approval.

4.1.2 In terms of financial planning, the key elements of the budget are:

- Medium Term Financial Strategy
- Annual General Fund Revenue Budget
- Housing Revenue Account Budget and 30-year Business Plan
- Capital Strategy and Programme
- Treasury Management and Investment Strategy
- Fees and Charges

### 4.2 **Principles**

4.2.1 The purpose of Finance Planning is to set out and communicate the Council's financial objectives, resource allocations and related performance targets, and to provide an agreed basis for subsequent management control, accountability and

reporting.

4.2.2 The Council's Medium Term Financial Strategy represents a multi-year financial strategy that identifies the medium to long term financial implications for the organisation in delivering the Council's priorities.

4.2.3 The Council's budget sets agreed parameters around resource allocations (budgets) for delivery of the annual activities and functions of council services and is constructed within the context of a medium-term financial strategy.

4.2.4 Budgets enable the Council to plan, authorise, monitor and control the way money is allocated and spent to achieve the Council's objectives.

4.2.5 It is unlawful for the Council to budget for a deficit, meaning that expenditure proposed to be incurred in a financial year should not exceed the resources available to it to meet that expenditure. Section 114 of the Local Government Finance Act 1988 requires the S151 Officer to report to Full Council, Executive and the external auditor if the Council or one of its officers has made, or is about to make, a decision which involves incurring unlawful expenditure.

4.2.6 The capital programme sets out the resource allocations to be made to capital schemes. Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to the organisation, such as land, buildings, major items of plant, equipment and vehicles. There are some exceptions to this definition for items such as REFCUS (revenue expenditure funded from capital under statute) and some external capital schemes such as Disabled Facilities Grants.

### **4.3 The Budget and Policy Framework**

4.3.1 Full Council is responsible for agreeing the policy framework and budget, which will be recommended by the Executive.

4.3.2 The overall annual budget requirement and capital programme is recommended by the Executive and approved by Full Council. Assistant Directors and their Budget Holders are subsequently authorised to incur expenditure in accordance with the estimates that make up the budget. Subject to any further decisions being made as consistent with the Council's decision making requirements and governance framework necessary before the expenditure is incurred.

### **4.4 Medium Term Financial Strategy**

4.4.1 The Medium Term Financial Strategy (MTFS) manages council finances within the context of a forward looking rolling business planning framework. The MTFS should set out issues likely to affect the financial position of the Council over the medium term.

4.4.2 The Chief Finance Officer is responsible for ensuring that the Council's MTFS, which should include the Capital Strategy and Treasury Management Strategy, is updated each year.

4.4.3 Assistant Directors are responsible for contributing to the development of the MTFS.

4.4.4 The Executive is responsible for recommending the MTFS to be approved by Full Council.

## **4.5 Budget Preparation**

4.5.1 Budgets ensure that the Council can plan, authorise, monitor and control the way money is allocated and spent.

4.5.2 The annual budget will include allocations to different services and projects, proposed taxation levels and contingencies.

4.5.3 Detailed budgets, as proposed by Assistant Directors, will be subject to challenge and review through a process determined by the Chief Finance Officer. Any proposed changes to service levels as a result of budget plans will be subject to an Equalities Impact Assessment as part of the consideration process before approval and implementation. The Council will engage partners in the budget preparation process where possible and appropriate.

4.5.4 The Chief Finance Officer has a statutory duty to report upon the budget proposals presented to Full Council. Assistant Directors must provide the Chief Finance Officer with any information required to enable the robustness of the budget proposals to be assessed.

4.5.5 The budget and the implied level of taxation will be presented for approval by Full Council, following recommendation by the Executive. Council Tax and Housing Rent levels must be set, on or before the statutory date each year.

4.5.6 The Chief Finance Officer will issue guidelines on budget preparation to Assistant Directors.

4.5.7 Assistant Directors must prepare detailed draft revenue and capital budgets, in consultation with the Chief Finance Officer and in accordance with the guidance and timetable.

## **4.6 Revenue Budget**

4.6.1 Revenue income and expenditure represents the current or day to day running costs, and associated receipts, of the Council; including salaries, heating and lighting, office expenses, income raised by charging service users and government grants.

4.6.2 Budgets ensure that the Council can plan, authorise, monitor and control the way money is allocated and spent.

4.6.3 The Chief Finance Officer is responsible for ensuring that a Revenue Budget is prepared on an annual basis and a General Revenue Plan on a medium-term basis for consideration by the Executive, before submission to a Council Meeting.

4.6.4 It is the responsibility of Assistant Directors to ensure that Departmental Budgets reflect the agreed Corporate Plans and Service Plans and are submitted to the Chief

Finance Officer and that these budgets are prepared in line with guidance issued by the Chief Finance Officer.

## **4.7 Housing Revenue Account and 30 Year Business Plan**

**4.7.1** The Housing Revenue Account (HRA) is a ring-fenced account for council dwellings & hostels income and expenditure which is required to be in a break even position. The Local Government and Housing Act 1989 Section 76 requires Local Authorities with an HRA to set a budget for the account that avoids the account being in an overall deficit. Due consideration is given to both capital and revenue expenditure as well as rent setting levels.

**4.7.2** The service Chief Officer is responsible for preparing the HRA Budget and business plan in consultation with the Chief Finance Officer. The service Chief Officer must ensure that the budget proposed (revenue and capital) is affordable within the overall HRA resources.

## **4.8 Capital Strategy and Programme**

### **Overview**

**4.8.1.** The Council's Capital Programme will be developed in accordance with the Council's Capital Strategy, Treasury Management Strategy and financial instructions. The strategy will ensure that capital investment (General Fund and Housing Revenue Account) is targeted to achieve best value and maximum effect on priorities, needs and outcomes for local communities.

### **Capital Strategy**

**4.8.2** The Council is required by the CIPFA Prudential Code for Capital Finance (2017) to agree a capital strategy when developing the capital programme. The capital strategy sets out the long-term context in which capital investment decisions are made and the governance for those decisions

**4.8.3** It is a framework for allocation and management of capital resources within the Council, which take account of council's key priorities in the Corporate Plan. It forms a key part of the Council's integrated revenue, capital, and balance sheet planning with a view towards deliverability, affordability, and risk

**4.8.4** It supports the development of a capital programme that is affordable, prudent, and sustainable whilst giving due consideration to risk, reward and delivery of the council's business plan. The strategy improves holistic financial management and both informs and forms part of the budget process.

**4.8.5** Both the Treasury Management Strategy and Capital Strategy are required to comply with the Prudential Code. Whilst the Capital Strategy sets out the framework in which investments should be taken the Treasury Management Strategy sets the Council's financing requirements.

**4.8.6** The Chief Finance Officer is responsible for ensuring that all relevant prudential indicators (as set out in the CIPFA Prudential Code for Capital Finance) are taken account of within the capital programme. The Chief Finance Officer is also

responsible for ensuring that the capital programme informs the treasury management strategy and Minimum Revenue Provision policy.

### **Capital Expenditure**

- 4.8.7 Capital spend is expenditure incurred in acquiring, constructing or enhancing physical assets such as buildings, land, vehicles, plant and machinery that have an estimated useful asset life in excess of one year.
- 4.8.9 The Council applies a de-minimis level of £10,000.
- 4.8.10 Where expenditure qualifies to be supported by capital grant and in accordance with relevant funding conditions, the Chief Finance Officer may consider suspending applying the de-minimis rule in this circumstance.
- 4.8.11 Where expenditure meets the 'capital expenditure' definition and is in excess of the Council's de-minimis limits, it will be classified as capital expenditure, even if provision exists within the Revenue Budget to fund the work (and vice versa).
- 4.8.12 Similarly, where specific financing (e.g. government grant) is provided to facilitate a project, this will not determine the accounting treatment of the expenditure. That is, the accounting treatment is determined according to the type of expenditure, and not by the funding source.

### **Capital Programme**

- 4.8.13 The Capital Programme is agreed annually by the Full Council and provides in principle support for individual projects funded from General Fund and Housing Revenue Account.
- 5.6.2 Inclusion of an initial provision in the Capital Programme provides authorisation to carry out feasibility studies, outline design and application for planning consent
- 4.8.14 (where required) provided the resources have been identified within the approved budget.
- 5.6.3 Before a capital scheme for which provision is made in the Capital Programme may proceed further i.e. to tender/commitment of expenditure, project documentation must be produced and agreed by the Project Sponsor and relevant Programme Board, in accordance with the Lincoln Project Management Framework, unless such documentation has been completed within the last 12 months prior to inclusion in the Capital Programme. If a period of 12 months has elapsed a revised project appraisal will be required to be approved by the Project Sponsor and the relevant Programme Board.
- 4.8.15
- 5.6.4 Where Assistant Directors wish to propose new capital schemes for inclusion, outside of the annual budget process, in the capital programme, they must first consult with the Chief Finance Officer who will determine the approach to be taken for approval of the proposal, as set out in Part B of this document. The proposals will need to be approved by the Executive and be in accordance with the Lincoln Project Management Framework, i.e. require the completion and approval of appropriate project documentation. This must include all applications for schemes to
- 4.8.16

be funded from Government sources, grants or other external funding.

5.6.5 In accordance with the Lincoln Project Management Framework all capital projects require a full financial assessment which must be approved by the Chief Finance Officer.  
4.8.17

5.6.6 Bids for external funding to support capital expenditure cannot take place until they have been approved by the Chief Finance Officer.  
4.8.18

5.6.12 Any proposal to amend an approved capital programme by deleting an approved scheme will require the approval of the Executive.  
4.8.19

### **Financing of the Capital Programme**

4.8.19 The Chief Finance Officer will determine the financing of the capital programme, taking into consideration the availability of reserves and balances, funding from other bodies and the affordability of borrowing.

## **4.9 Treasury Management Strategy**

4.9.1 Treasury management is a key area of effective financial management that underpins the Council's operational and strategic capital ambition.

4.9.2 The Chief Finance Officer will propose an annual Treasury Management Strategy, which includes:

- Updated Prudential Indicators prepared in accordance with the latest code of practices;
- Policy for making revenue provision for the repayment of debt referred as the 'Minimum Revenue Provision' Policy;
- Borrowing Strategy; and
- Investment Strategy.

4.9.3 These documents are required to comply with CIPFA's Codes of Practice on Treasury Management and the Prudential Framework for Capital Finance, relevant Regulations and with the Council's own Treasury Management Policy Statement and Treasury Management Practices; they will set the parameters within which investment and borrowing activity will be managed during the forthcoming financial year.

4.9.4 Further detail on treasury management is provided in Section 9.

## **4.10 Fees and Charges**

7.1.1 All fees and charges to be made for Council services shall be reviewed at least annually by the Assistant Directors, and in conjunction with Financial Services. Such fees and charges shall be submitted by the Chief Finance Officer to the full Council for approval as part of the Medium Term Financial Strategy.  
4.10.1

4.10.2 Further detail on fees and charges is provided in Section 7.

#### 4.11 ~~Reserves and Provisions~~ Maintenance and Use of Reserves and Balances

4.2.1 The Chief Finance Officer is responsible for making recommendations to Executive and full Council on the adequate level of unallocated General Fund and Housing Revenue Account Reserves and any limitations or conditions on the use of such

4.11.1 unallocated reserves. This recommendation will be based upon;

- i) the assessment of the robustness of the budget and adequacy of reserves under Section 25 of the Local Governance Finance Act,
- ii) the projected level of reserves for the year and in the medium terms compared to a risk assessment based on the budget risk register and corporate risk register,
- iii) an on-going assessment of the above.

4.2.2 The Chief Finance Officer is responsible for making recommendations, as part of the Medium Term Financial Strategy, to the Executive and full Council on the adequate

4.11.2 level of specific provisions and earmarked reserves. Such recommendations shall include;

- i) a list of the various earmarked reserves and provisions,
- ii) the purposes for which they are held,
- iii) the estimated opening balances for the year, planned additions/withdrawals and estimated closing balances.

## **5. FINANCIAL MANAGEMENT**

### **5.1 Principles**

**5.1.1** Financial management covers all financial accountabilities in relation to the running of the Council, including the policy framework, revenue budget, capital programme and treasury management.

**5.1.2** All officers and Members have a duty to abide by the highest standards of probity in dealing with public money. This is facilitated by ensuring everyone is clear about the standards to which they are working and by the controls that are in place to ensure that these standards are met.

