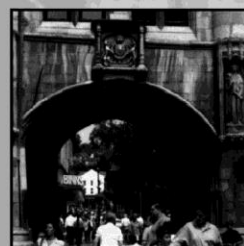




CITY OF
Lincoln
COUNCIL

Council Summons



For the meeting to be held on
Tuesday, 28 November 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, 28 November 2023 at 6.30 pm.



Chief Executive and Town Clerk

Angela Andrews

A G E N D A

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Present: Councillor Biff Bean (*in the Chair*),
Councillor Alan Briggs, Councillor Chris Burke,
Councillor Sue Burke, Councillor Bob Bushell,
Councillor Liz Bushell, Natasha Chapman,
Councillor Martin Christopher, Councillor David Clarkson,
Councillor Thomas Dyer, Councillor Matthew Fido,
Councillor Gary Hewson, Councillor
Rebecca Longbottom, Councillor Adrianna McNulty,
Councillor Ric Metcalfe, Councillor Neil Murray,
Councillor Donald Nannestad,
Councillor Lucinda Preston, Councillor Clare Smalley,
Councillor Mark Storer, Councillor Rachel Storer,
Councillor Dylan Stothard, Councillor Edmund Strengiel,
Councillor Naomi Twedde, Councillor Calum Watt,
Councillor Aiden Wells, Councillor Joshua Wells,
Councillor Emily Wood and Councillor Loraine Woolley

Apologies for Absence: Councillor Debbie Armiger, Councillor Bill Mara,
Councillor Hilton Spratt and Councillor Pat Vaughan

7. Confirmation of Minutes - 28 February 2023

RESOLVED

That the minutes of the meeting held on 28 February 2023 be confirmed and signed by the Chair as an accurate record.

8. Confirmation of Minutes - 16 May 2023

RESOLVED

That the minutes of the meeting held on 16 May 2023 be confirmed and signed by the Chair as an accurate record.

9. Declarations of Interest

There were no declarations of interest.

10. 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.

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

Councillor Natasha Chapman to Councillor Bob Bushell

Question

Like many other colleagues, Councillor Chapman was delighted by the recent Green Flag awards to three of Lincoln's parks, including the Arboretum. Councillor Chapman also stated that it was great to see much-needed work

commencing to fix the footbridge in the Arboretum, after the need for repair was queried back in February 2023. Could Councillor Bushell please explain why the corroded metalwork of the footbridge structure was not highlighted during routine safety and maintenance checks?

Answer

Thank you to Councillor Chapman for giving me the opportunity to highlight again publicly the excellent work done by both staff and volunteers in our parks and open spaces. It is their commitment and dedication that has helped this Council to not only continue the long-term improvement plans that we have for our open spaces, but also to make sure that what is improved is well maintained. This is of course demonstrated by the awards of the independently assessed Green Flag scheme.

Moving to a response to the underlying question, the safety of our public spaces is of course vital. For this reason, we have a structured approach to safety inspections, which meets the requirements of the Council's official Health and Safety policy. It is appropriately called, for a parks enquiry, The Tree of Responsibility, and it means that our open spaces are routinely checked by experienced staff, with the results referred for action if required.

There are however some aspects of infrastructure that are not so easily assessed in detail, such as the bridge in the Arboretum, where some aspects of its very structure are hidden. In such cases assessment is more difficult, and expert assessment is required as soon as potential issues begin to make themselves known. This bridge was a good example, where nobody was put at risk, but on the report of a potential issue the bridge was closed pending a detailed assessment. I am pleased to say that the bridge is now subject to repair.

Councillor Clare Smalley to Councillor Ric Metcalfe

Question

I was very impressed recently, when I attended the Community Leadership Scrutiny Committee meeting, as we were all told that the meeting was being recorded. Unfortunately, after the meeting I was advised that the video quality was not good enough to be posted online, which was disappointing. Recorded or live streamed meetings have become the norm now for many Councils across the country, including our neighbours at West Lindsay District Council. We also did manage to stream our own planning meeting in January 2022, which was held for the Western Growth Corridor.

Can the Portfolio Holder therefore please give us all the assurance that live streaming or the recording of meetings (to be posted online afterwards) will continue to be a priority for the Council, until this is finally achieved. I am sure we would all agree that providing easier public access to our meetings will improve transparency, our openness and accountability.

Answer

I too share your enthusiasm to live stream committee meetings, as will of course improve open and transparency, and the example you have given has shown how well this can be done. I can confirm that the live streaming of meetings of the Council continues to be an aspiration of the Council, which we are aiming to

implement within the next twelve months. As part of the preparatory work, an assessment of the current IT infrastructure in the Committee Rooms and Guildhall has shown that significant investment and additional resources are required to enable the Council to live stream any of its committee meetings. If we are to introduce live streaming, this should be done well to ensure viewers have a good experience. With this obviously comes the need to set aside funding within the budget and a full procurement exercise required, which will take time. These options will be considered within the context of the Council's wider ICT Strategy which is currently being reviewed.

Councillor Martin Christopher to Councillor Naomi Tweddle

Question

If Labour councillors truly believe that dismantling this 40-year-old tradition is the right approach, then I would like to know if you as Portfolio Holder for Economic Growth would support a motion to have this Council decide on the fate of our Christmas Market by means of recorded vote, that the electorate might then be better informed on how well they are represented at next year's election?

Answer

The decision has already been debated and decided some months ago and the decision recorded has been implemented by officers. For the reasons highlighted in the report to the Executive on 20 February 2023, the Christmas offer for the City needed to evolve into a year-long series of events that better spreads the City's capacity across both a longer period and wider area to prevent a recurrence of the issues related to large crowds we saw at last year's market. The decision was scrutinised under the Call-In provision by the Select Scrutiny Committee on 14 March 2023, where the Call-In motion was refused by the Committee. A further vote therefore serves no value in the Council's decision-making process.

Councillor Thomas Dyer to Councillor Naomi Tweddle

Question

Now that the City Council has launched its events programme, which in my opinion is not half as good as our once great Christmas Market, how many visitors are expected to come to our City as a result of the newly announced events?

Answer

We have already acknowledged that it is unlikely that we will be able to immediately replace the footfall from the Christmas Market in our new events programme. However, the Council has put together a great programme for this year that will undoubtedly attract an increased footfall and encourage increased spend in the local businesses as we are not putting on any food, drink or market stalls that will compete with our local businesses. Where similar events to the Monster Invasion, Ice Sculpture Trail and the Christmas Lights installations have been delivered in other towns and cities we know they have generated a good footfall and an enhanced social media presence, both of which are important elements in promoting and supporting the local economy. To ensure that we maximise the events, the Council has a funded marketing plan with our partners,

Visit Lincoln. Thank you to all officers involved in arranging the new events programme, which I am sure all councillors wish for it to be a success.

The supplementary question posed by Councillor Thomas Dyer was deemed by the Mayor not to be valid.

Councillor Rachel Storer to Councillor Naomi Tweddle

Question

Residents, tourists and bus operators continue to complain about the neglected state of our bus station, despite repeated complaints, this Council continues to allow its relatively new asset to be neglected. When will the council ensure this facility is properly cleaned and maintained?

Answer

As the transport interchange for the City, it is an extremely busy bus station servicing a huge volume of travellers every year. Keeping the station clean in a cost effective way is hugely challenging, necessitating a mix of daytime light cleaning, while members of the public are present, together with more fundamental out of hours deep cleaning. Currently a deep clean is carried out 3-4 times per year but this is being reviewed in light of operational experience and a new contract will be procured as quickly as is possible this year with an updated specification for cleaning the bus station.

Supplementary question

With the bus station being the first place in Lincoln visitors may see, could a review by the relevant scrutiny committee be conducted to support the process?

Answer

A review would be carried out a year into the project and the relevant scrutiny committee will be consulted.

Councillor Alan Briggs to Councillor Sue Burke

Question

What assessment has the Portfolio Holder made of the impact in Lincoln should the plans for an asylum centre at Scampton go ahead?

Answer

As Council will be aware the proposed Large Asylum Site at Scampton is a Home Office Project and our officers have been working very closely with West Lindsey District Council, Lincolnshire County Council and Health and Police colleagues to try and receive assurance from the Home Office that the site at Scampton will be safe, legal and compliant and the community impacts are understood and appropriately mitigated.

Our officers are continuing to try and understand proposals and support the Home Office Design Team to critically assess the risks and jointly develop suitable mitigation strategies before the site is mobilised. This is taking significant

hours of Officer time and is challenging as we are still yet to see any Home Office operational plans. The complexity and breadth of identified risks is leading to slow progress.

The Home Office proposals appear to constantly change and the communications with the community by the Home Office has been very poor
At this point we do not have clarity on

- When Scampton will be mobilised
- Where the Cohort moving into Scampton will be coming from
- How many asylum seekers will arrive over what timeframe
- Where Asylum decisions will be taken
- When and what the Home Office will be communicating with the local community

Weekly meetings are taken place with Home Office officials and we have provided the Home Office with a list of asks based on our assessments and assumptions and we are still awaiting a response.

The Home office are treating the large sites as 'Pathfinders' and we are regularly meeting with other 'pathfinders' and sharing learning/impacts etc.

Supplementary question

Are you in support of the plans to house at the Scampton site?

Answer

I do not believe the placing of 2,000 people is not a good idea and it could potentially put pressure on our already stretched budgets. However I support our obligation to support refugees and these people should be treated fairly and with dignity.

Councillor Dave Clarkson to Councillor Rebecca Longbottom

Question

What is the current customer service wait time for a customer to speak to an operator?

Answer

The overall average wait time for a customer to speak to an advisor was 3 minutes 11 seconds in June 2023. This continues to be an improvement in our call wait times.

Supplementary question

Customers should reasonably expect to receive a full and comprehensive answer at the time of asking a question. However, I appreciate this will impact on the wait time for other customers. Therefore, please can you share the impact of staff reductions from 24 to 20 on call wait times.

Answer

This information is not currently available to hand but I will get back to you on this.

Councillor Mark Storer to Councillor Donald Nannestad

Question

Council tenants who are abusive to their neighbours, openly take drugs and behave anti-socially are causing misery to their neighbours. This particularly impacts vulnerable residents and families. What are you doing to address this unsatisfactory situation?

Answer

The authority has a range of powers under the Anti-social Behaviour Crime and Policing Act 2014 that can be used to tackle antisocial behaviour (ASB). Whilst most of our customers cause no nuisance to their neighbours, there are a small number that do. Tenancy Services works closely with the Public Protection and Antisocial Behaviour Team (PPASB), Legal, the Police and several other agencies to tackle this behaviour and to ensure we are supporting local residents.

The action taken by the authority depends on the anti-social behaviour being committed and it is essential that proportionality is applied with the evidence to support our actions. Diary books will be collected to inform our decisions and can be used in evidence for any court proceedings. The type of behaviour you are referring to, would be considered as high risk and would be immediately reported to the police and PPASB Team. At present, PPASB and Tenancy Services hold a weekly ASB tasking meeting to discuss cases of concern and you can be assured that any cases with the concerns you are raising would be discussed at this meeting. A referral to the ASB Risk Assessment Conference would also be made, which is a monthly multi-agency meeting chaired by PPASB. This meeting discusses high risk cases and agrees a range of actions that can tackle the behaviour and support residents.

Whilst the police will tackle the drug taking, PPASB can assist with the service of Community Protection Warnings, Community Protection Notices, and breach of these may result in a Notice of Seeking Possession being served to end their tenancy. We also have civil injunctions that are available, Closure Notices and Orders can also be used to close a property down. We can also use Partial Closure Orders that could exclude visitors to the property. The police also have the Our robust ASB policies and procedures are in place to support the actions being taken. Any enforcement actions that we take are with full consideration of the Equality Act 2010 and a Public Sector Equality Duty Assessment is always carried out to ensure the vulnerabilities of the perpetrators have also been considered in our decision making and the necessary support has been put into place. Tenancy Services manage the breaches of the tenancy agreement. Under the Housing Act 1988, Tenancy Services have power to serve Notice to end a tenancy. Notices can be served on mandatory or discretionary grounds, but we still must apply to court for a date to present our evidence and following success at court, await an eviction date.

We fully acknowledge that this can be a lengthy process and it can be difficult time for neighbours. Should anyone be considered at risk due to this behaviour, the resident would be immediately offered temporary accommodation. The police provide a supporting letter that an individual may be at risk, and we work with police to ensure any individuals at risk of harm are moved to a place of safety. Staff ensure that complainants are regularly updated on action taken and support with witness statements that can be used in court. Residents can also be referred to victim support and we will ensure that we work with any support workers currently in place or refer to our sustainment team to assist during this difficult time. The level of the vulnerability of the complainants and their household is assessed and decision on support required are made based on this assessment and through talking to the resident.

Supplementary question

There have been a number of issues within my Ward and the affected tenants do not always receive the relevant support. Should a tenant wish to move to another part of the City, is this an option available to them?

Answer

We can always look at this as an option but there are a limited number of properties available across the City.

Councillor Eddie Strengiel to Councillor Donald Nannestad

Question

How many Council houses in Lincoln contain asbestos?

Answer

Asbestos is a common material found in both commercial and domestic properties and was extensively used in premises built or refurbished prior to 2000. Of the 7,814 properties that we own and manage, 7,460 properties were built prior to 2000. The Council manage and monitor asbestos within our stock and if the asbestos cannot be managed, it would be removed or encapsulated, which is accepted practice within the sector.

City of Lincoln Council takes all necessary steps to fulfil its statutory duties under the Health and Safety at Work Act 1974 and in particular the Control of Asbestos Regulations 2012 with regards to approved codes of practices and HSE guidance. In addition to this, we have an Asbestos Management plan in place. We have currently surveyed 86% of the 7,814 that we own and manage and remove, encapsulated or manage the asbestos accordingly.

Supplementary question

The Council has previously received a fine regarding the removal of asbestos. Is the Council taking all steps necessary to avoid this happening again?

Answer

As stated in my previous answer, regular surveys are carried out of our council properties. There is information available on the council's website regarding

asbestos and information is provided to our tenants and tenants should get in touch should they have any concerns.

Councillor Matthew Fido to Councillor Naomi Tweddle

Question

How much has the Council spent on cleaning the new Lincoln Central Car Park since it was opened?

Answer

There was no external contractor cleaning of Central Car Park until June 2021. From that point until today the total contractor cleaning cost is £78,309 which includes three deep cleans (not all deep cleans cover the whole car park so the cost of each clean varies). This is the premier car park in the city, attracting a huge number of customers and generating in excess of £2m in revenue per annum. Therefore, a high specification cleansing regime is an essential investment in the asset.

Supplementary question

I second your comments. The lifts are not necessarily always working at all times, what is being done to address this?

Answer

I agree, this is not ideal and it is a priority of the Council to address this issue.

12. Receive Reports under Council Procedure Rule 2 (vi) from Members

(a) Councillor R Metcalfe - Leader of the Council and Portfolio Holder for Our People and Resources

Councillor Ric Metcalfe, Leader of the Council and Portfolio Holder for Our People and Resources, provided Council with an update on the work of his portfolio.

Councillor Metcalfe advised that the report provided an update on the Council's current progress towards Vision 2025 strategic plan, together with updates on each of the service areas under his portfolio focusing on the last twelve months.

Over the past year, it had been reassuring to see the City had continued to recover from the impacts of the pandemic. However, whilst it was extremely encouraging after a difficult time for all, sight must not be lost on the current challenges the City was now facing, such as those linked to the cost of living crisis, and ensure those challenges remained a key focus for the Council. This would ensure residents continued to receive the support they needed and the best possible service from the Council.

Those challenges, and the need to provide additional support for residents, came at a time when the financial sustainability of the Council also continued to be challenging. The Medium Term Financial Strategy 2023-2028 set out a need to deliver total annual revenue savings of £1.75m by 2026/27.

The report set out some key achievements that had been accomplished throughout the year and provided details in respect of the following:

- Financial sustainability
- Revenues and benefits shared service
- Procurement
- Property services
- Emergency planning
- Business continuity
- Risk assessment
- Corporate health and safety
- Human resources
- Work based learning
- Craft Apprenticeship Scheme
- Corporate communications and media relations
- Civic and international partnerships
- Legal services

RESOLVED

That the report be received.

13. Calendar of Meetings 2023/24

RESOLVED

That the Calendar of Meetings for 2023/24 be confirmed.

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NOTICE OF MOTION

COUNCIL – 28 NOVEMBER 2023

Lincoln Christmas Market

Proposer - Cllr Thomas Dyer, Leader of the Opposition

Seconder - Cllr Rachel Storer, Deputy Leader of the Opposition

Earlier in 2023 the Labour City Council Executive took the decision to scrap the much-loved Lincoln Christmas Market – following a successful 2022 Christmas Market that attracted 320,000 people to our city. As we approach what would have been another Christmas Market, there continues to be significant public outcry for the return of our Christmas Market.

The City Council's alternative events program does not and will never replace the Christmas Market.

The City of Lincoln Council formally call upon the Labour Executive to reconsider their decision to cancel the market and make alternative plans for a safe and workable 2024 Lincoln Christmas Market.

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NOTICE OF MOTION

COUNCIL – 28 NOVEMBER 2023

Lincoln Central Car Park

Proposer – Cllr Mark Storer

Seconder – Cllr David Clarkson

The Lincoln Central Car Park continues to be plagued with customer facing issues. The lifts are very rarely fully operational, the payment machines have recently had significant down time and on busy days traffic can build up within the car park – resulting in motorists waiting for over half an hour to get from their parking bay to the exit.

Despite costing a significant amount of money, this car park does not perform in the way that its customers expect.

This Council requests that the City of Lincoln Council conduct a full review of the Lincoln Central Car Park providing a full detailed report to Council – this review must focus on completely resolving the issues that continue to plague the car park more than half a decade after its initial opening.

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REPORT TO FULL COUNCIL 2023

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

REPORT BY COUNCILLOR NAOMI TWEDDLE – PORTFOLIO HOLDER FOR INCLUSIVE ECONOMIC GROWTH

This is my first report to Full Council as the Portfolio Holder for Inclusive Economic Growth. Some of the report will cover work achieved under Councillor Neil Murray's tenure as the Portfolio Holder for Inclusive Economic Growth. I would like to thank Councillor Murray for his many years of excellent work in this role.

CLIMATE CHANGE

Renewable/Sustainable Energy

Senior Officers from all the Local Authorities across Greater Lincolnshire work together on strategic infrastructure policy, issues and solutions. The Greater Lincolnshire Infrastructure Group (GLIG) commissioned an "Energy Options Analysis" for the area to provide an evidence base for the infrastructure investment required to enable sustainable growth and our ability to input local renewable energy to local sub stations. This is an opportunity for collaborative working that can influence both the established national infrastructure organisations such as National Grid and larger private sector organisations to invest in our energy infrastructure to enable sustainable growth.

District Heat Network.

As part of that renewable/sustainable energy approach, we currently have interest from a couple of large private sector organisations who are interested in establishing a District Heat Network on Western Growth Corridor and then growing this across the city. We are providing data and information to facilitate potential investment and working with local stakeholders/organisations to consider how we could best utilise this investment should it come to fruition. This is a really important step towards our net zero carbon ambition in terms of both new and existing developments, demonstrating the benefits of the approach the Council is taking.

Central Lincolnshire Local Plan

We are currently scoping out a Central Lincolnshire carbon offset scheme. This would apply to development sites where on-site renewables are not feasible, for example where solar PVs are not possible due to over shading, enabling developers to pay into a fund for renewable energy measures in energy inefficient homes. This could not

only help support development but would potentially enable us to further support households become energy efficient as similar schemes in Norfolk and Suffolk are beginning to demonstrate.

Lincolnshire Waste and Minerals Local Plan

This is currently under review, we are working with Central Lincolnshire colleagues in relation to formulating a response in relation to fossil fuel extraction as it contradicts our Climate Change commitments. This is one of the opportunities we have to positively influence policy on climate change.

Sustainable Construction

We continue to ensure that our new developments as a City Council maximise what is financially achievable in terms of sustainable construction. In particular, we are exploring a range of sustainable construction methods and materials for the new eastern access at Tritton Road on Western Growth Corridor. In addition, Lincoln chairs the Greater Lincolnshire Modern Methods of Construction (MMC) group which commissioned a study into the opportunities, barriers, challenges and solutions for improving the use of MMC across the area and are seeking to launch this later in the year.

INCLUSIVE ECONOMIC GROWTH

Western Growth Corridor

Over 100 years since the first Swanpool Garden Village development in 1919, and only 19 months after planning consent was obtained, working with our adjacent landowner/developer Lindum Western Growth Community Limited, we started on site on 07 August 2023. The average time for developments of this scale to get from planning permission to site is 4 years and as such it is a great achievement. This is not only a sizeable investment by the Council in enabling much needed new homes for Lincoln, it is also a significant commitment to securing the future prosperity of the city. The opening-up of the southern access with a new signalised junction at Birchwood Avenue/Skellingthorpe Road and new a street into the development over the Boultham Catchwater will enable 300 new market homes to be built. This represents not only the exciting start of building a new community for Lincoln and connecting Birchwood and Hartsholme areas more effectively to the city centre, but also a unique opportunity for us to lead by example in delivering place driven sustainable new homes for now and the future. The new highway works will last around a year; we are very grateful for the patience and understanding of the residents and businesses in the area who are being significantly inconvenienced as we put this key infrastructure in ahead of the housing.

Council development officers have been working with Lindum Homes to provide the first 52 homes for sale as the first new homes development to set the standard for future phases. A reserved matters application was submitted on 10th October 2023 which will be determined by Full Council sitting as Planning Committee in the New Year. The design of the area and the new homes is seeking to maximise opportunities to create a great quality environment, reduced carbon emissions and footprint, high quality build standards and a place we would all want to live. The baseline carbon emissions for the development to comply with the latest Part L of the Building Regulations is 54,906 kgCO₂/year. With the proposed enhancements to the building fabric, combined with the use of air source heat pumps and roof-mounted solar panels, the revised on-site CO₂ emissions are predicted to be 9,499 kgCO₂/year. The annual carbon emissions are therefore predicted to be reduced by 82.70%, saving annual carbon emissions of 45.41 TonnesCO₂/year, when compared with the Building Regulations compliant baseline.

In the past year, we have also succeeded in obtaining £20 million of grant through the government's Levelling Up Fund Round 2 (LUF2) with the support of the local MP Karl McCartney. The grant will accelerate delivery of the eastern access into the site from Tritton Road with a full vehicular road bridge over the railway between Jewson and Barclays Bank and a further pedestrian/cycle footbridge next to the Boultham Catchwater. This infrastructure will also enable the Council to accelerate the development of 300 new homes from the Tritton Road access of our land. Our officers, with support from colleagues at Lincolnshire County Council and Network Rail, are working with an experienced national infrastructure contractor John Graham Construction Ltd to develop a detailed technical design for these new structures to ensure that we can gain assurance on cost and deliverability before proceeding on site. A report to our Executive on this is expected by February 2024.

Officers are also undertaking a range of work as part of continuing discussions with colleagues at Homes England seeking further financial support to build the Spine Road that connects the southern access with the eastern access to provide a continuous all vehicular route through the new development into the city centre avoiding the rail crossing on Skellingthorpe Road.

Towns Fund

Following the successful award of £19 million of government Town Fund grant, the Council as the accountable body for the programme in Lincoln, has been working to support the Town Deal Board and the 13 projects benefitting from the grant funding. The programme needs to be fully spent by March 2025 with delivery completed by March 2026 and we are currently on track to achieve this. The programme will have a significant positive impact on the city.

The following three Projects were completed in the past year and successfully up and running using £2.35 million of Towns Fund grant towards a total cost of £3.7m.

Hospitality, Events, Arts and Tourism (HEAT) Institute – The creation of a new ‘working restaurant’ facility at the Old Bakery, Burton Road and refurbished facilities at Sessions House at the Lincoln College campus are now complete and being used for student training.

The Drill – the refurbishment and rebranding of the Drill Hall as a cultural event venue, bar and café was the first project to be completed and has been open for over two years. The Drill has performed well in terms of increasing ticket sales. The first cohort of Performing Arts students based at the Drill started this month, although students have been benefitting from the Drill through end of year performances and work experience since opening.

The Store of Stories – the refurbishment of Beaumont Manor a grade 2 listed building, was completed at the beginning of last year and opened as a membership Community Grocery Store which provides low cost locally supplied waste and surplus food and other essential items, alongside a programme of advice, support and training, volunteering, and work placements opportunities to its members. The Store already has over 2,500 people signed up with an average of 90 people using it every day, with 50 volunteers staffing both the store and the social café which provides food, drinks and supportive chats.

The following projects are now in delivery and expected to complete in the next year. They are receiving £8.439m of Towns Fund grant towards a total cost of £16.13m.

Lincoln Cornhill Market – the refurbishment of the market building is now complete with the finishing touches being made to the completely refurbished City Square. We are currently working with the new stallholders to agree an opening date in early 2024. A new restaurant has been built as part of the refurbished scheme and Turtle Bay opened on 22 September 2023.

Lincoln City Football Club Community Hub – The creation of a new Community facility that will be managed by Lincoln City Foundation, a registered charity dedicated to creating healthier, happier and inspired communities. The work has now started on site and due to be completed by next summer.

Barbican – the refurbishment of a grade 2 Listed Building for use as a creative Hub, which will provide floorspace and a platform for the establishment of start-up and fledgling businesses within the creative sector, in an environment where occupiers can access knowledge, skills and markets within a cluster of like-minded businesses. Refurbishment is due to start early 2024 and be completed by Christmas.

Two further projects are also now in delivery and will continue throughout the programme. They have £2.77m of Towns Fund grant towards a total cost of £4.23M.

Lincoln Be Smarter – A Business grant scheme aimed at supporting Businesses to invest in digitalisation that enables growth. This project will run until the end of the Programme (March 2026).

Lincoln Connected – A Project aimed at improving digital access for visitors to the city. Proposals include the provision of a new website, management and wayfinding system along with an annual programme of art and cultural events that provide unique visitor experiences and make Lincoln a more attractive place to visit. The cultural events will start this year as an addition to the existing Frequency Festival in October and be run each year until the end of the Programme. The new Visit Lincoln website is due to be launched next year.

Five further projects are in the pre delivery stage and will benefit from the remaining grant;

Greyfriars – This is the refurbishment and reuse of an internationally important, listed building and scheduled monument dating from the 13th century for use as a heritage attraction. This will include a mix of a digital and tactile, immersive interpretation scheme, temporary exhibitions, events, conferencing and educational activities. The works went out to tender this month, with tendered costs expected by the end of October 2023 and a start on site planned for February 2024. Construction works are due to be completed by February 2025 with the building open to the public by the end of April 2025.

LSIP – The Creation of a Business café Hub within the Lincoln Science and Innovation Park to facilitate Business networking, clustering and collaboration. It is envisaged that the project will be on site in early 2024/25 with a six month build period expected.

Tentercroft Street – A feasibility study into the development of a Brownfield site to identify investment opportunities and delivery options. Work on the study is currently being scoped.

Wigford Way – An initial options report has been prepared for this area of the city which will now been taken forward as part of a new city centre masterplan for Lincoln.