**5.1.3** To ensure the Council does not exceed its overall budget, each service area is required to manage its own income and expenditure within the cash limited budgets allocated to them to be spent on agreed service activities and functions. The Council's approval of the revenue estimates constitutes authority to incur expenditure, subject to compliance with the approved policies and regulations of the Council and any other limitation that may be imposed.

### **5.1 Budgetary Control**

#### **5.2**

**5.2.1** Budget management ensures that once the budget has been approved by the Full Council, resources allocated are used for their intended purposes and are properly accounted for. Budgetary control is a continuous process, enabling the Council to review and adjust its budget targets during the financial year. It also provides the mechanism that calls to account managers responsible for defined elements of the budget.

**5.2.2** By continuously identifying and explaining variances against budgetary targets, the Council can identify changes in trends and resource requirements at the earliest opportunity. To ensure that the Council in total does not overspend, each service is required to manage its own expenditure within the budget allocated to it.

**5.1.2** Assistant Directors will operate the services under their control in accordance with the policies of the Council and the finances made available and shall be accountable

**5.2.3** to the Executive for performance.

**5.1.3** Assistant Directors shall make arrangements to monitor and manage the budgets for

**5.2.4** which they are accountable and may designate budget holders who are empowered to commit budgets. Designation of budget holders below Service Manager level or Officers on a PO grade or above reporting directly into an Assistant Director or Chief Officer, requires the express consent of the Chief Finance Officer.

**5.1.3** Budget holders may delegate day to day responsibility for overseeing the budget and

**5.2.5** managing the service to budget operators but they retain the responsibility for ensuring the proper management of the Council's resources for their service areas and are responsible for economic, efficient and effective use of resources allocated to them. All budget holder and budget operator activities will be in-line with the



approved authorised signatory level for the authorisation of orders and invoices on the Council's financial system and variation/compensation events within contracts. Details of the financial approval limits are set out in Part B of this document.

Tier 1	Unlimited £	Chief Officers and Assistant Directors
Tier 2	Up to £50,000	Service Managers and Officers on PO grade or above that report directly into an Assistant Director or Director
Tier 3	Up to £10,000	Team Leaders or Officers below PO grade that report directly into an Assistant Director

5.1.4 The Chief Finance Officer shall maintain a list of the extent of authority of each authorising officer to authorise financial transactions. The list of authorising officers  
5.2.5 will be reviewed by Assistant Directors at least annually. The Chief Finance Officer should be notified of requests for changes in authorisation limits.

5.1.5 The Chief Finance Officer shall provide Assistant Directors and budget holders with appropriate financial information, support and advice to enable the revenue budget  
5.2.6 and capital programme to be monitored effectively.

5.1.6 The Chief Finance Officer shall monitor the arrangements made by Assistant  
5.2.7 Directors for implementing budgetary control and shall ensure an effective system of budgetary control is operated throughout the Council.

5.1.7 Assistant Directors shall consult with the Chief Finance Officer prior to submitting  
5.2.8 any report or statement to the Executive, Committee, Sub-Committee or Panel to ensure that the financial implications for either the revenue budget, capital programme or the overall finances of the Council contain the Chief Finance Officer views.

## 5.1 Revenue Budget Management

### 5.3

5.1.4 The inclusion of items in approved revenue estimates, as varied by a supplementary  
5.3.1 estimate or virement approved under these Procedure Rules, constitutes authority to incur expenditure and collect income, subject to compliance with the approved policies and regulations of the Council and any other limitation that may be imposed.

5.1.2 Assistant Directors and budget holders must regularly monitor (at least monthly but  
5.3.2 more frequently where necessary) actual income and expenditure against that budgeted for all services under their control and ensure that all budget targets are being achieved. As part of such monitoring, Assistant Directors and budget holders must;

- i) project likely future income and expenditure in order to identify immediately any potential over or under spends;

- ii) take corrective action without delay and, if action beyond their authority is required, report to their Assistant Director/Chief Officer immediately;
- iii) inform the Chief Finance Officer whenever there is a likelihood that expenditure will exceed the approved revenue estimate for it, or that income will be less than the amount included in the estimates, as soon as practicable, including any impact on future years.
- iv) inform the Chief Finance Officer whenever there is a likelihood that expenditure will be below the approved revenue estimate for it, or that income will be in excess of the amount included in the estimates, as soon as practicable, including any impact on future years.

**5.2.3** Corrective action may take the form of a transfer of budgets between budget heads (virement) or the suspension or deletion of other planned expenditure. Any such suspension or deletion shall require the Assistant Director to obtain the approval of the Executive and/or full Council if it is contrary to the Budget and Policy Framework and shall affect council policy.

**5.3.3**

**5.2.4** The Executive shall be entitled to require corrective action to be taken to deal with either a forecast or known overspending or to accommodate a new demand that is considered important or unavoidable.

**5.3.4**

### **5.3 Exceptional Supplementary Budget Estimates**

#### **5.4**

**5.3.1** Once all other possibilities for corrective action have been considered the Assistant Director, in conjunction with the Chief Finance Officer, will be required to make a request for a supplementary budget.

**5.4.1**

**5.3.2** Requests for supplementary budgets shall only be made in exceptional circumstances and may only be approved by the Council. A report requesting a supplementary budget must be produced jointly with the Chief Finance Officer and must make particular reference to any future financial implications.

**5.4.2**

### **5.4 Transferring Financial Resources Between Revenue Budget Heads in Year (Virement)**

#### **5.5**

**5.5.1** The term virement refers to transfers of budgets between or within cost centres. The Scheme of Virement is intended to enable Chief Officers, Assistant Directors and Budget Holders to manage budgets with a degree of flexibility within the overall policy framework determined by the Council, and, therefore, to optimise the use of resources.

**5.4.1** Budget provision may be transferred from one budget head to another during the course of the year subject to the following rules;

**5.5.2**

- i) the proposed expenditure is not contrary to council policy and does not relate to an item which has previously been considered by the Council, and has been rejected;
- ii) no net recurring increase in total expenditure will arise in any subsequent

- years directly from the virement unless the recurring cost is approved by the Executive;
- iii) the proposed virement does not involve any loan charges, capital expenditure or apportioned central support services charges which the officer concerned has no control over;
- iv) all virements are notified to the Chief Finance Officer within one week of approval; and
- v) fortuitous income (which has not arisen through a positive management decision) cannot be a source of virement.

**5.4.2** Where an approved budget is a 'lump sum' budget or reserve intended for allocation during that year, its allocation will not be treated as a virement for reporting purposes, provided that the amount is used in accordance with the purposes for which it was established.

**5.4.3** The transfer of a budget is not virement if the budget continues to be used for the same purpose and is only being vired for the purpose of 'general housekeeping'.

**5.4.4** The Chief Finance Officer is authorised to make any technical adjustment to budgets that are not contrary to the Policy and Budget Framework.

**5.4.5** Virement is permitted between the revenue budget and the capital budget but not from the capital budget to the revenue budget.

**5.4.6** ~~Revenue virements may be made within the following criteria;~~

~~Within the same budget head;~~

- ~~i) transfer between subjective within revenue budget heads may be approved by the budget holder, after consultation with their Assistant Director.~~

~~Between different budget heads;~~

- ~~ii) where amount does not exceed £50,000 and the items are to be transferred between different budget heads then the relevant Assistant Director(s) may approve the transfer;~~
- ~~iii) where the amount is more than £50,000 but not exceeding £75,000 and is to be transferred between different budget heads then the relevant Director(s) may approve the transfer;~~
- ~~iv) where the amount is more than £75,000 the approval of the Executive is required.~~

**5.4.7** Any virement that will impact upon the budget under the responsibility of another Assistant Director will require the approval of both Assistant Directors or both Chief Officers.

\* A budget head is defined as a single line in the approved revenue estimates.

**5.5.7** The process required to adjust the approved budget will depend on the purpose, value and impact of the proposed change. Details of the financial approval limits are set out in Part B of this document.

## **5.5 Carry Forward of Revenue Budgets from One Year to the Next**

### **5.6**

**5.5.4** Assistant Directors will be able to request to carry forward any revenue estimate not utilised by the end of the financial year, subject to the following conditions:

#### **5.6.1**

- i) proposals for carry forwards will only be considered where there is an overall underspend of the Directorate's cash limited budgets equal or greater than the carry forward amount (for this purpose income budgets for which the Directorate doesn't have full control, e.g. due to market forces) are excluded from the considered cash limit budget;
- ii) carry forwards can only be used to finance one-off types of expenditure;
- iii) proposals will be included for initial approval in the report on financial performance submitted to the Executive for the period to the end of 31st December each year;
- iv) if carry forwards are not identified and reported to the Executive in the report of financial performance for the period to the end of 31st December then they will not be considered, except in circumstances which are beyond the Council's control, e.g. failure of supplier to deliver. In such a case the initial approval of the Chief Finance Officer will be required;
- v) approval of the total value of carry forward proposals will only be given by the Executive once all spending in the financial year has been contained within the overall budget level set for the year and consideration given to the financial risks and priorities of the Council. This will be determined on receipt on the report of financial performance for the period to the end of 31<sup>st</sup> March each year. The allocation of the total carry forward amount to specific schemes will be determined following completion of the draft financial statements each year.

## **5.6 Capital Budget Management**

### **5.7**

#### **Capital scheme initiations and approvals**

**5.6.1** Initial provision is made for capital schemes within the Capital Programme in line with the approved Strategic Plan, Housing Business Plan and Medium Term Financial Strategy.

**5.6.2** Inclusion of an initial provision in the Capital Programme provides authorisation to carry out feasibility studies, outline design and application for planning consent (where required) provided the resources have been identified within the approved budget.

**5.6.3** Before a capital scheme for which provision is made in the Capital Programme may proceed further i.e. to tender/commitment of expenditure, project documentation must be produced and agreed by the Project Sponsor and relevant Programme

Board, in accordance with the Lincoln Project Management Framework, unless such documentation has been completed within the last 12 months prior to inclusion in the Capital Programme. If a period of 12 months has elapsed a revised project appraisal will be required to be approved by the Project Sponsor and the relevant Programme Board.

5.6.4 Where Assistant Directors wish to propose new capital schemes for inclusion in the capital programme, they must first consult with the Chief Finance Officer who will determine the approach to be taken for approval of the proposal. The proposals will need to be approved by the Executive and be in accordance with the Lincoln Project Management Framework, i.e. require the completion and approval of appropriate project documentation. This must include all applications for schemes to be funded from Government sources, grants or other external funding.

5.6.5 In accordance with the Lincoln Project Management Framework all capital projects require a full financial assessment which must be approved by the Chief Finance Officer.

5.6.6 Bids for external funding to support capital expenditure cannot take place until they have been approved by the Chief Finance Officer.

5.6.7 The Chief Finance Officer may approve expenditure where tenders received are less than the allocated scheme budget and the Assistant Director proposes to extend the scope of the work up to the allocated amount. In such circumstances the Chief Finance Officer will consider the overall capital programme and other calls on capital resources.

### Capital Scheme Monitoring

5.6.8 Assistant Directors and budget holders shall be responsible the financial monitoring of all capital schemes under their control and shall, at the earliest opportunity, inform the Chief Finance Officer whenever;

5.7.1

- i) the cost has or is likely to exceed the allocated project budget;
- ii) there has been or is likely to be slippage in estimated payments expenditure for the year so that steps may be taken to avoid the loss of time-limited borrowing or capital grant approvals.

5.6.9 Notwithstanding any of the responsibilities of Assistant Directors and budget holders for budget management within these Procedure Rules, in addition the performance

5.7.2

of all capital schemes shall be monitored through either specific Project/Programme Boards, Strategic Priority Theme Groups or through Directorate Management Teams, by the Chief Finance Officer in conjunction with the Capital Programme Group (consisting of the Financial Services Manager, Group Accountant and Capital Accountant).

5.6.10 If after a scheme has commenced the original total cost has or appears likely to exceed the allocated scheme budget, or where any avoidable variations or discretionary charges are to be incurred, then equivalent savings must be made within the approved capital programmes (virement).

5.7.3

~~5.6.11~~ If it is not possible to identify a capital virement the Chief Finance Officer and Assistant Director shall report the scheme, the final cost or estimate thereof and reason for the increased expenditure to the Executive at the earliest opportunity.

~~5.7.4~~

## **5.7 Transferring Financial Resources within Capital Schemes (Virement)**

### **5.8**

~~5.7.1~~ The Chief Finance Officer ~~in conjunction with Capital Projects Group~~ shall consider the scheme as a whole, the overall agreed capital programmes and other calls on capital resources, when taking corrective action in the form of a virement.