Sincil Bank – A very important £3million project for the Sincil Bank area that will build upon the Residents Parking Scheme introduced earlier this year. This project will deliver a range of improvements to the look and feel of the area, including a revised one-way system, landscaping and planting improvements, some resurfaced carriageway and cycle land provision.

Health & Wellbeing Wider Determinants of Health

Following a range of work with district council colleagues across Lincolnshire looking at the impact and role of the wider determinants of health, we have now adopted a Health & Wellbeing Strategy. The action plan within that contains 10 key tasks for us to address from an economic inclusion perspective:

- Embed strong strategic narrative/understanding to promote economic inclusion and health inequality linkages that deliver better outcomes.

- People in Employment: Work with Lincolnshire employers to improve employee working conditions / environment particularly within low paid and insecure employment to improve their health and wellbeing and prevent health issues developing - whilst improving business productivity.
- People in Employment: Improve skills for those currently in work, enabling career progression, greater wage levels, better job security, greater productivity development - good for people and business - part of tackling in-work poverty.
- People in Employment: Increase volunteering to support the community and increase well-being for the volunteers themselves.
- Supporting those most susceptible to economic change and transition: Increase core sector resilience in Lincolnshire by supporting employers to adapt and respond to economic transitions caused by the pandemic, through addressing skills gaps with employees.
- Digital skills programme: Residents have the digital skills to access health services, everyday services and employment opportunities.
- Eliminate poor health from being a barrier to employment: Create an intervention programme that supports residents with ill-health into employment.
- Creating an environment to support development of the health and care sector to improve health related service provision.

Over the next year we will be producing an Inclusive Economic Growth Strategy that pulls together a wide range of work from across the area into a single document. In the meantime, I am delighted that through the Town Fund, UKSPF programme, working with a range of colleagues and organisations across the city and wider area alongside our day-to-day service delivery on economic inclusion, we are already putting into action initiatives that start to tackle the significant health inequalities we face in our city.

INNOVATION AND INWARD INVESTMENT

Lincoln Science & Innovation Park

Since Lincolnshire Co-op and the University of Lincoln created LSIP as a joint venture in 2013, the Council, following on from the building of the Think Tank in 2008/9, has continued to provide support for this new innovation cluster as a key part of the economic growth of both the city and Greater Lincolnshire. This year our business rate relief scheme has benefitted a range of these new high-growth and highly innovative businesses. LSIP's total investment to date has now topped over £36m into the Lincoln economy from a range of funding sources alongside its own investment and created over 180 new jobs. In addition, this year the NHS has made a considerable research investment alongside a number of inward investment businesses and start-ups from the defence technology sector resulting in both high-value jobs, skills and investment in the city.

Mosaic

Lincolnshire Co-op's further investment in the recently opened phase 2 of the Digital Hub at Mosaic is also very welcomed. A number of businesses from both our workspace at the Terrace and the Think Tank innovation centre operated for us by the University of Lincoln have expanded into Mosaic to further support the growth of the digital sector and free up space for new start-up and small businesses.

Engineering Sector

The Council once again sponsored a very successful Spark event in July this year to promote the engineering sector in the area as a fantastic career opportunity for young people and to showcase the range of world-class businesses and skills that we have to offer. On-going support for this key sector of our economy remains a priority.

Construction Sector

We remain committed to working with our local contractors and supply chain partners as we bring forward developments across Lincoln. Whilst Modern Methods of Construction (MMC) initiatives have had a very challenging year, we are continuing to work with local authority colleagues in Greater Lincolnshire to establish opportunities to achieve sustainable construction and to address the growing skills gap within the sector.

CORNHILL MARKET AND CITY SQUARE

Since starting on site in May last year we have been busy with the much-needed refurbishment of the new Cornhill Market. Opening-up the arches with new glazing, along with the new roof and mezzanine has created an amazing market hall space. New heating and lighting with improved glazing performance has created a more energy efficient building. Local architects John Roberts have worked with our own heritage team to create a sympathetic refurbishment that utilises existing heritage features and the restoration of others to secure just under £1m of Heritage Action Zone grant.

In addition to the new building that has been let to Turtle Bay as a newcomer to the city, there are over 30 new market stalls for food & drink and retail independent stallholders. Policy Scrutiny Committee approved the lettings policy in August and we are currently working with a wide range of stallholders who are small or start-up independents creating, using or promoting Lincoln, Lincolnshire and local products. We have received over 120 expressions of interest and over 30 detailed business plans, including from former traders. We are working through the details with potential stallholders and will have some really exciting announcements leading up to Christmas before we open in early 2024.

The Market will be open for a minimum of 5 days a week from Wednesday-Sunday to support the local visitor economy but enable sole traders and small businesses to have

some time off. In the New Year we will also be starting to build a diverse community programme to use the Market on a Monday & Tuesday for a range of community events including practical skills training courses (some hopefully provided by some of the stallholders) and other activities that would benefit from a city centre location like this whilst enabling stallholders who wish to be open to be able to trade. City Square will also be used for outdoor market activity from Spring 2024 onwards which will include markets that support the city's events programme.

Market Rights

As Cornhill Market comes back into operation, we will resume exercising our historic market rights. A review of the related policies on this will begin in 2024.

Farmer's Market

We continue to support the delivery of a monthly accredited Farmers Market on the third Saturday of the month in Castle Square as part of our wider market strategy and support to businesses.

PUBLIC REALM

The outdoor market space, the renewal of City Square incorporating additional seating and greenery with increased accessibility for all through removing the former kerbs and raised areas, has been our key public realm scheme in the city this year building on the new event space created on Cornhill Square.

Delivering with Lincolnshire County Council colleagues the important public realm improvements to Sincil Bank as a result of the Towns Fund grant will be the focus for the next year.

We will continue to seek funding opportunities to bring forward other public realm improvements across the city.

REGENERATION

Sincil Bank Regeneration

Our corporate neighbourhood focus on the regeneration of the Sincil Bank area continues to make a difference in this community and in the next year the larger initiatives that we have been working hard on will now start on site as a result of the Council's own investment and grant funding from other organisations. These include:

Community Chest

This scheme provides small grants to support community initiatives with funding from the Council and Investors In Lincoln.

Hermit Street New Homes & Environmental Improvements

Following planning consent in August, work has now started on site, with the clearance of the garage area and then the build of 11 new high-quality homes with an improved amenity space around them.

UK Shared Prosperity Fund

The Council was awarded £2,810,773 of UKSPF grant in 2022 as part of the government's wider commitment to level up all parts of the UK by building pride in place and increase life chances for communities through investment in the three pillars of: community and place; supporting local business; and people and skills. Our delivery plan was approved in January 2023 and in March the Executive approved the first projects for delivery by March 2025. The first projects are a mixture of proposals from local organisations including previously successful initiatives who's funding no longer exists and those commissioned by the Council to directly address specific needs identified from analysis of the extensive evidence base. These early projects are focused on supporting those most affected by the cost-of-living crisis and advice for businesses.

Cost of Living Support Programme

This scheme provides support for residents in most need arising from the cost-of-living crisis. The programme is being led by City of Lincoln Council's Revenues and Benefits team, working with the Welfare Teams and local partners including Bridge Church and Acts Trust. Projects currently include: a cost of living community support grant scheme; a research commission into cost of living support need and access in local non-English speaking communities; and a voucher scheme for the Lincoln Community Grocery.

Community Grant Scheme Project

Based on the Sincil Bank Community Chest this scheme has been developed with support from Investors in Lincoln. Up to £25,000 is available in each of the 11 wards across the city to provide small grants that support and deliver the community priorities in those areas. Ward councillors and community partners, supported by two newly appointed Community Connectors as part of the Council's Neighbourhood Team, have established ward panels to identify the priorities and prioritise spend. Ward panels have now been set up and applications for grants can be made through the City Council's website. There has been a really positive response to this scheme from community groups.

North Lincoln Community Hub(s) Programme

In response to the evidence and building on the success of Ermine Community Library and Hub, the Council's neighbourhood team are working with Bishop Grosseteste University and community partners to identify opportunities for further support within the area. Funding has already been provided to enable the Hub to extend its opening times in July and August, providing an important community resource for children during the summer holidays. A scoping report to identify wider deliverable proposals

is nearly complete which will identify wider community need within the Ermine/St Giles area and how local assets can be best used to meet those needs.

No Wrong Door Project

This funding to support the Acts Trust's to develop their existing bespoke triage software, 'The Restore System' making it accessible to all organisations in the Lincoln area. Organisations can use the triage tools through any web browser on any device to guide beneficiaries through a questionnaire, to develop bespoke personalised support plans, listing all local services relevant to the individuals need. The Acts Trust will provide systems training as well as coaching/befriending training and continue to administrate the system to ensure up to date information is maintained. It is expected that many beneficiaries will be economically inactive, socially excluded, low-skilled (including life skills) and many will also be vulnerable to poverty/have been accessing food aid. This project will start in the next few weeks.

Business Lincolnshire Growth Hub

This funds support towards continuing the Lincolnshire Growth Hub to provide the continuity in business support developed previously through European funding. This ensures Lincoln businesses have access to a dedicated Lincoln advisor within the Growth Hub.

Business Advisor for Lincoln

Our new dedicated Business Support Adviser has started with the Council to build capacity in supporting Lincoln Businesses in key growth sectors. A key aim for the Adviser is to support those who may struggle to start up and/or manage a business, as well as to look at connecting developing and established businesses from the priority sectors to build networks / clusters for economic advantage. This adviser will work closely with the Growth Hub and local business organisations to maximise opportunities/minimise duplication and inform the Business Support Strategy that we will be developing during 2024 to inform the position post March 2025.

The Restore Programme

This funding is to support the Acts Trust 'Restore Programme', a programme of training support designed to empower those aged 18+ to understand and overcome issues of poverty. The Restore Programme consists of course modules designed to support those experiencing poverty, in particular those people who are economically inactive and those with mental health challenges. These modules will be run at various venues across the city such as Energize Youth Centre, Alive Church, Ermine Library, Beaumont Manor (Lincoln Community Grocery) and within the foodbank and Night Light Cafe locations. The programme will target the unemployed, particularly those who have been out of work for longer than 6 months, as well as those not fit for work (with the aim of empowering them to feel 'work ready'). It will also target people who have had to use foodbanks within the last 6 months, as this is an indicator of poverty and engage with referrals from multiple organisations across the city using the Restore Triage tool of the 'No Wrong Door'.

Linking Local Business to Local People programme

This programme aims to unlock the barriers to local businesses training and upskilling locally, to address recruitment gaps for new and growing business sectors. It will also seek to address the low skill and high economic inactivity levels within the city. As such the programme will span both the supporting Business and People and Skills UKSPF strands. The programme is in development, but some exciting emerging projects aimed at addressing skill gaps in electric vehicle and green energy maintenance/servicing sectors have been identified to date and are currently being developed.

The remaining £1million of funding will be considered for allocation in the next few months for delivery starting in 2024/5.

SMALL BUSINESS SUPPORT

This support is a central part of the Council's Inclusive Economic Growth Strategy is support for small businesses and since we opened the first managed office workspace in 1994, we continue to go from strength to strength.

Managed Workspace

The Council operates and manages both Greetwell Place (a range of 90 small offices) and the creative industries workspace at the Terrace on Grantham Street (mix of 50 offices and workshops).

- Greetwell Place is currently 100% let having been let between 99% and 100% in the past 12 months. There are currently 41 businesses/start-ups on the waiting list.
- Terrace is currently 96% let having been let between 93% to 100% in the past 12 months, with one of the vacant rooms under offer and the other has just gone out to the waiting list which currently stands at 52.
- Think Tank is our innovation centre which is currently managed by the University of Lincoln and is 100% occupied.

Business Enquiry Service

The Council continues to provide a business enquiry service with our qualified advice staff. We signpost to a range of business advice and support with a wide range of other advice including help finding suitable business premises (not just City Council owned or operated properties). We are currently dealing with 115 live ongoing enquiries ranging across sectors from start-ups to relocations and inward investment. The teamwork with a wide range of local partners and organisations to ensure the right support is received. In the past 12 months we have directly supported over 30 businesses with premises, over 100 businesses with advice and over 1,000 business contacts made.

TOURISM AND MARKETING

Visit Lincoln

The Council continues to financially support and work with Visit Lincoln in the promotion of the City's tourism offer and the development of the Visitor Economy as one of our key sectors. Visit Lincoln has been critical in supporting the revitalisation of the visitor economy post Covid, as it was one of the hardest hit sectors. Work done to identify and target the visitor profile has enabled the Town Fund investment into the digital infrastructure to support the sector moving forward.

Destination Lincolnshire

The 2021 De Bois Review commissioned by Visit England identified that coming out of COVID the destination management structure was fragile, fragmented and patchy in its effectiveness and required a new approach. This new approach is a tiered structure that creates a national portfolio of Destination Management Organisations (DMOs) at different levels. For Greater Lincolnshire & Rutland this means a new LVEP (Local Visitor Economy Partnership). Destination Lincolnshire has emerged from a range of discussions facilitated by the Visit Lincoln Board and the Greater Lincolnshire LEP Visitor Economy Board as the LVEP. All partners, including the City of Lincoln Council, across Greater Lincolnshire & Rutland have therefore agreed to support an application with a robust business plan to DCMS for Destination Lincolnshire to become the accredited LVEP for the area.

Be Lincoln

Following the Council's investment in the creation of the Be Lincoln brand to support the wider promotion of the City, we have over the past year continued to use and promote it in print, digital and social media formats as part of Town Fund and now UKSPF. We are developing plans to continue this across other opportunities nationally.

Key Cities

Lincoln continues to be a member of the Key Cities network that raises our national profile and enables us to contribute and benefit from a range of policy development and best practice for urban areas that supports delivery of our inclusive economic growth ambitions.

INFRASTRUCTURE

Inclusive economic growth requires high quality, accessible and effective infrastructure. Along with access to affordable funding, poor infrastructure is frequently cited as the biggest barrier to business growth. Whilst the Council does not control any of this infrastructure, we still have an important role to place in influencing and facilitating investment.

Strategic Infrastructure

The Council works with local authority partners and has actively contributed to updating the Greater Lincolnshire Strategic Infrastructure Delivery Plan, setting out the key priorities and opportunities for the area.

Transport

The Council works with local partners to actively support investment in the transport network including through the provision of the bus station and car parks; directing appropriate external funding into improvements as evidenced with Town Fund; and development infrastructure as seen with WGC.

Digital

As part of our Digital City ambition, we have been working with partners to attract investment into upgrading digital connection speeds, coverage, accessibility and affordability.

Utilities

The Council actively participates in developing plans with a range of agencies including in the past 12 months Anglian Water and National Grid (formerly Western Power).

General Points on the Economy:

Unemployment has remained steady over the year at 4.1% (2,900 people) which is higher than the East Midlands average of 3.4% and the national average of 3.7%

Lincoln has 73.8% of the workforce aged 16-64 in employment or seeking employment (46,100) which is less than a year ago and below regional/national averages.

The Job Centre has currently got 576 vacancies registered.

HERITAGE

Lincoln is renowned for its rich heritage and the City Council has worked hard to preserve, restore and enhance our heritage assets. These are some of the projects which are being undertaken by the City Council as a part of the High Street Heritage Action Zone (HSHAZ).

Conservation – High Street Heritage Action Zone (HSHAZ)

The Barbican

A landmark building at one of the main entrance points to the city, the Barbican was originally constructed as a Gentleman's Club and became the Albion Hotel in 1876. It has been vacant for many years, suffering from decay and becoming unsightly and

detrimental to the overall appearance of the area. The building is in the process of being transformed, having been listed Grade II as part of the HSHAZ project. The deterioration has been stopped, work is underway to restore previous damage, and it will soon be given a new lease of life as the Lincoln Creative Hub in partnership with the University of Lincoln and Lincolnshire Coop. Works to the building have so far included cleaning the modern blue paint of the portico entrance, removing the black paint from the stone cornice and soffit, refurbishing the sash windows, cleaning brick and stone details, and repairing and reinstating the Corinthian capitals on the entrance.

St Mary Le Wigford

The grade I listed church of St Mary Le Wigford is located at a busy intersection on the High Street and forms an important gateway. The loss of the majority of the historic boundary wall meant that the curtilage bled out into the public highway. It was also blighted by an outdated hard landscaped public realm which was a trip hazard. This project saw the rebuilding of the lost historic boundary wall to reinstate the churchyard enclosure and enhance the setting of the church. By replacing the landscaping with grass, we have created a small green lung, providing respite for the general public distinct from the urban context.

St Mary's Guildhall

St Mary's Guildhall and its attendant buildings date from around 1157 and are a remarkable collection of high-status medieval buildings in Lincoln's lower High Street. They have variously been used as the guildhall for the powerful St Marys Guild, a Bluecoat school, maltings and a builder's yard. These buildings have been unused and vacant for decades and were at significant risk due to their dilapidated state. They are also a scheduled monument, a grade I listed building, and therefore a priority project for urgent repairs. The HSHAZ has financed a number of works to the buildings, including new buttresses to the North Range which have enabled the removal of the iron ties which impeded the full use of its ground floor, replacement of the rotten wall plates, a new roof to the Norman House using handmade replicas of the 18th century tiles. We have also commissioned a robust feasibility and options appraisal to consider how to achieve a sustainable future for the building.

Cornhill Market

Lincoln's Cornhill Market, is a grade II listed building and like many markets nationally has been in decline for a number of years. A review in 2014 by the National Association of British Market Authorities identified that change was necessary to achieve sustainability over the long term.

The HSHAZ programme has provided grants for the refurbishment and repair of the market which has included glazing the blind arcade – which of course means people will be able to see into and out – better connecting the market with the townscape.

Other works included relaying the terrazzo floor, repairing the perimeter historic stalls and designing a more coherent and cohesive stall design and layout.

Shopfronts

The HSHAZ programme has continued to fund an extensive programme of repair and restoration of historic shopfronts primarily this year to 38-44 Sincil Street and 8-10 St Mary's Street.

The Sincil Street works have identified and preserved Lincoln's only surviving 19th century "back-to-back" housing, and provided for new sash windows, repairs to roof fabric, chimneys and dormers, and revealed lost elements including a glazed brick stallriser.

The row of cottages between 8-10 St Mary's Street were representative of historically poor townscape in this location and in fact were at serious risk of demolition and redevelopment. Through the HSHAZ funding these buildings have been transformed, including removal of the modern dormers, the installation of new windows and of course new shopfronts.

Archaeology

Torsion Care, Spencer Street

Archaeological investigations were required as a condition of planning permission for a new residential care home development at the junction of High Street and South Park. Several phases of medieval and post medieval buildings were discovered along the High Street frontage. There were also important pieces of medieval stonework that may have come from the nearby St Katherine's Priory. The most significant find, and the reason why archaeological mitigation was required by the planning team, was the south boundary wall of the medieval Wigford Suburb. This was a stone wall running between two medieval gates, Great and Little Bargate, and was built to ensure that goods entering the city could be properly assessed and taxed at one of the two entrance points.

Bailgate Court, Warden's House

In uphill Lincoln, monitoring of excavation to provide the footings of a new extension to the Warden's Residence at the former Chad Varah House revealed the remains of a massive east-west aligned terrace wall of Roman date, around 3 metres wide. A similar structure was identified during 19th century sewerage works on Christ's Hospital Terrace, and taken together these finds indicate that the Roman hillside was heavily engineered and probably supported houses and other structures. The wall has been preserved in situ beneath the new development.

Haw Hill Training Excavation

Bishop Grosseteste University have undertaken a student training excavation on land owned by the council on the supposed medieval manor site of Haw Hill, adjacent to the Western Growth Corridor development area. The team found a broad range of features, including rubbish dumps and large external boundary ditches. They also recovered several thousand fragments of brick and roof tile, indicating that the remains of medieval buildings are still to be uncovered elsewhere on the site. This is the first season of a possible multi-year dig which will enable this important site to be excavated site under controlled conditions without the time or budgetary pressures that accompany developer funded digs, and allow the development to proceed. The excavation was supported by council officers from the heritage team and the Major Development Directorate, who hope to continue to provide support to the project over the coming years.

Heritage Action Zone Cultural Programme

This consisted of a range of additional activity throughout the last two years in the city, which had a cultural dimension. The aims of this programme were:

- A programme of public events, creative commissioning and capacity building to celebrate the High Street and demonstrate what a cultural consortium could achieve.
- Support major festivals and extend their reach in the High Street.
- Create new events with renewed focus on the High Street and the local community.
- To develop a creative commission working with young people to invigorate the High Street with a contemporary interpretation of its history and its future.

These aims were delivered through various means which I will discuss below and were supported by a Historic England grant of £102,000.

The first event in the HAZ cultural programme was the Frequency Festival of Digital Arts. The City Council supported additional installations at the festival which was held in the city between 28th – 31st October 2021. This delivered 15,000 visitors, 34,000 online interactions, 21 artists and 125 volunteers. The festival was so successful that it returns to the city centre again this October between 26th -29th Oct 2023.

The Council has also supported additional content for 1940's weekend over last two years (2022 and 2023). The 1940s weekend occurs annually and is held in the beautiful Cathedral Quarter of the city. This event brought 12,000 visitors, had a reach of 30,000 online, included 12 artists and was supported by 18 volunteers. Although the weather for the event this year was very rainy, there was still a real buzz in and

around the cathedral and castle, so the weather didn't dampen the success of the event.

The 'South of the Tracks' event took place on 11 June 2022, this was an open-air music festival on which was situated south of the railway crossing and on Tentercroft Street. This tested the concept of live music in Lincoln city centre and the difference it can make to the vibrancy of the area. It included live performances from five up and coming musicians. It delivered approximately 15,000 interactions from people as they passed by.

The cultural scheme also supported 'Pride' which took place on 20th Aug 2022. This led to further funding being allocated to the event by the City Council in 2023. Both events celebrated equality and diversity and is a reminder of the importance of ensuring we are an inclusive city. 6,500 people attended Lincoln Pride in 2022, the Facebook account reached in excess of 72,300 accounts and Instagram reached in excess of 5,500 accounts. We are currently awaiting feedback on the 2023 event, however city council officers were instrumental in delivering a fantastic event and the Council has received very positive feedback from the organisers about the invaluable input from officers. The event was very well attended with a huge variety of stalls and some fantastic speakers and performers. It was a real celebration of equality and diversity in our city.

The HAZ cultural programme also entirely funded a festival of street theatre between 29th and 30th April 2023 which was a great cultural asset to the city and took place in the newly renovated Cornhill Quarter. Each day, approximately 500 people per day got involved in street theatre which was a great opportunity to experience performing arts in the city. This programme also funded street theatre on Lincoln High Street between May and December 2022.

It also funded 'The Forum' which took place between the 1 -2 October 2022. For a weekend, local arts organisation, Zest Theatre, created space in St Benedict's Square for Lincoln's young people to mix with other young people and shape the cultural future of the city. It created a space in which young people could share ideas and be inspired. There is a final event due in early 2024 which will be delivered by Zest Theatre. They are currently seeking match funding from another source to put on an event for young people in the city centre.

The fund also supported the 'The Mash Up', this is a grass roots organisation established to support new artists emerging in the city. During 2022 and 2023, 152 local artists engaged with the networking events, 389 people attended the 'pop up' events and it had a reach of 15,000 on social media It also included an artist performance event in early 2023, this brought 16 creative performing artists to the Cornhill who engaged with around 8,000 people. The City Council is now leading the group to apply for funding from the Arts Council.

The programme has also funded additional Christmas lights in the Cornhill and outside bus station area in 2022, which added to the successful lights trail in 2022 and it funded two digital cultural trails in and around the city centre which are available for download. Since the launch of the cultural trails earlier in 2023, new downloads have reached 3643.

DEVELOPMENT MANAGEMENT

Development Management continues to provide an excellent service that both safeguards the built environment from inappropriate development whilst allowing important growth and investment in the city. The team have unfortunately lost three officers from key posts in the last year and as a consequence the overall speed for determining planning applications has inevitably slowed in the short-term. Despite this, the service is still performing in excess of the nationally prescribed minimum standards and three new officers have now been appointed. Appeal performance remains incredibly strong and the percentage of applications approved also remains high at 95%. This highlights both the quality of decisions taken by the service, as well as the level of negotiation undertaken by officers to ensure the best outcome is achieved.

This service has a very strong reputation for being positive and proactive, both locally and beyond, with an emphasis on negotiation both at pre-application stage and during the formal application process. Outside of the consultation process for each application, complaints about the service itself are minimal especially when considering the team deal with around 1000 applications per year. Together with a raft of successful applications approved such as a new care home on the High Street, re-development of the Big Wok on Beaumont Fee and outline consent for a new hotel on Broadgate, officers also successfully defended a Judicial Review for the approved student housing scheme on Firth Road.

Work volumes remain consistent with previous years but a change in the nature of some of this work (for smaller scale projects) together with increased permitted development rights set nationally has meant that this wasn't reflected in the income received. It is noted however that Central Government are currently consulting on an increase in planning fees of 25% for non-major applications and 35% for major applications which should close the gap between the income target and income received for next year.

BUILDING CONTROL

Building Control is a highly challenging sector at present on a national scale, partly due to the aging profile of the workforce, but more significantly due to an upcoming and mandatory accreditation process for all officers in both public and private sectors. This is expediting the retirement of a huge number of senior experienced personnel across the board.

Building Control is a small team that operates in a commercial environment with competition from the private sector but despite this our market share remains consistently high (around 70%) and above that of the national average, and the reputation of the service locally is well regarded. An officer is due to leave at the start of October and another is due to retire early next year meaning that a period of recruitment and re-building of the team will be undertaken over the coming months.

PLANNING POLICY

The Local Plan

After 5 years of hard work, the new Central Lincolnshire Local Plan was adopted on 13th April 2023. The Local Plan provides a positive planning framework by which decisions on growth and regeneration of the city are made and is therefore of great significance. The new Local Plan is one of the first in the country to set ambitious carbon reduction targets for new buildings to meet that will help tackle climate change as well as protecting the environment through introducing new policies on Biodiversity Net Gain. It provides a clear blueprint for building environmentally efficient buildings, as well as enhancing our green spaces. It marks a significant step in the battle against climate change and is vital for securing Lincoln's future.

Parking Strategy Review

A review of the Council's Parking Strategy is currently underway with a focus on the next 5 years and the best way to maintain and utilise car parks moving forward. Stakeholder consultation has been undertaken with workshops including representatives from local businesses, public transport and further and higher education which has provided helpful feedback that will be used to inform the review work going forward. Advice has also been sought from experts working on future mobility trends to understand how the Council should be looking to the future with regard to the relationship between parking in the city and supporting and encouraging sustainable modes of transport.

City Centre Greening

An internal officer working group has been established to explore, where possible, improvements to both existing green spaces and the creation of new city centre greening. This work could have multiple benefits including climate mitigation, public realm improvement, city centre vibrancy and economic regeneration enhancements. Stakeholder workshops have been held with organisations representing businesses within the city centre and agencies involved in the management of waterways within the city. Officers are currently exploring work focusing on greening improvements to the High Street, St Mary's Street as well as existing spaces such as St. Swithins, St. Benedicts and St. Martins. This work includes exploring opportunities for potential funding and delivery models which will be dependent on key stakeholder involvement.