~~5.8.1~~

~~5.7.2~~ ~~The Chief Finance Officer shall have authority to approve virements to a capital scheme subject to the virement plus previous virements approved by the Chief Finance Officer being not more than £100,000 or 50% of the total scheme whichever is lower. For ongoing schemes (e.g. disabled facilities grants) the total value of the scheme refers to the annual budget allocation.~~

~~5.8.2~~

~~5.8.2~~ The process required to adjust the approved budget will depend on the purpose, value and impact of the proposed change. Details of the financial approval limits are set out in Part B of this document.

~~5.7.3~~ Such virements shall be reported by the Chief Finance Officer to the Executive, not less than four times a year.

~~5.8.3~~

~~5.7.4~~ ~~Any virement which results in the change to the cost of the scheme exceeding the above financial limits will require the Assistant Director in conjunction with the Chief Finance Officer to prepare a report to obtain the approval of Executive.~~

~~5.7.5~~ The Chief Finance Officer shall have authority to approve the re-phasing of capital schemes within the approved capital programme between financial years (subject to the availability of resources) to make the most effective use thereof. Such re-phasing shall be reported by the Chief Finance Officer to the Executive, not less than four times a year. If deemed necessary the Chief Finance Officer in conjunction with the relevant Assistant Director shall prepare a report to the executive to consider proposals.

~~5.8.4~~

~~5.7.6~~ The Chief Finance Officer shall have the authority to approve the inclusion of schemes in the capital programme as required by capital accounting requirements in the Accounting Code of Practice.

~~5.8.5~~

## **5.9 In Year Movement of Reserves and Balances**

~~4.2.3~~ ~~Before approving the establishment of a new earmarked reserve or provision the Chief Finance Officer will require Assistant Directors to provide the following;~~

~~5.9.1~~

- ~~i) the purpose of the earmarked reserve or provision,~~
- ~~ii) the decision making and authorisation process for the use of those provisions and reserves,~~
- ~~iii) the process and timescale for review of the reserve.~~

Any in year call on the use of earmarked reserves and balances will be authorised by the Chief Finance Officer. The Chief Finance Officer will also approve any request for new earmarked reserves and any movements between reserves.

5.9.2 Drawdown from earmarked reserves can only be requested for one-off purposes, although it may be possible to request funding for a project that spans more than one financial year.

5.9.3 Where additional funding is required on an on-going basis, the full year effect must be addressed through the revenue budget setting process.

~~4.2.4 Authority to commit expenditure for the specified purposes lies with Assistant Directors in accordance with section 5.1 of these Procedure Rules. Assistant~~  
5.9.4 ~~Directors shall only propose the use of earmarked reserves and provisions for the purpose of such reserves or provisions, unless otherwise agreed by the Chief Finance Officer.~~

The establishment of new earmarked reserves and provisions shall be brought to the attention of the Executive, by the Chief Finance Officer, not less than four times a year.

## 5.8 Reporting

### 5.10

5.8.1 The Executive shall receive a report, prepared jointly by, the Chief Finance Officer and Chief Officers, commenting on financial performance, to date, of the revenue budget and capital programmes, not less than four times a year. The Chief Finance Officer shall report to the Executive in between such regular reports should he/she require this to be necessary in the financial circumstances.

5.8.2 The Performance Scrutiny Committee shall receive a report, prepared jointly by, the Chief Finance Officer and Chief Officers, commenting on financial performance to date of the revenue budget and capital programmes, not less than four times a year.

### 5.10.2

## **6. EXPENDITURE**

### **6.1 Authorisation and Certification**

6.1.1 Expenditure should only be incurred if authority to purchase goods or services has been delegated to an employee by an Assistant Director.

6.1.2 A list is maintained by the Chief Finance Officer of the extent of the authority of each authorising officer who can approve orders and authorise invoices for payment.

6.1.3 A list is maintained by the City Solicitor of the extend of the authority of each authorising officer who can:

- i) authorise travel and expense claims;
- ii) ~~authorise petty cash reimbursement claims;~~
- iii) authorise payroll transactions, including starters and leavers, overtime or bonus payment, notification of sickness, salary adjustments.

6.1.4 Transactions will not be processed unless authorisation has been given.

6.1.5 Agency staff are not permitted to place or approve orders or contractual payments.

6.1.6 Assistant Directors should notify the Chief Finance Officer and City Solicitor immediately of any changes in authorised personnel or requests for changes in authorisation limits. Periodically, the whole list of authorised officers shall be reviewed in its entirety.

### **6.2 Contracts for Works, Goods and Services**

6.2.1 All contracts entered into on behalf of the Council shall be subject to the Contract Procedure Rules (Part 4) of the Constitution.

6.2.2 Payment to contractors on account shall be authorised only on certified documents signed by an authorising officer up to their agreed authorised limited, set out in Part B of this document, showing the total amount of the contract, value of work executed to date, retention money, amount paid to date and the amount now certified.

6.2.3 Subject to the specific contract allowing a variation, every variation, addition to the original specification or compensation event, shall be authorised, in writing, by an authorising officer up to their agreed authorised limit, as ~~per paragraph 5.1.3~~ **set out in Part B of this document**. Any such variation, addition or event which necessitates an increase in the amount of an accepted tender or estimate which exceeds the budgetary provision will be subject to the scheme of virement as per paragraphs ~~5.4~~ **5.5** and ~~5.7~~ **5.8**. No order shall be placed, nor any payment certified, in respect of any such variation or addition until this has been approved by the Executive if required under the scheme of virement.

6.2.4 The final certificate on a contract or accepted estimate shall be issued by the duly authorised officer.



6.2.5 In the case of contracts for works entered into by the Council and supervised and managed by architects or persons other than the Council's own officers, the agreement with the person having control of the work shall provide that he/she submit to the Council for authorisation by a duly authorised officer, all payments on account and valuation certificates, furnishing them with all documents and vouchers relating to prime costs, provisional sums etc. Subject to the rights of other parties to the contract, the final certificate shall not be issued, nor the balance under such contract paid until an authorised officer of the Council has had the opportunity to examine the accounts, vouchers and documents and authorise the final certificate and payment.

### **6.3 Orders for Works, Goods and Services**

6.3.1 Purchase orders shall be made out in the name of the Council and shall be in a form approved by the Chief Finance Officer. Electronic ordering shall be the Council's preferred method of raising orders.

6.3.2 Official purchase orders are required for all work, goods or services to be supplied to the Council except for:

- i) supplies of public utility services;
- ii) ~~contracts for works, goods and services as per paragraph 6.2~~
- iii) periodical payments (such as rent or rates);
- iv) petty cash purchases; or
- v) such other exceptions as the Chief Finance Officer may approve

If there is any doubt over whether a purchase order is required the Chief Finance Officer will confirm the requirements.

6.3.3 No official order shall be issued unless the rules regarding the obtaining of quotations/tenders in accordance with Contract Procedure Rules, (Part 4) of this Constitution, have been followed.

6.3.5 Verbal orders should only be given in emergencies and must be confirmed immediately by an official order, clearly marked 'Confirmation of an order issued verbally'. Personal credit cards can only be used in exceptional and justifiable circumstances and with prior authorisation of the Chief Finance Officer.

6.3.6 All orders shall specify the nature and quantity of the work, goods or services required, shall include all relevant expenditure (including freight/delivery) and shall specify the relevant contract and agreed or estimated price excluding Value Added Tax.

6.3.7 Each purchase order must be authorised by an authorising officer up to their agreed authorised limit, **as set out in Part B of this document**. Before authorising purchase orders (or otherwise committing expenditure) authorising officers should ensure that sufficient budgetary provision is available.

6.3.8 Any purchases undertaken as part of a corporate procurement card scheme shall be in accordance with the instructions issued. Purchase orders are not required for

procurement cards.

- 6.3.9 No financial loan, leasing or hire purchase arrangement (with the exception of land and property) may be entered into without the express permission of the Chief Finance Officer.
- 6.3.10 Under no circumstances may individual employees use the Council's ordering or payments systems for personal use or benefit.
- 6.3.11 Assistant Directors shall ensure that, where construction maintenance works are undertaken, the contractor fulfils necessary Construction Industry Tax Scheme requirements.

#### **6.4 Payment of Accounts**

- 6.4.1 The Chief Finance Officer shall be responsible for making safe and efficient arrangements for all payments.
- 6.4.2 The primary method of payment of funds due from the Council is by BACS payment drawn on the Council's bank account by the Chief Finance Officer. ~~In exceptional circumstances~~ Other forms of payment e.g. CHAPS/faster-payment/direct debit/standing order may be used with the agreement of the Chief Finance Officer.
- 6.4.3 Each Assistant Director shall be responsible for ensuring that prior to purchase orders for goods and services being confirmed as being goods received (or on occasions invoices being authorised for payment) the examination, verification and certification of the receipt of all goods and services under his/her control is in line with the original purchase order or subsequent amendments. He/she shall satisfy him/herself that robust procedures exist to ensure that;
  - i) the goods, works or services mentioned have been received, examined and approved as to quality and quantity and are in accordance with the order and/or subsequent correspondence;
  - ii) the relevant expenditure has been properly incurred, and is within the relevant budget;
  - iii) appropriate entries have been made in inventories, stores records or stock books as required;
  - iv) the account has not previously been passed for payment and is a proper liability of the Council;

Where the invoice received differs from the official purchase order or amounts certified as received, then they shall ensure that;

- i) the price charged is correct and in accordance with any accepted quotation or contract and that all appropriate allowances, discounts and credits have been deducted, and that the invoice is arithmetically accurate;
- 6.4.3 Statements shall not be paid but should be passed to the Chief Finance Officer for review and reconciliation. Scanned or photocopied documents shall not be passed for payment unless endorsed by the authorising officer stating that the original is not,

and is unlikely to become, available. If this is the case scanned or photocopied documents must be of sufficient quality to be processed.

6.4.4 Each order, goods receipt confirmation and/or invoice shall be authorised by the authorising officer up to their agreed authorised limit, **as set out in Part B of this document.**

6.4.5 Assistant Directors must ensure that invoices for payment are dealt with promptly in accordance with any contract conditions, late payment legislation and performance criteria. Priority is to be given to invoices subject to a discount for prompt payment. On confirmation the purchase orders have been goods receipted or if required invoices have been authorised for payment, the invoices will be processed by the Chief Finance Officer for payment without delay.

## **6.5 Payment for Salaries and Wages**

6.5.1 The payment of all salaries, wages, compensation and other emoluments to all employees or former employees of the Council shall be made by the City Solicitor under secure and reliable arrangements approved by the Chief Finance Officer.

6.5.2 Assistant Directors and the City Solicitor will ensure that appointments of all employees are made in accordance with the Procedure Rules of the Council.

6.5.3 Assistant Directors shall notify the City Solicitor as soon as possible, complying with deadlines set down for payroll processing and in the form prescribed by him/her, of all matters affecting the payment of such emoluments, and in particular:-

- i) appointment, resignations, dismissals, suspensions, secondments and transfers;
- ii) absences from duty for sickness or other reason, apart from approved leave (via the appropriate admin team);
- iii) changes in remuneration, other than normal increments and pay awards and agreements of general application; (e.g. honorarium, accelerated increments, regradings etc)
- iv) information necessary to maintain records of service for superannuation, income tax, national insurance and the like.
- v) all employees in receipt of taxable benefits;
- vi) additional work such as overtime.

6.5.4 All time records or other pay documents shall be in the form prescribed by the **Chief Executive—City Solicitor** and approved by the Chief Finance Officer and shall be certified by an authorising officer.

6.5.5 Assistant Directors must ensure that all pay transactions are processed through the payroll system. They must, in particular, seek advice from the City Solicitor on the employment status of potentially self-employed individuals or sub- contractors.

6.5.6 The City Solicitor shall implement all nationally agreed pay and related awards immediately.

## **6.6 Payments of officer's travel and subsistence**

- 6.6.1 All claims for payment of car allowances, subsistence allowances, travelling and incidental expenses in relation to the performance of official duties shall be submitted via the system prescribed by the City Solicitor and approved by the Chief Finance Officer and submitted in accordance with such timescales as he/she may determine.
- 6.6.2 All claims for payment shall be certified by an authorising officer. Such certification shall be taken to mean that the authorising officer is satisfied that the journeys were authorised, the expenses properly and necessarily incurred and that the allowances are properly payable by the Council.
- 6.6.3 Irrespective of the method of claim or method of payment, all expenses for car allowances, subsistence allowances, travelling and incidental expenses shall be in accordance with the rates and scales set out in the HR Handbook as updated from time to time.