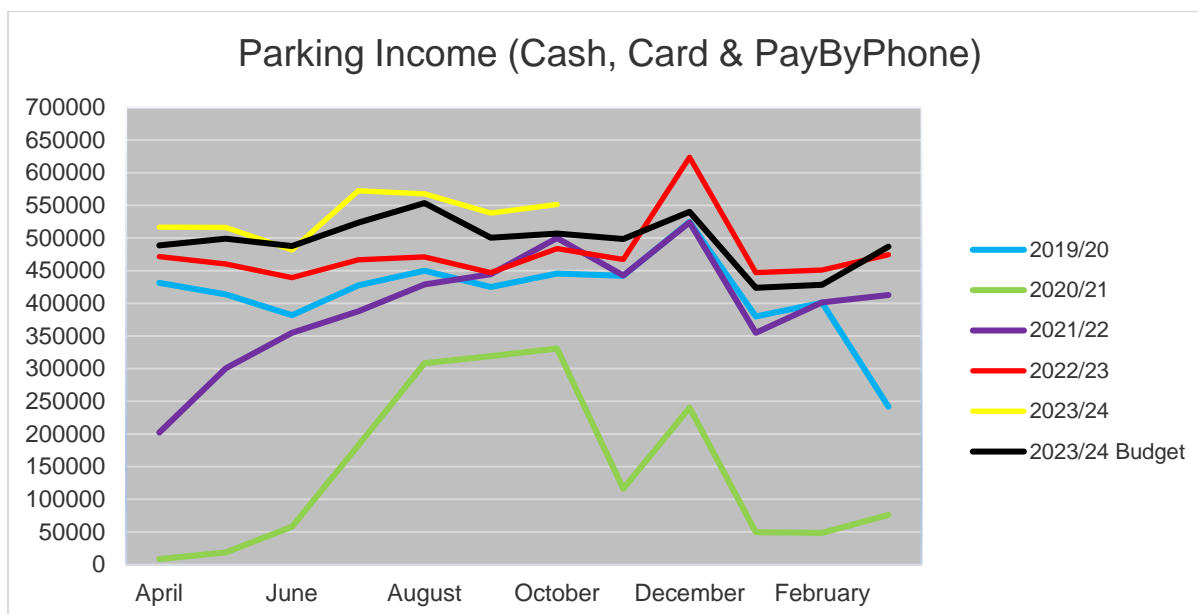
CAR PARKS AND PARKING

Our car parking services are a crucial element of supporting the role of the city centre as a place to work, live and visit. The council also manages the permits for on street parking in the Resident Parking Scheme areas.

The Councils' car parks are also vitally important in terms of revenue income to the Council. Over the years we have invested heavily in these car parks, and results from the recent Citizens Panel questionnaire show that 65% of residents driving into the City Centre prefer to use City Council car parks.

Parking income, including pay and display, season tickets and Parking Contravention Notices (PCN's) for 2022/23 was £ 6.1 million against an income target of £5.7 million. This is a major achievement with all the associated pressures of the cost of living crisis and the impacts on the city centre. Utilisation of each car park is monitored closely, as well as the utilisation and pricing strategies of our city centre competitors to ensure the service remains agile and in step with changes in the economy as well as any significant events in the city.

The latest parking income figures can be seen in the graph below:

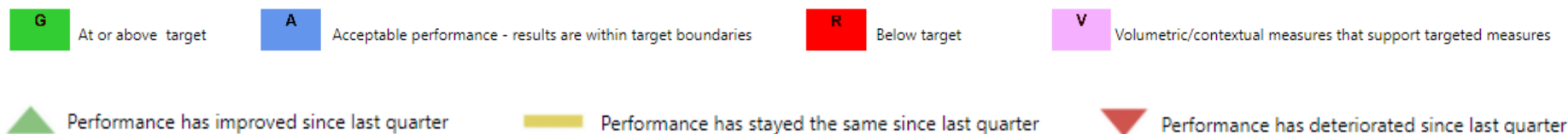


Residents Parking Scheme (RPS)

After long delays with the decision making and implementation process with the County Council, the new zones within Boutham and Park Wards were implemented on 1 September 2023. This covers approximately 2,500 properties, and it will improve parking opportunities for residents, improve air quality and the general living experience of these areas. As well as contributing towards modal shift for commuters and shoppers. It represents a significant amount of work for the Parking Services team that administers the scheme, they deal with large volumes of queries and troubleshooting where necessary. This process is going very smoothly given the significant scale of this extension.

The City Council is responsible for identifying, funding, and surveying any new extensions to the Resident Parking Scheme. The County Council, as the Highways Authority, is responsible for the legal approval, with the Traffic Regulation Order and the signs and lines. A new formalised process for requests for extensions to existing RPS zones is being created to ensure clarity and consistency, this will be discussed at an All Member Briefing at the end of November 2023.

Portfolio Holder for Economic Growth performance measure outturns – Quarter 2 2023/24



Quarterly monitored strategic performance measures

Service area	Measure ID	Measure	Unit	High Or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 2 23/24 outturn	Status		Commentary
Development Management (Planning)	DM 1	Number of applications in the quarter	Number	N/A	Volumetric	Volumetric	Q1 - 23/24	195.00	224.00	V		Total application numbers have increased in the quarter with more applications for minor works such as residential extensions and works to protected trees.
Development Management (Planning)	DM 2	End to end time to determine a planning application (Days)	Days	Low is good	85.00	65.00	Q1 - 23/24	64.19	74.67	A	▼	End to end times have increased largely as a result of the current resource position within the service. All vacancies have now been appointed to although these new members of staff don't start until the end of Oct/early Nov. As reported previously there will also continue be a lag in performance as these new members of staff are trained and enabled to gear up.

Service area	Measure ID	Measure	Unit	High Or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 2 23/24 outturn	Status		Commentary
Development Management (Planning)	DM 3	Number of live planning applications open	Number	Low is good	180.00	120.00	Q1 - 23/24	127.00	146.00	A	▼	This increase in the quarter reflects the additional volume of applications submitted.
Development Management (Planning)	DM 4	Percentage of applications approved	%	High is good	85.00	97.00	Q1 - 23/24	95.00	97.00	G	▲	The percentage remains consistently high due to the positive and proactive approach of officers in negotiation as well as the role that pre-application plays.
Development Management (Planning)	DM 5	Percentage of total decisions made in the quarter that have subsequently been overturned at appeal	%	Low is good	10.00	5.00	Q1 - 23/24	1.44	1.70	G	▼	This figure remains very low reflecting our strong performance at appeal and the robustness of our decision making process.
Development Management (Planning)	DM 5a	Number of decisions appealed in the quarter	Number	Low is good	5.00	1.00	Q1 - 23/24	4.00	1.00	G	▲	This figure remains very low showing both the quality of decisions made but also is indicative of the proactive and positive approach of the team in negotiating acceptable outcomes during the process.
Development Management (Planning)	DM 5b	Number of appealed decisions in the quarter	Number	Low is good	5.00	1.00	Q1 - 23/24	2.00	0.00	G	▲	This figure remains very low showing both the quality of decisions made but also is indicative of the proactive and positive approach of the team in

Service area	Measure ID	Measure	Unit	High Or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 2 23/24 outturn	Status		Commentary
		overturned by the inspectorate										negotiating acceptable outcomes during the process.
Development Management (Planning)	DM 6	Percentage of Non-Major Planning Applications determined within the government target (70% in 8 weeks) measured on a 2 year rolling basis (including extensions of time)	%	High is good	70.00	90.00	Q1 - 23/24	85.00	73.00	A	▼	This is an accurate reflection of the performance of the service and demonstrates that despite the resource pressures, the team has been able to perform above the national target (70% on a 2 year rolling basis).
Development Management (Planning)	DM 7	Percentage of Major Planning Applications determined within the government target (60% in 13 weeks) measured on a 2 year rolling basis	%	High is good	60.00	90.00	Q1 - 23/24	100.00	100.00	G	—	Whilst this figure is high at 100%, there have only been a small number of major applications determined in the quarter so is not fully representative of resource levels vs performance. For example the difference in a couple of weeks for the determination period could have easily meant that this figure was 50%. That being said we closely monitor our statutory performance to ensure we make the relevant amendments to our approach to ensure they are maintained

Service area	Measure ID	Measure	Unit	High Or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 2 23/24 outturn	Status		Commentary
		(including extensions of time)										at or above the national targets.
Parking Services	PS 1	Overall percentage utilisation of all car parks	%	High is good	50.00	60.00	Q1 - 23/24	48.00	53.00	A	▲	This quarter covers the summer school holidays so occupancy was up, with the uphill car parks doing very well re the tourist trade.
Parking Services	PS 2	Sessional car parking income as a percentage of budget requirement	%	High is good	91.00	96.00	Q1 - 23/24	102.59	106.41	G	▲	Income for the quarter was £1,678,362.71 against a budget of £1,577,262.00, which shows income has surpassed the budget. This quarter covers the school summer holidays and tourist season so is traditionally one of the better quarters for income.

EVENTS IN LINCOLN

A new programme of events has been delivered in 2023 following the decision to no longer hold the Christmas Market. The money used to fund the Christmas Market has been used to fund a series of different events in the city and the brand 'Events in Lincoln' has been developed to organise and promote the events.

A report was taken to Policy Scrutiny Committee in March 2023 presenting the aims and objectives for the new events programme. The overarching aim being "To support the vibrancy of the city centre and uphill area by providing an all-year-round cultural experience for visitors and residents that cements Lincoln as a key destination locally, regionally and nationally".

Since then, we have undertaken an extensive public consultation on the events programme to gain a better understanding of what events local people want to see in the city. The 2023 events programme was developed with some speed and officers have worked extremely hard to make the events programme a success for the city. This included developing the 'Events In Lincoln' branding, developing the programme of events and starting to scope 2024's programme with key partners.

The 2023 Events Programme

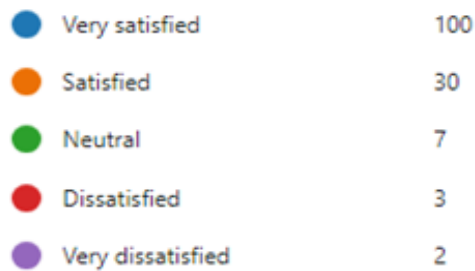
The City Council's 'Events in Lincoln' programme for 2023 will consist of 3 key events along with the Christmas Lights content.

- Lincoln Live: 2-3 September 2023
- Lincoln Monster Invasion: 23 - 29 October 2023
- Lincoln Christmas Lights: 23 November – 6 January 2024
- Lincoln Ice Trail: 9-10 December 2023

Lincoln Live.

The new 'Events in Lincoln' started with Lincoln Live. This was a two-day live music event in Cornhill Square with music which was curated by BBC Music Introducing Lincolnshire. The weekend was a great success with high quality music and fantastic local talent on show, with thousands coming to watch the artists. We received really positive feedback through the survey, we have had 142 responses in total. The breakdown of the responses are detailed below:

91% of people who visited the event were at least satisfied with their experience as a whole.



96% felt the event enhanced their experience within the city.



The event also had a very prominent social media presence, on our social media profiles alone we had a reach/impression of around 299k across the 5 weeks of the campaign, this doesn't take into account the reach the events had on social media through our partners such as Lincoln BIG or Visit Lincoln. The social media presence created through the marketing of the event and the event itself will have raised the profile of city significantly.

The event created a real buzz to the city and added atmosphere, vibrancy and music to the city centre as well as providing an economic boost to Lincoln and Lincoln's businesses. This can be seen through the uplift in footfall in the city centre, when compared with the footfall data during the same period last year, with a 5% increase on Saturday 3 September and a 17% increase on Sunday 4 September.

Monster Invasion

Over October half-term, Lincoln witnessed the city's first Monster Invasion! The event saw eight large inflatable monsters on roof tops around the city centre. The monsters themselves were several metres tall, several metres wide and illuminated at night. The event was a great success and popular across all age brackets. There was a fantastic buzz around the city and a brilliant presence on social media, reaching nearly 800,000 people.

We produced a trail map, which ran out and had to be reprinted, and organised street theatre performances and a Ghostbusters actor group, which proved to be great spectacles and very popular. During the week Lincoln BIG delivered a number of street theatre parades, a pumpkin patch and a pumpkin trail which lots of businesses participated in. The week finished with the biennial Frequency Festival of Digital Arts with 1000 people attending the Polaris event at the Cathedral Chapter House. Overall, the city was a fantastic place to visit that week.

The Monster Invasion had an extremely positive impact on the city with the following data being captured in relation to its success:

- a 9% increase in parking numbers in our car parks (compared with half term in 2022);
- Some businesses have said they had around a 10% increase in sales (compared with half term in 2022);
- A 100% increase in footfall in the Bailgate area. On Saturday 28th Oct there were 63,324 people movements in the Bail enjoying the events on offer, which is more than double the number of people in the area during the previous Saturday (21st October) which was 30,648, when the Monster Trail hadn't started.
- Some fantastic feedback from businesses uphill and downhill and from the public.
- During the media campaign we directly reached nearly 800,000 people on social media, significantly raising the profile of the event and the city as a vibrant and exciting place to live and visit.

Christmas Lights

The annual Christmas Lights switch on is taking place on 23 November, this is always a great event for the city, but this year will be even better with the launch of Lincoln's new Christmas lights. We have procured the lights contract for the city and over 95% of the Christmas lights will be replaced with new versions. The lights will start at Newport Arch and the Bailgate businesses have helped select the lights they think will provide the best feature in the Bailgate. The lights will also now extend down to Tentercroft Street to ensure St. Marks is included in the high street journey.

In addition to this, the City Council has procured some 'WOW factor!' lighting installations to compliment the lights trail that has grown over the city in recent years, for example the 6ft high 'LINCOLN' letters in the Bail and the walk-through star in the Cornhill. We will have a 16m long, 6m high shooting comet with a full LED light display on City Square, lights which will illuminate the central arch of Exchequergate Arch, install string lighting on the bus station and Central car park and a couple of other smaller pieces elsewhere in the city.

Overall, the number and quality of large lighting installations in the city this year from all of those involved, Lincoln BIG, Coop, St Marks and the City Council, will be an attraction in themselves and will be widely marketed to raise Lincoln's profile.

The Ice Trail.

The final instalment of the event programme for 2023 is the Ice Sculpture Trail, which will take place between 9 and 10 December 2023. This will see approximately 20 ice sculptures around the city centre across the weekend. The sculptures will be a combination of traditional Christmas themes and some with a more local context, such as the Lincoln Imp. There will also be a demonstration of live ice carving on both days, one of which will be in the uphill Bailgate area, and one will be downhill in the city centre.

There will be a traditional carousel at the Cathedral, with Glühwein, roasted chestnuts and festive music from the steam organ and local performers in the Bailgate. There will also be stilt firewalkers in the evening at St Paul in the Bail and the Cathedral on both days of the Ice Trail. It promises to be an exciting and festive event for all the family.

The marketing for all events will include encouraging visitors to use our existing city centre shops and food and drink businesses. We have, and will continue to, work collaboratively with businesses to ensure they benefit from the events.

Overall, the events programme will provide a vibrancy and atmosphere to Lincoln, raise Lincoln's profile and provide an economic stimulus which will support local businesses.

Looking Forward to 2024

We are currently working on ideas for the 2024 programme and will be doing another round of public consultation later this year to help develop the ideas.

In addition to the events mentioned above, which the City Council will deliver directly, we have financially sponsored or supported many other events to ensure that the city has a varied events programme

These events include: the Farmers Market, Lincoln 10k road race, the Cycle Grand Prix, Steampunk, the UK Rescue Organisation event and the Santa Fun Run.

Visitor Information Centre

The Visitor Information Centre has had another successful year and has again received the Trip Advisor Travellers' Choice award which demonstrates their daily commitment to customer service and promoting the city to visitors.

Councillor Naomi Tweddle
Portfolio Holder for Inclusive Economic Growth

COUNCIL

28 NOVEMBER 2023

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

Report by Councillor R Longbottom

Portfolio Holder for Customer Experience and Review

1. Introduction

- 1.1 In May 2023 I took on the role of Portfolio Holder for Customer Experience and Review, taking over this responsibility from Councillor Chris Burke. During his time in this role, Councillor Burke actively worked with service areas to ensure our residents received the best service and experience possible from the Council. I would like to thank Councillor Burke for his work and wish him well in his new role as Chair of Audit Committee. As the new Portfolio Holder for Customer Experience and Review I am committed to ensuring I continue this positive work.
- 1.2 Whilst I have only been in this role for a short period, I have been able to gain a clear insight into the Council wide effort which is taking place to support our customers to ensure they can access our services as easily as possible, especially during a time of ongoing uncertainty. I have also spent time with the team to understand the work they undertake internally to support services across the Council to deliver as efficiently as possible.
- 1.3 Provided below are updates on the key work progressed within those services falling under my Portfolio Holder responsibility during the past 12 months. These updates cover the areas of Customer Services, Audit Arrangements, Electoral & Democratic Services, ICT, Policy & Performance and, Business Transformation.
- 1.4 This report was presented to the Performance Scrutiny Committee on 28th September 2023 and has been updated with reflections from the discussion.

2. Customer Services

- 2.1 The Council's front-line staff working in the Customer Service Team have had another busy year with call volumes at over 120,000 in the full year to March 2023 and in the first half of this year call volume is remaining at about the same level. E-mail requests and enquiries have remained at around 25,000 for the year.
- 2.2 An area of notable difference since the office closures during the pandemic in 2020, is the radical shift away from seeing customers face to face. On average there are now only around 3 or 4 booked face to face appointments per week. Looking back at records from the customer service ticketing queuing system, there were 20,047 tickets taken in 2019 – nearly 400 every week. The team is still seeing vulnerable customers and those who need additional help in City Hall, but the vast majority of transactions are now over the phone. The Council's vision going forward is to move more transactions online and we are working with

colleagues across the authority to develop more on-line forms, starting with high volume enquiries. We are also starting a working group which will include customer focus sessions to continue to improve our website experience.

- 2.3 In February 2023 the Council moved on to a Microsoft Teams based phone system with the majority of calls being made through PCs and laptops rather than using a telephone handset. This has made contacting officers in service areas easier and led to an improved service for callers.
- 2.4 Call waiting times have been challenging over the year due to a number of staff vacancies and the recruitment and training of staff affecting the call answer rate. However, the team is now up to full strength and training has been going well. The average wait for a call to be answered in June, July and August 2023 reduced to less than 4 minutes. During quarter 1 2023/24 the average customer feedback score for telephone, face to face and e-mail enquiries was 87.60%.
- 2.5 Details on volumes of enquiries, customer interaction type, call wait times and service area demand are reported quarterly in the regular Performance Reports. Appendix A in this report provides the Q1 information.

3. Audit Arrangements

- 3.1 Two of the three members of the Internal Audit Team left during 2022/23 and it has not been possible to recruit to these vacant posts despite several attempts. However, the service has continued to operate effectively, working as part of the Assurance Lincolnshire Partnership. Recruitment for internal and external audit is a national issue and we are in the process of implementing career grade for the auditor post allowing for an individual to be trained up and supported through their qualification.
- 3.2 Through the partnership the team received income in the earlier months for work carried out and were then able to swap resources later in the year enabling sufficient audits to be completed. Internal Audit were also successful in recruiting the previous Auditor on a temporary casual basis for one day a week. Work is ongoing to recruit to the team and contractors are being engaged on a temporary basis to ensure that sufficient work is completed during 2023/24.
- 3.3 Internal Audit have provided assurance in some key areas during 2022/23 including financial systems 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.
- 3.4 Last year it was reported that there were issues with implementing audit recommendations. A new process has been put into place, which requires the sign off of extensions and more frequent reporting to Departmental Management Team (DMT) and Corporate Management Team (CMT). Additionally, Audit Committee has requested officers to attend to explain delays. This has had a positive impact and reduced the number of recommendations outstanding for long periods of time. A recent audit found that all recommendations within the sample selected had been implemented as told.

- 3.5 The latest annual Internal Audit report (2022/23) established that overall, the Council was performing well across areas of governance, risk and internal financial control and performing adequately on internal control. The internal control outcome was due to there being two limited assurance reports (performance management and stores), an increase in the priority of the recommendations, and also the results of the combined assurance work, which found common risks with capacity, both staff and financial, which could impact on internal controls.
- 3.6 External Audit is undertaken by Mazars. Whilst work on the 2021/22 statement of accounts is substantially complete, Mazars have not yet been able to issue their audit opinion or provide their annual report for the year ended March 2021. This is due to a national issue regarding the impact on delayed audit opinions of the triennial Pension Fund valuations. A way forward has been agreed nationally and work is in progress, which is expected to be completed with the audit opinion issued by the end of September 2023. Work is also due to start in August on audit of the 2022/23 statement of accounts.
- 3.7 A full audit update is provided at my monthly Portfolio Holder meetings, which link to the Audit Committee progress reports. This includes updates on all areas of activity including internal audit, counter fraud, finance & treasury, risk management and corporate governance.

4. Electoral and Democratic Services

- 4.1 The Electoral Services Team successfully delivered the local elections on 4th May 2023, which applied to a third of the City of Lincoln Council's membership. The Electoral Services Team is currently working on the annual canvass, with the electoral register due to be published in accordance with legislation on 1st December 2023. The canvass takes place each year and involves writing to all properties in Lincoln to ascertain who resides at each property. If there is no response, door knocks will be undertaken by appointed canvassers. Notifications are received if a property is empty or if the person previously living at the property has moved on. Although the number of individuals registered on the electoral register decreased from 62,292 in 2012/22 to 61,778 in 2022/23, previous experience shows that prior to a parliamentary election, registration increases and in subsequent years it tails off. Whilst it is a legal requirement to be registered, some residents do not engage with the canvass although extensive engagement and communication is undertaken to encourage participation in the canvas.
- 4.2 The team held a successful Lincolnshire County Council by-election for the Carholme Electoral Division and polling day took place on 14th September 2023.
- 4.3 The Elections Act 2022 contained substantial changes for polling at elections, as well as electoral registration in the UK, including the requirement for voter identification at polling stations, which was implemented for the May 2023 polls. The next tranche of changes includes the introduction of an online absent vote application system, which is due to go live on 31st October 2023. This will enable voters to apply online for a postal vote; appoint a proxy for a particular election

or referendum; and appoint a proxy for a definite or indefinite period. Applications can still be made in paper format.

- 4.4 In preparation for this change, the City of Lincoln Council is working in collaboration with the Department for Levelling Up, Housing and Communities, acting as a '*private beta tester*' for the system. This enables the election team to trial the system and to provide feedback to the Department before the system is due to go live. The Council is reimbursed for any costs incurred during this trial, for example officer time for processing applications or seeking follow up information from responses. As part of the trial, electors taken from the open register from three randomly selected wards (Birchwood, Boultham and Park) have received a letter from the Department for Levelling Up, Housing and Communities, inviting them to participate in the trial.
- 4.5 The letter provides information on the trial and invited participation by applying for a postal or proxy vote using the test system. At each stage of the trial, it is made clear to the voter that this will **not** change the way they currently vote. For any elector participating in the trial, the Department for Levelling Up, Housing and Communities is reimbursing them with a £20 e-gift voucher.
- 4.6 The Democratic Services Team is currently working as business as usual, with the calendar of meetings for 2023/24 recently being approved by Council.

5. ICT

- 5.1 As referenced in the Customer Services section above, in February 2023 the ICT service went live with a successful telephony project, moving from a desk-based system to a modern Microsoft Teams based telephony system and contact centre. This allows staff to take and manage phone calls on multiple devices from almost any location.
- 5.2 Members will be familiar with the 'cloud' which in essence is utilising services more directly from supplier organisations, which reduces risks associated with managing the increasingly complex ICT service and also increases resilience. The telephony system is a further move into the 'cloud' and provides assurance on the services that can be provided effectively in this way.
- 5.3 Other services have also moved in this direction including customer access to Council Tax and Benefit accounts, and there are also projects in place for parking software and many housing applications.
- 5.4 During the last year, the ICT team have also updated their Disaster Recovery planning and have received assurance by having the plan independently reviewed by third party ICT auditors engaged by Internal Audit.
- 5.5 Due to the investment cycle in ICT, which provided new devices to staff and members throughout the pandemic, and also invested significantly in infrastructure, the IT team is now preparing and reviewing options for a wide range of potential changes to modernise the ICT service provision that meets the needs of our teams and residents. Whilst this is in early stages, this could fundamentally change the way that ICT services are provided in line with the industry in general. This review covers a number of core elements of technology

provisions including servers and storage, applications and software, equipment and devices, back up and disaster recovery, files and data storage, network and security. There is still a significant amount of work to undertake on planning and reviewing options, and these will be brought for members' consideration in due course as part of a wider update on the Technology and Digital Strategy.

6. Policy & Performance

Performance Monitoring

- 6.1 My portfolio has responsibility for ensuring the Council has good quality performance data available. This data ensures service performance can be monitored clearly, performance improvements can be delivered and accurate decision making can be made. All contribute to ensuring the Council provides the best service possible to our service users.

Quarterly Performance Reporting

- 6.2 At a corporate level the Council reports performance on a quarterly basis to directors, elected members and to the public through a quarterly performance report. The report is presented to the Corporate Management Team ahead of being made available to the public through presentation to Performance Scrutiny Committee and Executive.
- 6.3 Included within the report are the latest outturns and supporting commentary for 88 strategic performance measures alongside outturns and supporting commentary for a range of corporate performance measures. The corporate measures focus on complaints, compliments, sickness leave, staff resource and appraisal performance. Of the 88 strategic performance measures, which focus on service area performance across the Council, the majority of these measures are reported quarterly, with the exception of a small number which are reported annually at set quarters throughout the year. Performance outturns are either monitored against a low and a high target to provide a status outturn or are recorded as volumetric. Volumetric performance measures do not have any targets allocated to them but provide contextual information to support those targeted measures.
- 6.4 The layout of the quarterly performance report continues to be easy to read and understand. Within each report the primary focus is on those performance measures which have performed above target, returning a green status, together with those performance measures performing below target, returning a red status. Those measures performing within the target boundaries, returning a blue status 'acceptable performance,' are provided within a supporting appendix to the main report. Performance outturns are reported by directorate and the previous outturn for each measure is presented alongside the current outturn to allow report readers to compare the two figures. A direction of travel indicator is also provided for each targeted measure.
- 6.5 The format of the quarterly performance report continues to evolve and improve to meet the changing needs of the organisation and I am pleased to hear the current format of the report continues to meet the requirements of Directors and

Assistant Directors, together with elected members on Performance Scrutiny Committee and Executive. Performance Scrutiny Committee continue to use the report to effectively scrutinise both positive and negative performance and ultimately to help drive performance improvements across the council.

- 6.6 The latest outturns and commentary for those performance measures linked to my portfolio are provided in the supporting appendix to this report provided on pages 13-16.