## **6.7 Payments to Member's or Independent Persons for Travel, Subsistence and Allowances**

- 6.7.1 Payments to Members, including co-opted Members of the Council or its committees, or independent persons who are entitled to claim travelling or other allowances, will be made by the City Solicitor upon receipt of the prescribed form duly completed. All claims for a financial year are to be submitted in accordance with the Members' Allowance Scheme.
- 6.7.2 All issues relating to the payment of Members' allowances and including the keeping of records and publication of amounts claimed, shall be in accordance with the Council's Members' Allowance Scheme extant at that time as any relevant legislation.
- 6.7.3 The City Solicitor shall determine which duties of Members should qualify for payment in accordance with the Members' Allowance Scheme. Any other payments will require approval by the Executive.

## **6.8 Transparency**

- 6.8.1 To provide transparency in its stewardship of public funds the Council makes information available to the public in relation to its spending, regardless of value, consistent with requirements set out under 'Openness of Local Government Bodies regulations (2014)'. Monthly payment transactions made are available to download via the Council's website

## **7. INCOME**

### **7.1 Fees and Charges**

~~7.1.1 All fees and charges to be made for Council services shall be reviewed at least annually by the Assistant Directors. Such fees and charges shall be submitted by the Chief Finance Officer to the full Council for approval as part of the Medium Term Financial Strategy.~~

7.1.2 Proposals for new fees and charges should normally be considered as part of the Medium Term Financial Strategy. Where this is not possible then the Assistant Director, in conjunction with the Chief Finance Officer shall submit a report to the Executive for approval of the new fees and charges. Reasonable notice should be given to service users to consult on the fees, before any new charge is implemented, together with clear advice on any discounts or concessions that will be available.

~~7.1.3~~ Any fees and charges regulated by statute shall be implemented on the due date without requiring approval or consultation with service users.

7.1.2

7.1.4 In respect of services where fees or charges apply or may apply in circumstances where services are obliged through regulations to achieve cost recovery or where other market led factors influence the service and its charging structure, the relevant Assistant Director has the discretion to amend the set fees and charges by +/- 50%, after consulting with Chief Finance Officer and relevant Portfolio Holder. Such an occurrence shall be reported by the Assistant Director to full Council at the earliest opportunity.

7.1.3

### **7.2 Collection of Income**

7.2.1 The collection of all money due to the Council shall be under the supervision of the Chief Finance Officer who shall ensure adequate arrangements are maintained for;

- i) the financial organisation and accounting necessary to ensure the proper recording of all sums due to the Council, and;
- ii) the collection, custody, control, disposal and prompt accounting of all cash in all Directorates and establishments of the Council and any bodies acting on the Council's behalf.

7.2.2 Each Assistant Director shall arrange for accounts to be raised promptly in respect of charges for work done or goods or services supplied and for rendering such accounts to the debtors concerned, along with required supporting documentation. Such accounts will be in a form specified by the Chief Finance Officer.

7.2.3 Assistant Directors shall promptly notify the Chief Finance Officer of contracts, leases and other agreements and other arrangements entered into which involves the receipt of money by the Council.

7.2.4 The Council does not accept cash except where this is unavoidable and approved by an Assistant Director. Any cash received must be acknowledged by the issue of an official receipt.

- 7.2.5 All official receipt forms, books or similar items shall be in a form approved by the Chief Finance Officer.
- 7.2.6 All official receipt forms, books or similar items shall be ordered, controlled and issued only by the Chief Finance Officer and be in his/her custody, except where he/she may approve otherwise. A register shall be kept of all receipts and issues of such documents and each issue shall be acknowledged by the signature of the recipient.
- 7.2.7 Assistant Directors shall ensure that cash etc collected by an employee shall not be left unsecured in the absence, for any reason, of the employee from the point of collection. Where a collection point is left unattended, all cash must be put in secure conditions.
- 7.2.8 Every transfer of official money from one member of staff to another will be evidenced in the records of the departments concerned by the signature of the receiving officer.
- 7.2.9 Assistant Directors shall ensure that any shortages of cash collected shall be notified immediately to the Chief Finance Officer and Internal Audit to determine the nature of any action to be taken and to effect compliance with these Procedure Rules.
- 7.2.10 Personal cheques shall not be cashed out of the money held on behalf of the Council.
- 7.2.11 Each employee receiving income shall balance his/her collections at least daily and pay them to the Chief Finance Officer, the bank (either directly or via authorised collectors) or another officer nominated by the Chief Finance Officer in accordance with the instructions specified by the Chief Finance Officer. These payments must be properly coded and any VAT properly accounted for. No deduction may be made from such money save to the extent that the Chief Finance Officer may specifically authorise.
- 7.2.12 The Chief Finance Officer shall arrange for prompt banking of monies received by him/her.
- 7.2.13 Each officer who banks money (either directly or via authorised collectors) shall enter on the paying-in slip a reference to the related debt (such as the receipt number or the name of the debtor) or otherwise indicate the origin of the cheque; on the reverse of each cheque, the officer shall enter the name of his/her directorate, office or establishment.
- 7.2.14 As per paragraph 7.2.4 above the Council does not accept cash payments except where this is unavoidable. In those unavoidable instances in accordance with the Council's Anti-Money Laundering policy payment to the Council can be accepted if it is in cash and does not exceed a specified limit (currently £2,000). The receipt of cash payments over £2,000 requires the prior authorisation of the Chief Executive, City Solicitor or Chief Finance Officer.
- 7.2.15 Electronic payments will be implemented on a service-by-service basis wherever this can be done so efficiently. Whenever possible this will be through a means that is without human intervention in the process such as through the online secure web

pages or by automated telephone payments. All monies received through such methods shall be subject to the specific instructions concerned and shall comply with the Payment Card Industry Data Security Standards (PCIDSS). This requirement to comply with PCIDSS extends to any third parties/contractors working on behalf of the Council

### 7.3 Writing off ~~bad~~ Debts

7.3.1 The Chief Finance Officer shall generally administer the recovery of all income due to the Council, including taking appropriate proceedings in court. With exception of the delegation to the City Solicitor to settle all legal proceedings in consultation with the relevant instructing officer.

7.3.2 The authority to write out debts shall be ~~as follows and~~ exercised only where the debt is deemed uncollectable by virtue of the bankruptcy or liquidation of the debtor, the debt being statute barred or the absence of further remedies being available such as following a committal hearing or a deceased debtor with no estate or where the debt is deemed irrecoverable or uneconomic to pursue. ~~Details of the financial approval limits are set out in Part B of this document.~~

~~i) not more than £5,000 for any one debtor in respect of any one financial year — authorisation required by Chief Finance Officer, City Solicitor or the Head of Shared Revenues and Benefit Service~~

~~ii) following a report to and the approval of the Executive in respect of debts over £5,000.~~

7.3.3 Where authorisation exists to write out a debt, the Chief Finance Officer may seek to mitigate the loss to the Council by selling the debt or passing it to an agency on a commission basis. Nothing in these Procedure Rules shall preclude the passing of a debt to an agency where either the debtor becomes liable for those costs or there is provision in the budgets or provisions to meet such costs. Nothing in these Procedure Rules shall preclude “technical” write-offs necessary to correct any account raised in error.

7.3.4 The authority to reinstate previously written off debts upon receipt of outstanding amounts ~~is set out in Part B of this document. shall be as follows:~~

~~i) Reinstatement of debts up to £5,000 - authorisation required by Chief Finance Officer, City Solicitor or the Head of Shared Revenues and Benefit Service.~~

~~i) Reinstatement of debts over £5,000 — authorisation required by the Chief Finance Officer~~

## **8. Taxation**

- 8.1 The City Solicitor shall be responsible for accounting to the HM Revenue's & Customs for all tax deducted from employees' emoluments under the PAYE arrangements.
- 8.2 The Chief Finance Officer shall be responsible for accounting to the appropriate agency for all other forms of taxation payable to or by the Council and for supplying to such agencies such other information as they may validly require.
- 8.3 The Chief Finance Officer may require from any employee of the Council such information as is necessary for fulfilment of the Council's obligation under this Procedure Rule. Assistant Directors shall be responsible for reporting taxable benefits (e.g. un-badged uniforms), which their staff may have received to the Chief Finance Officer in accordance with the timescales and procedures laid down by him/her.
- 8.4 Any purchase which is taxable under VAT Procedure Rules, whether or not the purchase price includes an element of VAT, shall be paid for only on receipt by the Chief Finance Officer of a suppliers invoice complying with VAT Procedure Rules or a written guarantee that an authenticated VAT receipt will be issued. Under no circumstances will VAT be payable on cheque requisition forms unless authorising officers have sought an authenticated VAT receipt.
- 8.5 Authorised officers accounting for income must ensure that the correct VAT is charged. Liability is determined by the type of organisation being charged and the nature of the service provided.
- 8.6 Assistant Directors should have regard to the provision of the Construction Industry Scheme (CIS) and should ensure that all payments which may incur a liability under this scheme are passed directly to the Chief Finance Officer for payment.



## **9. Resources and Asset Management**

### **9.1 Banking Arrangements**

- 9.1.1 All arrangements concerning banking services, including the opening, closing and operation of the Council's bank accounts shall be made solely upon direction of the Chief Finance Officer.
- 9.1.2 Cheques and other instruments drawn on the Council's banking accounts shall bear the facsimile signature of the Chief Finance Officer or be signed by the Chief Finance Officer or other officer authorised to do so in the bank mandate. The Chief Finance Officer will authorise the inclusion of specific officers on the bank mandate (to be at a minimum of Assistant Director level).
- 9.1.3 All such cheques and instruments shall be ordered only on the authority of authorised signatories and the Chief Finance Officer shall make proper arrangements for their safe custody.
- 9.1.4 The Chief Finance Officer shall authorise the establishment of all standing orders and direct debits.
- 9.1.5 The Chief Finance Officer shall maintain a list of all Council procurement cards issued and their holders. The Chief Finance Officer will authorise the issue of any new cards, the withdrawal of existing cards and provide operating guidance.
- 9.1.6 Card holders shall be personally responsible for the security of cards and for ensuring compliance with guidelines for their use, which shall include the requirement that procurement cards may only be used for Council business and in no circumstances used for personal purposes.

### **9.2 Investments, Borrowings and Trust Funds**

- 9.2.1 The Council has adopted CIPFA's "Code of Practice for Treasury Management in Local Authorities".
- 9.2.2 The Council shall determine a Treasury Management Policy setting out its strategy and procedures for Treasury Management and set the Council's Prudential Indicators. The policy shall be reviewed once a year and completed in accordance with the budget timetable.
- 9.2.3 All money in the Council's possession shall be aggregated for the purposes of Treasury Management and shall be under the control of the Chief Finance Officer.
- 9.2.4 All Executive decisions on borrowing, investment or financing shall be delegated to the Chief Finance Officer or through him/her to his/her staff who shall all be required to act in accordance with current statutory requirements, professional guidelines and the Treasury Management Policy extant at the time of the transaction.
- 9.2.5 The Chief Finance Officer shall report to the;
- i) Executive no less than twice in each financial year on the activities of the

Treasury Management operation and on the exercise of Treasury Management powers delegated to him/her. One such report shall comprise an Annual Treasury Management Stewardship and Prudential Indicators Report for presentation by 30 June of the succeeding financial year.

- ii) Performance Scrutiny Committee no less than twice a year on the activities of the Treasury Management operation. Including, as a minimum, a mid-year review and an annual report after its close, in the form prescribed in its Treasury Management Practices.
- iii) Audit Committee on an annual basis on the treasury management strategy before approval by the Executive and full Council **no later than the 11<sup>th</sup> March of the preceding year.**

9.2.56 Responsibility for the implementation and regular monitoring of the Treasury Management policies and practices is delegated to the Performance Scrutiny Committee.

9.2.67 The Audit Committee is responsible for ensuring effective scrutiny of the treasury management strategy and policies.

9.2.78 All borrowings, investments and trust funds shall be made in the name of the Council.

9.2.89 The Chief Finance Officer shall act as a registrar of mortgages, stocks, shares and bonds, whilst appropriate arrangements shall be made for other securities.

9.2.91 All trust funds shall, wherever possible, be in the name of the Council and Officers acting as trustees by virtue of their official position shall deposit all securities, etc., relating to the trust with the City Solicitor unless the deed otherwise provides.

9.2.10 The Chief Finance Officer shall arrange, where funds are held on behalf of third parties, for their secure administration and to maintain written records of all transactions.