Annual Review of Performance Measures and Target Setting

- 6.7 The performance measures reported through the quarterly reporting process are reviewed on an annual basis to ensure they continue to be the most appropriate measures to monitor performance across the Council. Alongside reviewing the performance measures, all measure targets (both high and low) are also reviewed annually. This ensures the targets set continue to reflect changes in the Council's strategic direction, changes in the market place as well as recent performance achievements. In all cases targets set remain achievable but suitably challenging.
- 6.8 The process of setting the performance measure targets for 2023/24 commenced in January 2023 and involved consultation with service areas, Assistant Directors, Directors and Portfolio Holders. The process was led by the Policy and Transformation Team. The targets for 2023/24 were formally approved by Executive in March 2023 after consideration by Performance Scrutiny Committee.
- 6.9 Looking ahead, the review of performance measures and their targets for 2024/25 is expected to commence in December 2023, which will ensure targets are agreed and in place ready for Quarter 1 2024/25 reporting.

External Audit on Performance Monitoring

- 6.10 Whilst performance monitoring and reporting has continued to be undertaken accurately and utilised to effectively identify and address performance issues across the Council, we acknowledge there is always room for further improvement and development.
- 6.11 In June 2022 an external audit was undertaken on performance monitoring at the Council. As part of this audit a number of actions were identified for consideration by the Council to help further improve performance monitoring. These actions were -
- a) Update of the Local Performance Management Framework (LPMF) incorporating the Data Quality Policy.
 - b) Ensure all performance measures have associated control sheets.
 - c) Assess the Performance Information Management System (PIMS) and how it delivers against the original design brief.
 - d) Create a table for tracking outstanding requests from Performance Scrutiny Committee.

- e) 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.

6.12 A work programme was developed to deliver the actions identified by the audit. Actions 2, 4 and 5 have successfully been completed and implemented. Progress continues to be made on actions 1 and 3. Progress of both of these actions has been impacted by a management of change process taking place within the Policy & Transformation Team, which has included structure changes and recruitment to vacant positions.

Lincoln City Profile 2022/23

6.13 The Policy & Transformation Team produce the Lincoln City Profile on an annual basis. The profile provides the latest demographic data for the City of Lincoln in one central document, drawing data from national, local, and internal data sets. Collectively the data included within 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:

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

6.14 The current Lincoln City Profile for 2022/23 was presented to Executive in July 2023, and circulated to all elected members for information shortly after. The profile is also published on the Council's website making this valuable document available externally to local businesses, third sector organisations and other interested parties. The profile can be viewed online by visiting www.lincoln.gov.uk/council/lincoln-city-profile.

6.15 I would encourage all members to read this extremely helpful and interesting document.

6.16 Data collection for the next version of the Lincoln City Profile is scheduled to commence in February 2024, with publication expected in May 2024.

Census 2021

6.17 During the past 12 months the Policy and Transformation Team have been working with the Lincolnshire Open Research and Innovation Centre (LORIC) to undertake detailed analysis of the Census 2021 data for the city.

6.18 Analysis of this data was completed in late June 2023 and includes full analysis of Lincoln data for each of the following topic areas -

- Population

- Households
- Demography and migration
- UK armed forces veterans
- Ethnic group, national identity, language and religion
- Labour market and travel to work
- Housing
- Sexual orientation and gender identity
- Education
- Health, disability and unpaid care

6.19 In all cases the analysis undertaken compares the Lincoln Census 2021 data for each topic against each of the following areas –

- Lincoln's 2011 Census data
- National picture (England)
- Six other Lincolnshire district areas
- The East Midlands Region
- Lincoln's CIPFA nearest neighbours (as of April 2021)

6.20 Lincoln's Census 2021 ward data has also been analysed by each topic showing how Lincoln's wards have changed between 2011 & 2021 (where a direct comparison can take place between the datasets). This will be particularly of use to ward councillors when making decisions regarding their wards.

6.21 All analysis has been published on the Council's intranet, HUB, to ensure this is as accessible as possible to all staff and members. A very successful member briefing was also delivered in August 2023 to raise awareness of the data and analysis available from both the Census 2021 and the Lincoln City Profile 2022/23.

Project Management

6.22 The Lincoln Project Management Model, created by the City of Lincoln Council, continues to provide practical advice, tools and techniques to council staff involved in managing projects. The model seeks 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.

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

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

6.24 Staff continue to be required to use the project management model. To ensure the model and supporting documentation is easy to access, all information is available via the project management section of the staff intranet system, HUB.

6.25 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.

7. Business Transformation

Transformation

7.1 The Corporate Policy & Transformation Team support the organisation in many areas of software support to maximise software usage, support digital projects, manage the website / intranet and review business processes. This team was formed in April 2023 following a management of change. Further information regarding this management of change is set out in section 8 of this report.

7.2 In the last twelve months the team has:

- a) Designed and developed processes for refuse collection services to enable customers to report issues and access services online. This includes development of a new initiative aimed at ensuring developers pay for the provision of bins to new homes.
- b) Provided ongoing support and development for the Council's corporate e-forms package.
- c) Commenced upgrading of our 'Enterprise' electronic document management system. This is a longstanding corporate system used by across multiple service areas. The upgrade ensures the software remains appropriately supported, and enables the Council to demonstrate compliance with GDPR in respect of document retention and disposal.
- d) Supported the replacement of our Revenues and Benefits customer self-service portal, replacing the previously used MyInfo system that had reached its 'end of life.'
- e) Continued to develop the Council's 'Hub' intranet, building on our e-learning packages, running staff surveys to identify areas of focus, and launching the social 'Viva Engage' (previously 'Yammer') service. Viva Engage has several social communities for staff to initiate conversations and advertise with each other.
- f) Continued to lead the Department for Levelling Up, Housing and Communities (DLHUC) funded national Housing Repairs Service, working closely with lead authority Newark and Sherwood District Council. This online service went live in Lincoln in May 2021, and during that time more than 2,800 non-emergency appointments have been booked using this service. Approximately one third of these repair appointments were booked by tenants outside of office hours, demonstrating customers' needs to be able to interact with our services outside of traditional office working hours. The team represented the Council at the national Housing Tech Conference in March 2023 to present a report on collaborative

working, and has also promoted the Housing Repairs Online project, and the Council's contribution, at Local Digital Fund events.

- g) Provided extensive support to the corporate Housing IT Replacement Project (HITREP), by supporting all parts of the Housing service to capture and redesign their business processes in order to configure, integrate and implement the new system into the Council's existing IT suite.
- h) Built a corporate e-Risk Register to streamline our risk reporting and review processes.
- i) Worked with our banking and IT teams to improve how we process card payments, in accordance with the Payment Card Industry Data Security Standard (PCIDSS).
- j) Lead on the re-launch of the 365 ambassadors, regularly meeting with our supplier to build an extensive help library for staff using the Microsoft 365 suite.
- k) Worked with the Community Services team to explore viability of waste management software for our refuse contractors.
- l) Continued to develop and support all service areas to effectively utilise Geographic Information System (GIS) software.
- m) Provided training and support to the Planning Team in relation to its Street Naming and Numbering service.

Website

7.3 The team also develop and maintain the Council's corporate website. During the last twelve months, the website has undergone an accessibility audit, in accordance with the Public Bodies (Websites and Mobile Applications) Accessibility Regulations 2018. The Regulations seek to ensure that all public service websites are usable by people who require additional accessibility support due to visual, cognitive or hearing impairments. In February 2023, the Council was audited by Government Digital Service (part of the Cabinet office) for our website accessibility. The audit identified no significant issues with the website, albeit it highlighted some minor accessibility issues that needed to be addressed. All such issues have now been resolved, and the team continues to monitor the website's accessibility using specialist software to ensure it continues to be accessible to our customers. The site is currently averaging over 95% accessibility compliance, which is very high.

7.4 The team continues to monitor usage of the website and provide service areas with vital business intelligence on how and when service users access their pages. For the period 1st August 2022 to 31st July 2023, the website had over 1.4 million page views. More than two thirds of our customers access the website on either a mobile phone or tablet device, emphasising the importance of ensuring our web services must be mobile responsive and have a 'web friendly' design.

7.5 The top ten pages for this period were: -

Page Title	Number of views	Number of users	Views per user	Average Engagement time
Homepage	125,876	64,856	1.94	0m 16s
Bins and Recycling – find your bin collection days	65,939	36,027	1.83	0m 04s
Planning Applications	44,540	11,016	4.04	1m 40s
Parking Permits	36,330	10,052	3.61	1m 21s
Contact Us	32,453	17,432	1.86	0m 45s
Search	30,844	15,309	2.01	0m 43s
Council Tax	28,891	17,450	1.66	0m 23s
Lincoln Crematorium	25,130	7,307	3.44	1m 08s
Car Parks	24,920	15,148	1.65	0m 20s
Bins, recycling and Waste	24,498	10,545	2.32	1m 14s

8. Business Transformation – a Forward Look

- 8.1 In April 2023 a management of change process brought together the Council's corporate policy, business development and safeguarding functions into one corporate team. This change sought to bolster the Council's commitment to its One Council approach by centralising key activities such as performance management, business intelligence, customer engagement and business development. The new team provides a much broader, organisation-wide view of the opportunities available to the Council to continuously develop and improve its services and our customers' experience. This team will be instrumental to ensuring the Council makes the changes and enhancements needed to deliver the highest quality service to our customers effectively, efficiently, and sustainably within our ever-increasing resource constraints.
- 8.2 The work of this new Corporate Policy and Transformation team has undergone a period of initial review and reflection, and the next 12 months are poised to

demonstrate some significant Council- and city-wide benefits. These benefits include:

- a) Reviewing the Local Performance Management Framework, to enhance the effectiveness of the Council's approach to managing performance at all levels and reinforcing the relationship between performance and our strategic plan;
- b) Improving and expanding the Council's approach to customer engagement; generating higher quality customer insights and business intelligence to inform decision making and evolution of our services;
- c) Building capacity within existing resources in the new team, by working with all service areas to improve the quality and useability of performance data. This will be achieved through greater use of technological solutions to support performance monitoring; improving data collection, analysis and publication, and reducing the amount of staff time spent undertaking these tasks manually;
- d) Using the resulting team capacity to give greater support to service areas to improve areas of underperformance, by leading on delivery of data-led service transformation and performance improvement projects;
- e) Continuing to support the Housing IT Replacement Project (HITREP) through to successful completion, utilising the team's skills and expertise to help the Directorate of Housing and Investment streamline its business processes and improve customers' experience of the Housing service; and
- f) Playing an integral role in progression of the Council's Tech/Creating Value Processes Pillars, using digital tools to improve efficiency of service delivery across the Council and making it easier and quicker for our customers to access Council services when, where and how they need them. This includes a review of our website functionality, and identifying opportunities to further develop our online offer.

9. Conclusion

- 9.1 I would like to thank staff and members for their ongoing commitment to supporting our residents over the past 12 months and for ensuring our customers have continued to receive the best possible service from the Council during these challenging times.
- 9.2 In particular, I would like to express my appreciation of the work of the officers who closely support me with the Portfolio and thank them for their assistance in the preparation of this report: Jo Crookes, Cheryl Evans, Emily Holmes, Michelle Hoyles, Graham Rose, Matt Smith and Amanda Stanislawski.
- 9.3 The year ahead will no doubt present new challenges to the Council, however, through working with service areas and members I am confident we can continue to meet the needs of our residents and ensure they can access the services they require as efficiently as possible.

Councillor Rebecca Longbottom, Portfolio Holder, Customer Experience and Review

Appendix A - Customer Experience and Review performance measures – Quarter 1 2023/24

There are several performance measures directly linked to the services which fall under my portfolio. These measures and their latest outturns are presented in the tables below.

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

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

Quarterly collected performance measures

Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous value	Current quarter	Current value	Status	Commentary
Customer Services	CS 1	Number of face to face enquiries in customer services	Number	N/A	Volumetric	Volumetric	Q4 - 22/23	36.00	Q1 - 23/24	22.00	V	The number of face to face enquiries to customer services during quarter 1 23/24 was 22. The quarter also saw the lowest amount of pre-booked appointments for customer services. There were 142 pre-booked appointments in total - the majority were with the Welfare Team who saw 82 customers. There were 326 customers who came to main reception where an officer came to see them without an appointment.
Customer Services	CS 2	Number of telephone enquiries answered in Channel Shift Areas (Rev & Bens, Housing & Env. Services)	Number	N/A	Volumetric	Volumetric	Q4 - 22/23	30819.00	Q1 - 23/24	27860.00	V	Slightly lower than the same quarter last year. There was a high number of bank holidays in this quarter. We have answered 3,945 refuse/environmental calls, 3,687 for housing solutions/homelessness, 11,416 for housing calls, 7,091 for council tax/benefits and 1,721 other calls mainly for garden waste

Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous value	Current quarter	Current value	Status		Commentary
													payments. In addition to the above focusing on the channel shift areas, we also answered 18,215 switchboard calls during this quarter.
Customer Services	CS 3	Average time taken to answer a call to customer services	Seconds	Low is good	600.00	300.00	Q4 - 22/23	469.00	Q1 - 23/24	457.67	A	▲	This is the average for contact centre calls excluding switchboard, as our previous phone system did not report wait times for switchboard. If we include switchboard calls the average wait drops to 302.13 seconds. Longest a customer waited for the call to be answered during the quarter was 4,536 seconds and longest wait before a customer hung up was 4,394 seconds. These long waits are frustrating for the individual customers affected but are relatively rare. They tend to occur when an agent is caught up in a long and complicated query. Devoting a lot of time to resolve an issue can occasionally lead to a backlog of waiting callers. However, after waiting 300 seconds callers can request that we call them back rather than waiting.
Customer Services	CS 4	Average customer feedback score (telephone, face to face and e-mail enquiries)	%	High is good	75.00	90.00	Q4 - 22/23	93.30	Q1 - 23/24	87.60	A	▼	We have had 55 responses mainly from e-mail interactions. We have started to send texts following a phone call to customer services to gain further feedback from our customers, however, this data will be received too late to show in quarter 1. Comments from customers this quarter

Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous value	Current quarter	Current value	Status		Commentary
													ranged from "A slightly faster and more specific answer giving a timeline for resolution would be better " to "Prompt response, collection arranged for following week. Never had a problem." In addition, three mentions of named staff were also received giving praise for their response and professionalism.
IT	ICT 1	Number of calls logged to IT helpdesk	Number	N/A	Volumetric	Volumetric	Q4 - 22/23	1084.00	Q1 - 23/24	869.00	V		There has been a reduction in the number of calls logged to the IT helpdesk in quarter 1 2023/24. This reduction was due to fewer calls being received in the quarter in relation to the new telephony system which went live during quarter 4 2022/23.
IT	ICT 2	Percentage of first time fixes	%	N/A	Volumetric	Volumetric	Q4 - 22/23	60.20	Q1 - 23/24	66.10	V		In the quarter 574 out of 869 calls logged to the IT Helpdesk were fixed first time (66.1%). During the quarter the total number of first time fixes was lower, which was due to a reduction in overall calls and the nature of calls received. An increase in the number of emails quarantined and released also contributed to a lower number of calls logged in the quarter and actual first time fixes made. Calls that are not able to be completed on a first fix include orders for new equipment, requests for new/changes to access, incidents which need to be investigated etc.