9.2.14 The Chief Finance Officer shall ensure that trust funds are operated within any relevant legislation and the specific requirements for each trust.

### **9.3 Floats and Imprest Accounts**

9.3.1 The Chief Finance Officer may establish and provide such imprest accounts and cash float holdings and in such a form as he/she deems appropriate.

9.3.2 The Chief Finance Officer shall maintain a list of all Council imprest accounts and cash float holdings issued and their signatories.

9.3.3 No income received on behalf of the Council may be paid into an imprest account but must be banked or paid to the Council as provided elsewhere in these Procedure Rules.

9.3.4 Payments shall be limited to minor items of expenditure up to a general individual limit of £50 and to such other items as the Chief Finance Officer may approve and shall be supported by a receipted voucher to the extent that the Chief Finance Officer

may require. A VAT receipt should be obtained where possible.

- 9.3.5 Each imprest holder shall maintain an approved record of the sum received and disbursements made and shall produce the record and cash for checking on demand by the Chief Finance Officer or his/her representative.
- 9.3.6 Claims for reimbursement are completed by each imprest holder. The vouchers are attached to the claim certified by an authorising officer, and submitted to the Chief Finance Officer at such intervals as the Chief Finance Officer determines.
- 9.3.7 On leaving the employment of the Council or otherwise ceasing to be entitled to hold an imprest account, an Officer shall account to the relevant Assistant Director for the amount advanced to them

#### **9.4 Unofficial Funds**

9.4.1 The Council will not as a general rule supervise the financial administration of unofficial funds and will not in the course of normal business audit them. It accepts no liability whatsoever for any loss however caused. Those operating such funds therefore have an overall responsibility to ensure that proper financial stewardship is observed. This should include ensuring that:-

- i) a Treasurer and an independent auditor are formally appointed;
- ii) proper rules are operated to secure adequate standards;
- iii) adequate records and procedures are maintained;
- iv) regular reports on fund transactions and balances are received and checked against bank statements;
- v) annual statements of income and expenditure and fund balances are prepared and audited.

9.4.2 Those operating or intending to operate such funds are also required to:

- i) notify the Chief Finance Officer of details of the fund as soon as this is set up;
- ii) provide an independent audit certificate for the fund on an annual basis.

9.4.3 The Chief Finance Officer reserves the right to inspect the accounts and records of such funds as necessary.

#### **9.5 Asset Registers and Inventories**

9.5.1 The Chief Finance Officer shall maintain an Asset Register, in such a form to record sufficient details to meet the requirements of the Code of Practice on Local Authority Accounting in respect of capital accounting, for all non-current assets with a value in excess of £10,000.

9.5.2 The Chief Finance Officer and the Assistant Director of Housing shall be responsible for ensuring that the Corporate Asset Management Plan and the HRA Asset Management Plan (respectively) under his/her control are up to date and provide the corporate framework for a coordinated approach to asset management within the Council.

- 9.5.3 In particular the Chief Finance Officer:-
- i) will maintain a terrier of all properties owned by the Council recording the holding service, purpose for which held, location, extent and plan reference, purchase details, particulars of nature of interest and rents payable and review periods and particulars of tenancies granted;
  - ii) shall hold and regulate access to all title deeds to land and property owned by or mortgaged to the Council and shall hold the Council's seal.
- 9.5.4 Assistant Directors shall be responsible for maintaining an inventory of all items under their control with a replacement value in excess of £250, but including electrical and photographic equipment, that do not form part of the Asset Register modules or subsidiary records. Such inventories shall be in a form determined by the Chief Finance Officer.
- 9.5.5 The Assistant Director of Strategic Development shall be responsible for maintaining a central inventory of computer equipment.
- 9.5.6 Asset records and inventories are to be checked by Assistant Directors annually to ensure;
- i) that new items are entered,
  - ii) that items are present; and
  - iii) any deficiencies are either accounted for or investigated without delay.
- 9.5.7 Each Assistant Director is responsible for maintaining proper security at all times for buildings, furniture, equipment, stocks, stores, cash and other valuable resources or assets under his/her control. All valuable resources must be locked away wherever possible to reduce the risk of theft. Buildings must be kept secure, well maintained and, where appropriate, access must be restricted. He/she shall consult promptly with the Chief Finance Officer in any case where security of cash or assets is thought to be defective or where it is considered that special security and/or safety arrangements may be needed.
- 9.5.8 The Council's vehicles, plant and equipment shall not be removed otherwise than in accordance with the ordinary course of the Council's business or used otherwise than for the Council's purposes except in accordance with specific directions issued by the Chief Officer concerned.
- 9.5.9 A loss of any asset of any kind must be reported to the Chief Finance Officer and Internal Audit Manager.
- 9.5.10 Guidance on asset disposal is included within section 9.7.
- 9.6 Stocks and Stores**
- 9.6.1 Each Assistant Director shall be responsible for the custody, control and recording of stores in his/her department. He/she shall keep such records of stocks in a form approved by the Chief Finance Officer.

- 9.6.2 The Chief Finance Officer in conjunction with the Assistant Director concerned shall determine the method to be employed in the valuation of stocks and stores
- 9.6.3 Each Assistant Director shall undertake a regular system of stocktaking, and at least annually, to ensure that:-
- i) deficiencies or surpluses are detected promptly,
  - ii) obsolete and redundant stock is revealed, and
  - iii) year end stocks can be ascertained accurately and promptly.
- 9.6.4 The Chief Finance Officer shall be entitled to receive from each Assistant Director such information as he/she or she requires in relation to stores for the accounting, costing and financial records.
- 9.6.5 The Chief Finance Officer may, after investigation, authorise the writing off of deficiencies and/or obsolete stores where he/she is satisfied as to the cause.
- 9.6.7 Guidance on the disposal of surplus materials, stores or equipment is included within section 9.7.

## **9.7 Disposal of Items of Inventory, Stocks and Stores**

- 9.7.1 The procedures contained in section 9.7 apply to the disposal of surplus goods, equipment, stocks and stores but do not apply to the sale in the ordinary course of business of any article or publication the price of which has been fixed by the Council.
- 9.7.2 Where the actual or estimated value of the goods to be sold is less than £10,000 the relevant Assistant Director may approve the disposal and may decide the procedure to be adopted, **which should be proportionate to the value of the goods.** The Assistant Director must establish if the goods could be used in the Directorate or elsewhere in the Council and consider whether any of the following methods are considered appropriate:
- i) use of an appropriate selling agent/organisation
  - ii) offered for sale to employees and Members on the basis of the highest bid
  - ~~iii) use of the Council's Ebay Account (subject to final approval of parameters)~~
  - iv) any of the disposal methods as set out in 9.7.43

If the item has no remaining value, its removal from the premises by an appropriately qualified/certified contractor should be arranged.

- 9.7.3 Goods of an actual or estimated value exceeding £10,000 must be disposed of in one of the following ways, as determined most appropriate by the Assistant Director:
- i) by public tender;
  - ii) by public auction; provided that a reserve price has been fixed by the authorised person or body in advance and the consideration obtained is equal to or more than the reserve price;
  - iii) by "trading in" goods at the best price obtainable against the purchase of other goods on behalf of the Council;

- iv) by exchange, where authorised by the Assistant Director, for goods or works, subject to monetary adjustments as appropriate;
- v) by treating with not less than 3 bona fide prospective purchasers;
- vi) by sale to another local or public authority;
- vii) in accordance with a statutory requirement or procedure.
- viii) by sale in accordance with any other procedure approved by the Council or the Executive.

9.7.4 A record must be kept of the method of sale, price obtained, and the name and address of the purchaser. Where competitive prices have been sought, a record must be kept of the offers received and of the names and addresses of the persons making those offers.

9.7.5 The Chief Finance Officer shall be notified of the disposal of all goods and equipment, including stocks and stores. Assistant Directors are responsible for ensuring any inventories and records of stocks and stores they hold are updated to reflect the disposal of goods and equipment.

9.7.6 The receipt of any income from the disposal of goods, equipment, stocks and stores shall be treated as a capital receipt if it is in excess of £10,000, below this threshold it will be treated as revenue income for the relevant service area.

## **9.8 Acquisition and Disposal of Land and Buildings**

9.8.1 Authority for any land and buildings acquisition must be sought through the Executive, with the recommendation of the Strategic Property Manager and in consultation with the Chief Finance Officer.

9.8.2 All acquisitions and interests in land and buildings must be negotiated through the Strategic Property Services Manager:

- i) by private treaty;
- ii) by tender;
- iii) at auction, provided that the maximum price to be paid has been fixed by the Chief Finance Officer in advance and is not exceeded.

9.8.3 All disposals of land and buildings must be authorised by the Executive or a sub-committee authorised by the Executive, on the recommendation of the Strategic Property Manager and in consultation with the Chief Finance Officer

9.8.4 The Strategic Property Manager may enter into a contract for the disposal of any interest in the land and buildings;

- i) by public tender;
- ii) by public auction, provided that a reserve price has been fixed by the authorised person or body in advance and the consideration obtained is equal to or more than the reserve price;
- iii) by exchange, where authorised by the Council or the Executive, for goods, works or land, subject to monetary adjustments as appropriate;
- iv) by treating with one or more prospective purchasers, lessees or licensees

- v) by sale to another local or public authority;
- vi) in accordance with a statutory requirement or procedure;
- vii) by sale in accordance with any other procedure approved by the Council or the Executive.

9.8.5 The City Solicitor will be responsible for the completion of all deeds and legal agreements relating to the acquisition and disposal of any interest in land and buildings, in accordance with the Council's scheme of delegation.

## **9.9 Procedure For Disposal By Public Tender**

9.9.1 Every invitation to tender must be sent out in accordance with the standard tender process as detailed in Contract Procedure Rules.

9.9.2 The Strategic Property Manager may accept the highest tender.

9.9.3 Acceptance of a tender, which is not the highest, may only be authorised by the Executive whose decision and the reasons for it must be recorded in the minutes.

## **9.10 Insurances**

9.10.1 The Chief Finance Officer shall be responsible for deciding whether an insurable risk should be insured, how or at what level it should be insured and for negotiating all insurances of the Council using consultants or directly with insurance companies under arrangements approved by the Council or in establishing/operating an Insurance Reserve or Provision.

9.10.2 The Chief Finance Officer shall annually, or at such other period as he/she may consider necessary, review all insurances and excess levels.

9.10.3 Assistant Directors shall give prompt notification to the Chief Finance Officer of;

- i) all new risks and liabilities which may require specific insurance cover or an alteration to existing insurances;
- ii) all new properties, vehicles or plant that require insurance or an alteration, including revised valuations, to existing insurances;
- iii) all leases of property granted by or to the Council which involve a transfer of insurance cover;
- iv) all new partnership arrangements or changes to existing partnership arrangements that require insurance or an alteration to existing insurances.

9.10.4 All claims and recoveries are to be negotiated by the Council's appointed claim handler. Each Assistant Director must inform the Chief Finance Officer of any incident, e.g. any liability or damage, which could give rise to an insurance claim, immediately the notice of any such incident comes to his/her attention, in accordance with the Council's Incident Reporting Procedure.

9.10.5 Assistant Directors shall consult the Chief Finance Officer and City Solicitor with regard to the terms of any indemnity, which the Council is requested to give. No indemnity is to be given without the written consent of the City Solicitor.

- 9.10.6 ~~Assistant Directors are responsible for ensuring that~~ No employee shall admit liability nor offer any payment of compensation that may prejudice the Council's liability in respect of any future claim.
- 9.10.7 All appropriate employees of the Council shall be included in suitable fidelity guarantee insurance whilst carrying out duties directly connected with their employment as a Council officer undertaking official business of the Council.
- 9.10.8 All of the above shall be done in the context of the Council's Risk Management Policy.



## **10. EXTERNAL ARRANGEMENTS**

### **10.1 Partnerships**

10.1.1 The Chief Finance Officer will ensure that the accounting arrangements adopted in relation to partnerships and joint ventures are subject to financial control procedures that reflect those of the Council, legislative requirements and other professional guidance. Partnerships include;

- i) services provided by private sector and community and voluntary sector partners;
- ii) shared services with other public bodies, including section 75 agreements entered into under the Health Act 2003 or similar arrangements;
- iii) where the Council becomes the accountable body under legislation or the terms of a grant;
- iv) any other partnerships involving a sharing of resources or risk and reward.

10.1.2 Assistant Directors must ensure that partnerships involving the Council are entered into or set up in accordance with the corporate guidance. This includes the responsibility to take appropriate professional advice (including financial, legal and procurement) when entering into partnership arrangements and to ensure that the impact of any such arrangements in terms of risk or financial standing are identified and considered by the Executive and the Council as appropriate. This includes:

- i) governance arrangement for the partnership;
- ii) risk management and risk sharing arrangement;
- iii) performance and financial management/monitoring arrangements;
- iv) financial administration, cash management and accounting arrangements;
- v) pensions risk;
- vi) taxation implications;
- vii) human resources implications;
- viii) the transfer of assets and liabilities;
- ix) insurance arrangements.
- x) ICT implications

10.1.3 Assistant Directors shall also ensure that;

- i) such partnerships do not adversely impact upon services provided by the Council;
- ii) all contracts are properly documented in a form approved by the City Solicitor; and
- iii) all appropriate information is provided to the Chief Finance Officer to enable a note to be entered into the Annual Statement of Accounts.

### **10.2 External Funding**

10.2.1 The Chief Finance Officer must be consulted on and approve all submissions to Central Government and other agencies for funding. Prior to making any submission in relation to external funding, Assistant Directors must ensure that:

- i) an exit strategy is identified to manage the ultimate cessation of the funding stream with no adverse impact on the Council, including any ongoing revenue implications;
- ii) any match funding requirements are given due consideration prior to entering into agreements and that future revenue budgets reflect these requirements; and
- iii) they are able to comply with the terms and conditions of a grant scheme, including auditor certification requirements, before accepting them.
- iv) the grants checklist is completed and details entered onto the central grants register

10.2.2 Assistant Directors must seek approval from the Chief Finance Officer before accepting any offer of funding from external bodies and must provide a written copy of all grant approvals together with grant and auditing conditions.

10.2.3 Assistant Directors are responsible for ensuring that all expenditure to be funded by grant is properly incurred in accordance with the requirements and conditions of the funding body and is supported by adequate evidence.

10.2.4 Assistant Directors are responsible for ensuring the completion and submission of grant claims. Officers must also ensure that grant claims comply with the requirements and grant conditions of the funding body, are submitted promptly, and supported by adequate evidence and are made in conjunction with Finance staff .

### **10.3 Providing Services to Third Parties**

10.3.1 No tender or quotation for any contract for the execution of works or provision of services by the Council may be submitted, or any such contract entered into, without first consulting the Chief Finance Officer and the City Solicitor

10.3.2 If either the Chief Finance Officer or City Solicitor object to any proposal to enter into a such a contract, then no authorised person or body other than the Executive may approve the submission of a tender or quotation or enter into such a contract.

10.3.2 All proposals to submit a tender or quotation shall consider;

- i) governance arrangements for the contract;
- ii) risk management and risk sharing arrangements, including the risk of service failure;
- iii) financial administration, cash management and accounting arrangements;
- iv) pensions risk;
- v) taxation implications;
- vi) human resources implications;
- vii) the transfer of assets and liabilities;
- viii) insurance arrangements.

Assistant Directors shall also ensure that;

- i) the contract is not subsidised by the Council;

- ii) the service has the appropriate expertise to undertake the contract;
- iii) such contracts do not adversely impact upon services provided for the Council;
- iv) all contracts are properly documented in a form approved by the City Solicitor; and
- v) all appropriate information is provided to the Chief Finance Officer to enable a note to be entered into the Annual Statement of Accounts.

## **11. LOCAL AUTHORITY COMPANIES**

- 11.1 Where consideration is being given to the establishment of a local authority company or involvement in other companies the relevant Chief Officer must consult the Chief Finance Officer and the City Solicitor on all aspects of the proposal, at the earliest possible time, prior to seeking approval from the Executive.
- 11.2 The relevant Chief Officer, in consultation with the Chief Finance Officer and City Solicitor is responsible for:
- i) preparing a detailed business case and business plan for the establishment of any trading organisation in accordance with relevant legislation and following best practice. The business plan must include full financial projections for the profit and loss account, balance sheet, cash flow statement. The business case must address the full financial implications and risks to the Council of establishing a trading company;
  - ii) ensuring that proposals for trading activities are not ultra vires and have Executive approval before the company is established or any contract with a third-party to establish a trading company is entered in to;
  - iii) ensuring that they have acquired the necessary expertise to establish the trading company and that its establishment does not adversely impact on the services provided for the Council;
  - iv) determining the appropriate form of company that should be established and that as appropriate, the articles of association of the trading company and any shareholders' agreement ensure that the Council can exert the appropriate degree of control over the trading company as shareholder;
  - v) ensuring that the trading company is not subsidised by the Council and that all services, officer time and other support provided to the company is charged to the company in accordance with the CIPFA Service Reporting Code of Practice;
  - vi) any contract drawn up between the trading company and the Council addresses risks to the Council;
  - vii) seeking and acting upon appropriate financial, legal and taxation advice in establishing a trading company.

**PART B – FINANCIAL APPROVAL LIMITS**

Ref.	Description	Authoriser	Threshold
<b>1. Financial Planning</b>			
<b>1.1 Capital Budget Additions as part of Annual Budget Process (applicable to all areas)</b>			
1.1A	New capital schemes to form part of the Annual Budget Process	Council	To approve capital programme annually including additions presented to Executive.  <u>Notes</u> <ul style="list-style-type: none"> <li>• Recommendation from Executive</li> <li>• Formal report to Full Council.</li> <li>• Officers to ensure requests for capital additions form part of the annual budget process in order for these to be considered alongside approval of the Treasury Management and Capital Strategies.</li> </ul>
<b>1.2 Capital Budget Additions outside of Annual Budget Process (applicable to all areas)</b>			
1.2A	New capital schemes outside of the Annual Budget Process with no impact on revenue	Executive	To approve capital budget additions in excess of £100,000.  <u>Notes</u> <ul style="list-style-type: none"> <li>• Based on the gross expenditure or gross income separately</li> <li>• Officers to consult with CFO</li> <li>• Based on condition that CFO has approved a detailed financial business case/LPMM</li> <li>• Based on condition that this does not impact on approved Treasury Management and Capital Strategy and has no impact on the revenue budget.</li> <li>• Formal report to the Executive.</li> </ul>
		Chief Finance Officer	To approve capital budget additions up to £100,000.  <u>Notes</u> <ul style="list-style-type: none"> <li>• Based on the gross expenditure or gross income separately</li> <li>• Officers to consult with CFO</li> </ul>

**PART B – FINANCIAL APPROVAL LIMITS**

Ref.	Description	Authoriser	Threshold
			<ul style="list-style-type: none"> <li>• Based on a detailed financial business case/LPMM</li> <li>• Based on condition that this does not impact on approved Treasury Management and Capital Strategy and has no impact on the revenue budget.</li> <li>• Supporting documentation completed and provided in accordance with financial instruction.</li> <li>• Formal report to Executive (forms part of the financial performance update reports).</li> </ul>
1.2B	New capital schemes outside of the Annual Budget Process with an impact on revenue	Council	<p>Only applicable where changes to Treasury Management and Capital Strategies for any new capital scheme or capital budget allocation has an impact on any approved borrowing limits.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• Recommendation from Executive and CFO on any impact on Treasury Management and Capital Strategies and approved borrowing limits.</li> <li>• Based on condition that CFO has approved a detailed financial business case/LPMM</li> <li>• Formal report to the Full Council.</li> </ul>
		Executive	<p>To approve capital budget additions where there is no impact on Treasury Management and Capital Strategies or approved borrowing limits.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• Based on the gross expenditure or gross income separately</li> <li>• Officers to consult with CFO</li> <li>• Based on condition that CFO has approved a detailed financial business case/LPMM</li> <li>• Based on condition that this does not impact on approved Treasury Management and Capital Strategy and has no impact on the revenue budget.</li> <li>• Formal report to the Executive.</li> </ul>

## PART B – FINANCIAL APPROVAL LIMITS

Ref.	Description	Authoriser	Threshold
<b>1.3 Capital Budget Removals outside of Annual Budget Process (applicable to all areas)</b>			
1.3A	Removal of capital budgets from the approved programme	Executive	<p>To approve removal of any capital scheme from the approved programmes.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• Formal report to Executive.</li> <li>• Requires consultation with CFO</li> </ul>
<b>1.4 Revenue Budget Additions outside of Annual Budget Process (applicable to all areas)</b>			
1.4A	Budget Addition/Removal relating to a new planned activity of service delivery or ceasing of service activity	Council	<p>Only applicable where a supplementary budget estimate is requested.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• Recommendation from Executive and CFO on any impact on the Medium-Term Financial Strategy.</li> <li>• Based on the net expenditure and income</li> <li>• Formal report to the Full Council.</li> </ul>
		Executive	<p>To approve budget changes in excess of £75,000 or where it is constituted as being a Key Decision in accordance with the Budget and Policy Framework.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• Requires consultation with CFO</li> <li>• Where there is a net nil impact on the overall approved revenue budget</li> <li>• Based on the gross expenditure or gross income separately</li> <li>• Formal report to the Executive</li> </ul>
		Chief Officers	<p>To approve budget changes up to £75,000.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• Requires consultation with CFO</li> <li>• Based on condition that Chief Officers have consulted with Portfolio Holder(s)</li> </ul>

**PART B – FINANCIAL APPROVAL LIMITS**

Ref.	Description	Authoriser	Threshold
			<ul style="list-style-type: none"> <li>• Based on the condition that the proposed expenditure is not contrary to Council policy and does not necessitate a key decision.</li> <li>• Where there is a net nil impact on the overall approved revenue budget</li> <li>• Based on the gross expenditure or gross income separately</li> <li>• Supporting documentation completed and provided in accordance with financial instruction.</li> </ul>
<b>2. Financial Management</b>			
<b>2.1 Virements - Revenue (applicable to all areas)</b>			
2.1A	Budget Changes within the same budget head (a budget head is defined as a single line in the approved revenue estimates)	Budget Holder	<p>To approve virements of any value between subjective headings within a revenue budget head.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• To be consulted with relevant Assistant Director</li> <li>• To be notified to the CFO within one week.</li> <li>• Based on the condition that the proposed expenditure is not contrary to Council policy and does not necessitate a key decision.</li> <li>• Based on the condition that the affected budgets continue to provide sufficient resource to deliver the intended policy objectives</li> <li>• Supporting documentation completed and provided in accordance with financial instruction.</li> </ul>
2.1B	Budget Changes between different budget heads (a budget head is defined as a single line in the approved revenue estimates)	Executive	<p>To approve virements over £75,000 between different revenue budget heads and in cases where it is constituted as being a Key Decision in accordance with the Budget and Policy Framework.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• Based on the gross expenditure or gross income separately</li> <li>• Based on the condition that the affected budgets continue to provide sufficient resource to deliver the intended policy objectives</li> </ul>



**PART B – FINANCIAL APPROVAL LIMITS**

Ref.	Description	Authoriser	Threshold
			<ul style="list-style-type: none"> <li>• Requires consultation with CFO</li> <li>• Requires consultation with other affected Assistant Directors if transfers are within another Assistant Directors area of responsibility.</li> <li>• Formal report to the Executive</li> </ul>
		Chief Officers	<p>To approve virements in excess of £50,000 and up to £75,000 between different revenue budget heads</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• Based on the gross expenditure or gross income separately</li> <li>• Based on the condition that the affected budgets continue to provide sufficient resource to deliver the intended policy objectives</li> <li>• To be notified to the CFO within one week.</li> <li>• Requires consultation with other affected Assistant Directors if transfers are within another Assistant Directors area of responsibility.</li> <li>• Based on the condition that the proposed expenditure is not contrary to Council policy and does not necessitate a Key Decision.</li> <li>• Supporting documentation completed and provided in accordance with financial instruction.</li> </ul>
		Assistant Directors	<p>To approve virements up to £50,000 between different revenue budget heads</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• Based on the gross expenditure or gross income separately</li> <li>• Based on the condition that the affected budgets continue to provide sufficient resource to deliver the intended policy objectives</li> <li>• To be notified to the CFO within one week.</li> <li>• Requires consultation with other affected Assistant Directors if transfers are within another Assistant Directors area of responsibility.</li> <li>• Based on the condition that the proposed expenditure is not contrary to Council policy and does not necessitate a Key Decision.</li> </ul>

## PART B – FINANCIAL APPROVAL LIMITS

Ref.	Description	Authoriser	Threshold
			<ul style="list-style-type: none"> <li>Supporting documentation completed and provided in accordance with financial instruction.</li> </ul>
2.1C	Technical Budget Changes	Chief Finance Officer	<p>To approve any limit on technical budget changes.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>Where there is a net nil impact on the overall approved revenue budget</li> <li>Realignment of budgets and other adjustments which do not change the overall approved budget for the Council, e.g. accounting changes etc</li> <li>Based on the condition that the affected budgets continue to provide sufficient resource to deliver the intended policy objectives</li> <li>Supporting documentation completed and provided in accordance with financial instruction.</li> </ul>
<b>2.2 Carry Forward Request - Revenue (applicable to all areas)</b>			
2.2A	Treatment of carry forward requests at Financial Year End	Executive	<p>To approve the treatment of Financial Year End Balances for carry forward requests</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>On the condition that there is an overall underspend on the Directorate's cash limit budgets equal to or greater than the carry forward requests</li> <li>Only to be used to fund one-off expenditure</li> </ul>
<b>2.3 Virements - Capital (applicable to all areas)</b>			
2.3A	Individual Capital Scheme Change	Executive	<p>To approve virements over £100,000 and in cases where it is constituted as being a Key Decision in accordance with the Budget and Policy Framework.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>Based on the gross expenditure or gross income separately</li> </ul>

**PART B – FINANCIAL APPROVAL LIMITS**

Ref.	Description	Authoriser	Threshold
			<ul style="list-style-type: none"> <li>• Based on the condition that the affected budgets continue to provide sufficient resource to deliver the intended policy objectives</li> <li>• Based on condition that there is no impact on the approved Treasury Management and Capital Strategies.</li> <li>• Based on the condition that the budget changes have no impact on the approved borrowing limits.</li> <li>• Requires consultation with CFO</li> <li>• Requires consultation with other affected Assistant Directors if transfers are within another Assistant Directors area of responsibility.</li> <li>• Formal report to the Executive.</li> </ul>
		Chief Finance Officer	<p>To approve virements up to £100,000.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• Based on the gross expenditure or gross income separately</li> <li>• Based on the condition that the affected budgets continue to provide sufficient resource to deliver the intended policy objectives</li> <li>• Based on condition that there is no impact on the approved Treasury Management and Capital Strategies.</li> <li>• Based on the condition that the budget changes have no impact on the approved borrowing limits.</li> <li>• Based on the condition that the proposed expenditure is not contrary to Council policy and does not necessitate a Key Decision.</li> <li>• Requires consultation with other affected Assistant Directors if transfers are within another Assistant Directors area of responsibility.</li> <li>• Supporting documentation completed and provided in accordance with financial instruction.</li> <li>• Formal report to Executive (forms part of the financial performance update reports).</li> </ul>
2.3C	Technical Budget Changes	Chief Finance Officer	To approve any limit on technical budget changes.

## PART B – FINANCIAL APPROVAL LIMITS

Ref.	Description	Authoriser	Threshold
			<u>Notes</u> <ul style="list-style-type: none"> <li>• Where there is a net nil impact on the overall approved capital budget</li> <li>• Realignment of budgets and other adjustments which do not change the overall approved budget for the Council, e.g. accounting changes etc</li> <li>• Based on the condition that the affected budgets continue to provide sufficient resource to deliver the intended policy objectives</li> <li>• Supporting documentation completed and provided in accordance with financial instruction.</li> </ul>
2.3D	Individual Capital Scheme Slippage or Acceleration.	Chief Finance Officer	To approve any re-profiling of individual capital schemes (approved budget) between current and future financial years.  <u>Notes</u> <ul style="list-style-type: none"> <li>• Where there is a net nil impact on the overall approved capital budget</li> <li>• Supporting documentation completed and provided in accordance with financial instruction.</li> <li>• Formal report to Executive (forms part of the financial performance update reports).</li> </ul>
<b>2.4 Reserves and Balances (applicable to all areas)</b>			
2.4A	Drawdown from and Contribution to Earmarked Reserves	Chief Finance Officer	To approve any value  <u>Notes</u> <ul style="list-style-type: none"> <li>• Officers to put forward request to drawdown from and/or contribute to reserves for consideration by CFO</li> <li>• Supporting documentation completed and provided in accordance with financial instruction.</li> </ul>
2.4B	New Earmarked Reserves requests	Chief Finance Officer	To approve any value  <u>Notes</u>

**PART B – FINANCIAL APPROVAL LIMITS**

Ref.	Description	Authoriser	Threshold
			<ul style="list-style-type: none"> <li>Officers to put forward request to drawdown from and/or contribute to reserves for consideration by CFO</li> <li>Supporting documentation completed and provided in accordance with financial instruction.</li> </ul>
2.4C	Movement between Earmarked Reserves	Chief Finance Officer	To approve any value.
2.4D	Any permanent ongoing contribution to reserves funded from the revenue accounts	Council	Recommended by Executive
		Executive	To review and recommend to Full Council for approval  <u>Notes</u> <ul style="list-style-type: none"> <li>This should be considered and recommended as part of the robustness and adequacy of reserves and balances within the annual budget report.</li> <li>Recommendations made based on the advice of the CFO</li> <li>Formal report (MTFS and Budget report)</li> </ul>
<b>2.5 Budgetary Control (applicable to all areas)</b>			
2.5A	Authorisation of orders and invoices on the Council's financial system and variation/compensation events within contracts	Chief Officers and Assistant Directors	Authorise to any value  <u>Notes</u> <ul style="list-style-type: none"> <li>On the condition an appropriate revenue or capital budget exists within the approved budgets and subject to compliance with the approved policies and regulations of the Council and any other limitation that may be imposed.</li> </ul>
		Service Managers and Officers on PO	Authorise up to £50,000  <u>Notes</u>

**PART B – FINANCIAL APPROVAL LIMITS**

Ref.	Description	Authoriser	Threshold
		grade or above that report directly into an Assistant Director or Chief Officer	<ul style="list-style-type: none"> <li>On the condition an appropriate revenue or capital budget exists within the approved budgets and subject to compliance with the approved policies and regulations of the Council and any other limitation that may be imposed.</li> </ul>
		Team Leaders or Officers below PO grade that report directly into an Assistant Director	Authorise up to £10,000  <u>Notes</u> On the condition an appropriate revenue or capital budget exists within the approved budgets and subject to compliance with the approved policies and regulations of the Council and any other limitation that may be imposed.
<b>3. Income</b>			
<b>3.1 Fees and Charges</b>			
3.1A	Approval of new Fees and Charges as part of Annual Budget process	Council	Recommended by Executive  <u>Notes</u> <ul style="list-style-type: none"> <li>Formal report to Full Council (MTFS and Budget report)</li> </ul>
		Executive	To review and recommend to Full Council for approval  <u>Notes</u> <ul style="list-style-type: none"> <li>Recommendations made based on the advice of the CFO</li> <li>Formal report (MTFS and Budget report)</li> </ul>

## PART B – FINANCIAL APPROVAL LIMITS

Ref.	Description	Authoriser	Threshold
3.1B	Approval of new Fees and Charges outside of Annual Budget process.	Executive	<p>To approve any new Fees and Charges outside of annual budget process.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• Recommendations made based on the advice of the CFO</li> <li>• Formal report to the Executive</li> <li>• Where possible consultation with service users should be undertaken.</li> <li>• Where new fees and charges are regulated by statute these do not require the approval of the Executive and can be implemented on the due date.</li> </ul>
3.1C	Variation to set Fees and Charges	Assistant Directors	<p>To approve increases/decreases of up to 50% of established fees and charges.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• To be used only in circumstances where services are obliged through regulations to achieve cost recovery or where other market led factors influence the service and its charging structure.</li> <li>• Consultation required with CFO and Portfolio Holder.</li> </ul>
<b>3.2 Writing off Debts</b>			
3.2A	Debt Write-Off	Executive	<p>Individual debt write off decisions in excess of £5,000.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• Formal report to Executive</li> <li>• Requires consultation with CFO</li> </ul>
		All Assistant Directors in the Chief Executive Directorate	<p>Individual debt write-off decisions up to £5,000.</p> <p><u>Notes</u></p>

## PART B – FINANCIAL APPROVAL LIMITS

Ref.	Description	Authoriser	Threshold
			<ul style="list-style-type: none"> <li>Supporting documentation completed and provided in accordance with financial instruction.</li> </ul>
		Assistant Director Housing	<p>Individual debt write-off decisions up to £5,000 for housing tenant arrears only</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>Supporting documentation completed and provided in accordance with financial instruction.</li> </ul>
<b>4. Resources and Asset Management</b>			
<b>4.1 Acquisition and Disposal of Land and Buildings (applicable to all areas)</b>			
4.1A	Asset Acquisitions – Land and Buildings	Council	<p>Only applicable where changes to Treasury Management and Capital Strategies for any new capital scheme or capital budget allocation has an impact on any approved borrowing limits.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>Recommendation from Executive and CFO on any impact on Treasury Management and Capital Strategies and approved borrowing limits.</li> <li>Must be based on the recommendation of the Strategic Property Manager</li> <li>Based on condition that CFO has approved a detailed financial business case/LPMM</li> <li>Acquisition to be negotiated through the Strategic Property Manager</li> <li>Formal report to the Full Council.</li> </ul>
		Executive	<p>To approve asset acquisitions (land and buildings) to any value.</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>Must be based on the recommendation of the Strategic Property Manager</li> </ul>



**PART B – FINANCIAL APPROVAL LIMITS**

Ref.	Description	Authoriser	Threshold
			<ul style="list-style-type: none"> <li>• Officers to consult with CFO</li> <li>• Based on condition that CFO has approved a detailed financial business case/LPM</li> <li>• Based on condition that this does not impact on approved Treasury Management and Capital Strategy has no impact on any approved borrowing limits.</li> <li>• Acquisition to be negotiated through the Strategic Property Manager</li> <li>• Formal report to the Executive.</li> </ul>
		Asset Management Group	<p>To approve asset acquisitions (land and buildings) to any value – where due to urgency it is not possible to await an Executive meeting,</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• Must be based on the recommendation of the Strategic Property Manager</li> <li>• Must be in consultation with the City Solicitor, Chief Finance Officer, the Leader of the Council, the Deputy Leader of the Council and the Portfolio Holder for Economic Growth or Portfolio Holder for Housing (if HRA acquisition)</li> <li>• Based on condition that CFO has approved a detailed financial business case/LPMM</li> <li>• Based on condition that this does not impact on approved Treasury Management and Capital Strategy and has no impact on any approved borrowing limits.</li> <li>• Formal report to next available Executive meeting</li> <li>• Only to be used in circumstances when due to urgency it is not possible to wait until the next available Executive meeting.</li> </ul>
4.1B	Asset Disposals – Land and Buildings	Executive	<p>To approve asset disposals (land and buildings)</p> <p><u>Notes</u></p>

**PART B – FINANCIAL APPROVAL LIMITS**

Ref.	Description	Authoriser	Threshold
			<ul style="list-style-type: none"> <li>• Asset must be declared surplus to requirements by the relevant Assistant Director and to have established if there is any other need within the Council.</li> <li>• Must be based on the recommendation of the Strategic Property Manager</li> <li>• Officers must consult with the CFO</li> <li>• Formal report to the Executive</li> <li>• Disposal route to be determined by the Strategic Property Manager</li> </ul>
<b>4.2 Disposal of Items of Inventory, Stocks and Stores (applicable to all areas)</b>			
4.2A	Asset Disposals – Non Land and Buildings	Assistant Directors	<p>To approve the disposal of inventory, stocks and stores of any value</p> <p><u>Notes</u></p> <ul style="list-style-type: none"> <li>• Does not apply to sale of items in the ordinary course of business where a price has already been fixed by the Council.</li> <li>• On the basis that the items are not buildings or land.</li> <li>• Where the value of items is estimated at less than £10,000 the Assistant Director can determine the disposal procedure, in line with 9.7.2.</li> <li>• Where the value of items is estimated to be above £10,000 then the Assistant Director must determine which from a list, as per 9.7.3, of disposal options is most appropriate.</li> <li>• Supporting documentation completed and provided in accordance with financial instruction.</li> <li>• To be notified to the CFO</li> </ul>

42. **Review of The Constitution - Financial Procedure Rules**

Jaclyn Gibson, Chief Finance Officer:

- a) presented to Audit Committee the revised Financial Procedure Rules and associated amendments required to the Constitution, for consideration and recommendation for adoption by Council
- b) reported that the financial procedure rules provided a framework for officers to work within to ensure compliance with the need to secure proper administration of the Council's financial affairs as required by section 151 of the Local Government Act 1972
- c) stated that the last fundamental review took place in 2018, as approved by Council on 10<sup>th</sup> April 2018.
- d) advised that the Financial Procedure Rules must be reviewed at least every 3 years. The scheduled review in 2021 was delayed due to the impact of the Covid 19 Pandemic. The rules had been reviewed to ensure that they reflected best practice and for any amendments required in relation to changes in the environment in which the council operated.
- e) reported on key changes to the existing Financial Procedure Rules as detailed within paragraph 4 and Appendix A of the report
- f) explained that a new part had been included within the Financial Procedure Rules, called Part B Financial Approval Limits. This was intended to include the key elements of the rules that had specific approval limits attached to them, into a shorter, clearer document.
- g) requested members' consideration on the content of the report.

**Question:** Asked for clarification in the procedure for compensation for complaints that were upheld.

**Response:** Any compensation claim would be investigated through the Insurance Team before any compensation was awarded.

The Chair requested that the 2 sections of the Financial Procedure Rules be cross referenced to ensure that it was clear on Part B of the rules which it was referring to in Part A.

RESOLVED that Audit Committee recommended that the revised Financial Procedural Rules be referred to Council for approval.

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**SUBJECT:                   EXTRACT FROM COMMITTEE: EXECUTIVE – 16 JANUARY 2023  
COUNCIL HOUSE AND GARAGE RENTS 2023/24**

**REPORT BY:               CHIEF EXECUTIVE AND TOWN CLERK**

**LEAD OFFICER:         ALI HEWSON, SENIOR DEMOCRATIC SERVICES OFFICER**

**1.     Matter for Council**

- 1.1    To approve an increase in council house rents of 6.5% within the terms of the Government’s Rent Policy for social housing (April 2020 updated 15 November 2021) from Monday 3<sup>rd</sup> April 2023.
  
- 1.2    To approve an increase of 5% on Council garage rents for 2023/24 in line with other fees and charges revisions by the Council.

**List of Background Papers:**       Executive– 16 January 2023, Minute.  
  Council House and Garage Rents 2023/24 – Report

**Lead Officer:**                   Ali Hewson, Senior Democratic Services Officer  
  Telephone – 873370

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<b>SUBJECT:</b>	<b>COUNCIL HOUSE AND GARAGE RENTS 2023/24</b>
<b>DIRECTORATE:</b>	<b>HOUSING AND INVESTMENT</b>
<b>REPORT AUTHOR:</b>	<b>FRANCES JELLY, HOUSING BUSINESS SUPPORT MANAGER.</b>

## **1. Purpose of Report**

- 1.1 To propose an increase in council house rents of 6.5% within the terms of the Government's Rent Policy for social housing (April 2020 updated 15 November 2021) and to seek approval for the introduction of revised rents from Monday 3<sup>rd</sup> April 2023.
- 1.2 To seek members approval for an increase of 5% on Council garage rents for 2023/24 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 for 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 current Housing Business Plan approved by Council and the Governments Rent Guidelines, the formula rent rise for 2023/24 should be based on CPI in the previous September (September 2022 = 10.1%) plus 1.0% as stated above.
- 2.3 As a result of the national economic situation (and the resultant cost of living crisis) the Government consulted (during Nov/Dec 22) on a range of potential capped increases of between 3 and 7% for Social Housing rents for the next financial year.  
  
Following that national consultation, Government have stated that the rent increase in social housing would be capped at 7% for the year 2023/24. Thereby stepping away from the previously agreed CPI plus 1%.
- 2.4 The Council, having considered the impact on our tenants, other pressures that household incomes are facing, particularly the most vulnerable in our community, and at the same time recognising the economic and financial pressures it has in delivering services to its customers, is proposing to apply a lower level of rental increase than stated in 2.3 above of 7%.

The proposed level of rent increase for 2023/24 will be 6.5%. This will come into effect from Monday 3 April 2023. Budgeted rental income for the year, subject to approval, will be £32,231,610

In making this recommendation officers are proposing elected members consider a lower level of increase than last year (IE lower than CPI plus 1%) and the government-imposed rent reduction policy between 2016/17 and 2019/20 which saw the council have to reduce rents by 1% per annum rather than increase at CPI plus 1% as previously agreed.

The average weekly social housing rent for the City of Lincoln Council based on data as of 14 December 2022, for net social housing rent (calculated over 52 weeks) will increase by an average of between £4.28 and £6.60 per week for 2023/24. As shown in table 1 below

**Table 1.**

Property type	Average Increase	New average rent	No properties
1 Bed	£4.28	£70.98	3034
2 bed	£4.86	£79.67	2633
3 Bed	£5.37	£88.00	1601
4 bed	£5.72	£93.68	116
5 bed	£5.96	£97.69	4
6+ bed	£6.60	£108.60	8
Total Properties			<b>7396</b>

There are currently 375 properties charged at an Affordable Rent which is higher than social housing rent. Based on data as at 14 December 2022 the increase, on the average weekly net rent (calculated over 52 weeks) will be between £7.10 and £9.16 for 2023/24. As shown in table 2 below: -

**Table 2.**

Property type	Average Increase	New average rent	No properties
1 Bed	£7.10	£116.34	102
2 bed	£7.32	£120.02	135
3 Bed	£7.92	£129.85	107
4 bed	£9.16	£150.12	31
5 bed	£0.00	£0.00	0
6+ bed	£0.00	£0.00	0
Total Properties			<b>375</b>

**Note: affordable rent properties, each time they become void, have a new market rent valuation completed each time and the rent is charged at 80% of the market rent.**

## 2.5 Council Garage Rents 2023/24

An increase in garage rents of 5% is proposed in line with the Authority's Fees and Charges increase. This would result in an average increase in the rent charged to £8.67 per week for 2023/24 (based on a calculated 52-week charge period), an increase of £0.43 per week.

Research has shown that the garage rents in Lincoln are mid-range when compared to similar locations in the East Midlands. A review of garage provision is currently underway.



- 2.6 The Lincoln Tenants' Panel (LTP) will be consulted on this report at their meeting on 10 January 2023. Their comments and observations will be reported verbally during the Executive Committee meeting.
- 2.7 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 those 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 On 15 November 2021, the Department for Levelling Up, Housing and Communities (DLUHC) formerly Ministry of Housing, Communities & Local Government (MHCLG) updated the Rent Standard guidance that registered providers of social housing must stay within.

The Rent Standard is one of three economic standards that the Regulator of Social Housing (RSH) expects private registered providers of social housing to comply with, this also applies to Local Authority providers of social housing. It sets the requirements around how registered providers set and increase rents for social housing in line with government policy as set out in DLUHC's Policy Statement on Rents for Social Housing.

In September, each year the annual Consumer Price Index (CPI) figure is recorded. this is used to establish the limit on annual rent increases for social housing. The limit on annual rent increases for the financial year 2023/24, would ordinarily be CPI (September 2022 set at 10.1%) plus 1%. Therefore, a potential 11.1% maximum increase.

As a Local Authority we have incurred huge extra costs as a result of the current economic conditions; interest rates have increased, inflation has increased material,

employee, and transport costs. The City of Lincoln like most households and businesses is dealing with exponential increases in energy costs. All of these drive up the costs of providing housing services. However, we must also consider the impact our rent increase has on our tenants particularly the most vulnerable who are bearing the brunt of the cost-of-living crisis. As such we are recommending an increase which will be 0.5% below the 7% cap being 6.5%.

3.4 As at week commencing 13 December 2022 there are currently 7846 council housing rent properties of those that have a current active tenancy: -

- 25% (27% previously reported in February 2022) are in receipt of full housing benefit payment
- 10% (12% previously reported in February 2022) are in receipt of partial housing benefit payment
- 36% (32% previously reported in February 2022) are in receipt of Universal Credit
- 29% do not receive any of the above

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 6.5% increase. For the City of Lincoln Council at the date of this report, 733 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 6.5% for 2023/24.

#### **4. Impact of Government Policy on the Housing Revenue Account (HRA)**

4.1 Contextually it should be noted that in July 2015 the Government announced that Social Housing rents would be reduced by 1% year on year from 2016 for four years. The impact/loss created from this is compounded by the fact that Local Authorities would have been increasing rents in line with guidance, IE CPI plus 1% over the period not reducing by 1%.

The impact on the City of Lincoln's HRA is an estimated rent loss of £17,000,000 over that four-year period. This income would have been spent on improving existing stock and adding homes to our stock which are desperately needed by our community.

Had this rent reduction not been imposed and the rents were increased as per the HRA Business Plan (CPI+1%) the average weekly rent for social housing rent would now be approximately £9 per week more.

4.2 The Government's Right to Buy (RTB) programme sales have negatively impacted on the council's current stock and therefore rental income. To date (April to December 2022) the Council have received 62 RTB applications (72 RTB applications in the same period last year).

Table 3.

2021/22 RTB Applications		2022/23 RTB Applications	
Received Apr-Dec 21	70	Received Apr-Dec 22	62
1 bed	3	1 bed	4
2 bed	9	2 bed	16
3 bed	15	3 bed	19
4 bed	1	4 bed	0
Total sold to date	28	Total sold to date	39

Note: *the loss of 3+-bedroom homes has a significant impact on our ability to provide family homes.*

- 4.3 During the last nine months we have continued to add to our housing stock via the buy-back programme using the Purchase and Repair Scheme and the NSAP/RSAP process as follows: -

01 April 2022 to 13 December 2022 – total of 8 properties have been purchased.

Table 4.

Bedrooms		Number of P&R Properties
1		3
2		3
3		2
4		0
	Total:	8

- 4.4 The Council continues to add high quality new homes to its stock in order to negate the impact of the RTB scheme. (see Para 4.2 above). During the last year 70 extra care home have been built at De Wint Court and in March 23 we will add another 42 homes at our Rookery Lane development, which is made up of a mix of 2-, 3- and 4-bedroom properties.

## 5. Strategic Priorities

### 5.1 Let's reduce all kinds of 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.

### 5.2 Let's deliver quality housing

The new rent policy recognises the need for a stable financial environment to support the delivery of new homes and to increase resources available to maintain current homes.

## **6. Organisational Impacts**

### **6.1 Finance (including whole life costs where applicable)**

#### Council Housing Rents 2023/24

The impact of this change as of 14 December 2022 will be an increase to the current average calculated 52-week net social housing rent, from £73.44 per week to £78.17 per week – an average increase of £4.71 per week, and an increase on affordable rent from £116.91 per week to £124.31 an average increase of £7.58 per week.

(Please note that affordable rent properties, each time they become void have a new market rent valuation completed and the rent is charged at 80% of the market rent.)

#### **Appendix 1.**

#### **Impact of increases on rent per bedroom size of property.**

### **6.2 Council Garage Rents 2023-24**

An increase in garage rents of 5% is proposed in line with the Authority's Fees and Charges increase. This would bring the charge to £8.67 for 2023/24 (based on a calculated 52-week charge period), an increase of £0.43 per week. Research has shown that the garage rents in Lincoln are mid-range when compared to similar locations in the East Midlands.

### **6.3 Legal Implications**

There are no legal implications arising from this report.

### **6.4 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

When proposals of rent chargeable on social housing are recommended, they are applied across the board to all properties irrespective of any equality characteristic of the tenant.

There are policies that allow tenants to claim monetary assistance to pay their rent, for example Housing Benefit and Universal Credit for such things as age and disability. Thus, there are no direct equality, diversity, or human rights implications in this report”

## **7. Risk Implications**

### **7.1 (i) Options Explored**

Options explored; to calculate the rent at rates at 6.5% and the impact on the HRA.

### **7.2 (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,
- That Government intervention in capping future CPI levels at rates lower than those assumed in the MTFS and HRA Business Plan.

## **8. Recommendations.**

8.1 To 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 2023/24 of 6.5% for social housing rents (£4.71 p/w) and affordable rents (£7.58 p/w) increase per property.

This is in accordance with Government policy.

8.2 To increase Council garage rents for 2023/24 in accordance with the proposal in paragraph 6.1 above by 5%.

8.3 To refer this report and recommendations to Full Council on Tuesday 17 January 2023.

**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

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## APPENDIX 1

### IMPACT OF INCREASES ON ALL TENANTS – APRIL 2023 (Based on an average 52 week rent year inclusive of all rent types)

Average rent increase per property by number of bedrooms per week	
No. of beds	Increase per week
1 & bedsits	£4.42
2	£4.98
3	£5.53
4	£6.44
5	£5.96 *
6+	£6.60 *
* No affordable rents for 5 or 6 + bed properties	

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