Annually collected performance measure

Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous value	Current year	Current value	Status	Commentary
Democratic Services	DEM 1	The number of individuals registered on the electoral register as at 1st December (local elections)	Number	N/A	Volumetric	Volumetric	2021/22	62,292	2022/23	61,778	V	A slight decrease from last year's electorate, however this is expected to increase through monthly updates.

COUNCIL

28 NOVEMBER 2023

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

REPORT BY COUNCILLOR GARY HEWSON, CHAIR OF PERFORMANCE SCRUTINY COMMITTEE AND HOUSING SCRUTINY SUB-COMMITTEE

Introduction

Mr Mayor fellow Councillors, it is just over a year since I had the opportunity to lay before Council the programme of work that the Committee had completed in regards to Performance levels across the services it provides to our residents. It is our role to scrutinise the workings of the authority, seek explanations if targets are not being achieved and praise where we are seeing a successful outcome. The most important part of any organisation is its staff, and we are blessed with some fantastic officers and those who work for City Council out providing the day-to-day services on the ground. However, we do appear to be going through a period of a struggle to fill outstanding vacancies across certain areas of our functions. This hopefully will be a short term problem and I know it has brought to light the need for the Council to as they say, "Look to grow our own". I would like to thank those officers who have provided committee with reports that often as not have the answer to questions committee were logically likely to ask regards performance. I know members have praised the standard of the reports presented to us on a regular basis which helps committee immensely.

Committee Activity

Performance Scrutiny Committee has held eight meetings since my last Performance Scrutiny Committee annual report was presented to Council in October 2022. These meetings have focused on scrutinising the following items, some of which are expanded upon further below –

- Quarterly Operational Performance Reports (November 2022, February 2023, May 2023 & August 2023)
- Quarterly Financial Monitoring Reports (November 2022, February 2023, May 2023 & August 2023)
- Strategic Risk Register - Quarterly Review (November 2022, February 2023, May 2023 & August 2023)
- Treasury Management and Prudential Code Update Report - Half Yearly Report (November 2022)
- Budget Review Process for 2023/24 (November 2022)
- Portfolio Holder Under Scrutiny Report - Remarkable Place (December 2022)
- Vision 2025 - Addressing the Challenge of Climate Change Progress Report (December 2022)
- Vision 2025 - Remarkable Place Progress Report (December 2022)
- Portfolio Holder Under Scrutiny Report - Customer Experience and Review (December 2022)
- Portfolio Holder Under Scrutiny Report - Quality Housing (January 2023)
- Portfolio Holder Under Scrutiny Report - Reducing Inequality (January 2023)
- Section 106 and Community Infrastructure Levy Contributions Update (February 2023)
- Feedback from Budget Review Group (February 2023)

- Performance Measure Targets for 2023/24 (March 2023)
- Christmas Market Outturn Report 2022 (March 2023)
- Treasury Management Stewardship and Actual Prudential Indicators Outturn Report 2022/23 as required under the Local Government Act 2003 (May 2023)
- Portfolio Holder Under Scrutiny Report - Our People and Resources (June 2023)
- Lincoln Citizens' Panel Review (June 2023)
- Income/Arrears Monitoring Report – Martin Walmsley (August 2023)
- Treasury Management Quarter 1 2023/24 Update Report (August 2023)

Additionally, following my previous report Performance Scrutiny Committee received minutes from the Housing Scrutiny Sub-Committee for the meetings held in June 2022, August 2022, November 2022, February 2023 and March 2023.

Financial and Performance Reports

Performance Scrutiny Committee has continued to scrutinise the financial and service area performance of the Council during the past 12 months. This has specifically focused on scrutinising the following reports presented to committee as planned:

- Quarterly Financial Monitoring Reports
- Treasury Management & Prudential Indicators Monitoring Reports
- Quarterly Operational Performance Reports

Performance Scrutiny Committee Referral to Executive

Following presentation of the Quarter 4 2022/23 Operational Performance Report to the committee in May 2023, the performance measure 'DCT 2 – Percentage of invoices that have a purchase order completed' was referred through to Executive by the Performance Scrutiny Committee - this follows members raising concern over the number of invoices being paid without an associated purchase order. In response the Corporate Management Team have endorsed action to seek to increase the number of purchase orders raised.

Annual Portfolio Holder Reports

Performance Scrutiny Committee's role includes scrutinising Portfolio Holder reports, which are each presented to the committee on an annual basis by the Portfolio Holder.

Following my last report to Council in October 2022 the committee has received the following reports from Portfolio Holders. Each contain details of the progress made towards the Council's Vision 2025 strategic priorities through the work of the portfolio –

- Portfolio Holder Under Scrutiny Report - Remarkable Place (December 2022)
- Portfolio Holder Under Scrutiny Report - Customer Experience and Review (December 2022)
- Portfolio Holder Under Scrutiny Report - Quality Housing (January 2023)
- Portfolio Holder Under Scrutiny Report - Reducing Inequality (January 2023)
- Portfolio Holder Under Scrutiny Report - Our People and Resources (June 2023)

Following Performance Scrutiny Committee scrutinising the Portfolio Holder reports, each report is then presented to Council by the Portfolio Holder.

The annual Portfolio Holder Under Scrutiny Report for Economic Growth was presented to Performance Scrutiny Committee in September 2022, post submission of my annual Performance Scrutiny Committee report to Council in October 2022. The annual Portfolio Holder Under Scrutiny Report for Economic Growth is next due to be presented to the Performance Scrutiny Committee in late September 2023.

Target Setting for 2023/24

Performance monitoring is an important aspect of understanding how well our services are operating and helps to determine whether services are delivering value for money.

On an annual basis the Corporate Policy & Transformation Team working with Service Managers, Assistant Directors, Directors and Portfolio Holders undertake an exercise to set high and low targets for each targeted strategic performance measure monitored through the quarterly reporting process. This ensures the targets set are appropriate and reflect changes in the marketplace, the Council's strategic direction as well as current outturn achievements. During the target setting process it is essential that all performance measures have targets which are specific, stretching but achievable, relevant, and timely.

As part of the target setting exercise all measures are also reviewed to ensure these remain the most appropriate measures to monitor service performance.

Targeted performance measures are supported by volumetric performance measures, which are those for which a service cannot influence the outturn but they are still valuable for contextual information alongside those targeted measures.

The Council currently has 88 strategic performance measures in place. Of these measures 68 are targeted measures and a further 20 are volumetric measures. These strategic measures are supported by corporate performance measures focusing on the areas of sickness, staff resource, appraisals, complaints and compliments.

Target setting for 2023/24 commenced in January 2023, with the annual target setting report presented to Performance Scrutiny Committee and Executive for review and approval in March 2023.

Budget Review Group

In my role I also chair the Budget Review Group, which is a cross party sub-group of Performance Scrutiny Committee. The Budget Review Group meets once annually and has responsibility for scrutinising the robustness of the proposed budget options and Council Tax on an annual basis as well as the Medium-Term Financial Strategy. The group met on 1st February 2023 as planned. Within this meeting the group reviewed the proposed budget options and Council Tax for the 2023/24 period, together with the Medium Term Financial Strategy for the period 2023-28.

The minutes of the Budget Review Group were presented to Performance Scrutiny Committee on 16th February 2023.

Housing Scrutiny Sub-Committee

The Housing Scrutiny Sub-Committee reviews in detail matters relating to the housing service and the Council's housing stock. Alongside being the Chair of the Performance

Scrutiny Committee and the Budget Review Group, I am also the Chair of the Housing Scrutiny Sub-Committee.

Following my last annual Performance Scrutiny Committee update report to Council in October 2022, the Housing Scrutiny Sub-Committee has considered the following items –

- Lincoln Tenant Panel Project Update (November 2022, February 2023, March 2023, August 2023)
- Quarterly Performance Monitoring Report (November 2022, March 2023, June 2023, August 2023)
- Planned Works Programme Update 2022/23 (November 2022)
- De Wint Court Update (November 2022)
- Tenant Involvement Strategy 2022/2025 - Action Plan (November 2022)
- Housing Revenue Account Business Plan 2023-28 (February 2023)
- Homelessness and Rough Sleepers Update (February 2023)
- Downsizing Incentive Scheme - Draft Policy (February 2023)
- Tenancy Sustainment Update (February 2023)
- Scheduled Repairs Update - Quarter 3 2022/23 (February 2023)
- Lincoln Tenants' Panel Annual Report (March 2023)
- Fire Safety Update (March 2023)
- Target Setting 2023/24 (March 2023)
- Update report by Councillor Donald Nannestad, Portfolio Holder for Quality Housing (March 2023)
- Housing Finance (June 2023)
- Housing Fire Assessment Update (June 2023)
- Scheduled Repairs Review (June 2023)
- Lincoln Tenants Panel Project Updates (June 2023)
- Allocations Update (June 2023)
- Downsizing Policy (June 2023)
- Housing Planned Works 2023/24 (June 2023)
- Management of Communal Areas (August 2023)
- Ellie's Memorial Garden (August 2023)
- Anti-Social Behaviour Management (August 2023)
- Downsizing Policy Update (August 2023)
- Repairs Policy Update (August 2023)
- De Wint Court-Post Implementation Review (August 2023)

As Chair of Housing Scrutiny Sub-Committee, I would like to thank Councillors and Lincoln Tenant Panel members, the Portfolio Holder for Quality Housing, and officers for their contribution to the Housing Scrutiny Sub-Committee meetings.

Looking Ahead

Looking ahead, I would first of all like to thank committee members who have given of their time to sit on this committee, not just being there but to participate into our meetings with great contributions which are I am sure are appreciated by the officers who, like us, want to get the best possible outcomes for those we represent. So, to committee members I say thank you once again and stay with us in 2024/25 because you need continuity to follow our role along into the future.

Councillor Gary Hewson , Chair of Performance Scrutiny Committee

COUNCIL**28 NOVEMBER 2023**

**Report by Councillor Joshua Wells,
Chair of Equality and Diversity Advisory Panel**

1 Introduction

1.1 I commenced the role of Chair of the Equality and Diversity Advisory Panel in May 2023, taking over this role from Councillor Naomi Tweddle. I would like to thank Cllr Tweddle for her time as Chair of the Panel and I look forward to continuing to work with Councillor Tweddle who remains a member of the Equality & Diversity Advisory Panel, alongside the other panel members, over the coming year.

1.2 As a reminder to members of Council, the Equality and Diversity Advisory Panel is an informal advisory working group comprising of elected members and officers. The Panel considers all aspects of equality & diversity at the council including policies, services & practices.

This collective work helps to ensure the Council continues to meet the requirements of the Equality Act 2010 and Public Sector Equality Duty.

1.3 The current elected members on the Equality and Diversity Advisory Panel are:

- Councillor Joshua Wells (Chair)
- Councillor Sue Burke (Vice-Chair)
- Councillor Ric Metcalfe
- Councillor Naomi Tweddle
- Councillor Gary Hewson
- Councillor Dylan Stothard
- Councillor Hilton Spratt
- Councillor Matthew Fido
- Councillor Natasha Chapman

1.4 In addition to the elected members above, a number of Council officers also sit on the Panel. These officers undertake equality & diversity activity on a regular basis through their areas of work. Officers attending the Panel are from the service areas of Human Resources, Corporate Policy & Transformation, Customer Services and Legal.

1.5 I would like to thank each member of the Equality and Diversity Advisory Panel and officers for their ongoing support towards equality and diversity during the past year.

1.6 Within this report I have provided a reminder of the Council's Equality Objectives and our duties under the Equality Act 2010 and Public Sector Equality Duty, outlined the key activity undertaken by the Panel over the past year, together with provided an insight into the key equality and diversity activity undertaken by the Council during this time.

2 Equality Act 2010 and Public Sector Equality Duty

- 2.1 As a reminder the Equality Act 2010 and Public Sector Equality Duty requires the Council to consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.
- 2.2 It requires that public bodies have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
 - Advance equality of opportunity between people who share a protected characteristic and those who do not
 - Foster good relations between people who share a protected characteristic and those who do not

3 City of Lincoln Council's Equality Objectives

- 3.1 In addition to the Panel helping to ensure the Council meets the requirements of the Equality Act 2010 and Public Sector Equality Duty, during the past year the Panel has also continued to monitor the Council's progress towards meeting its Equality Objectives, which run for the period 2020-2024.
- 3.2 As a reminder the Council's Equality Objectives are:
- Our services are more accessible and do not discriminate on any unjustifiable grounds
 - Local communities and stakeholders are empowered to influence the way our services are provided to them
 - Equality is at the heart of decision making at all levels within the council
 - Our workforce at all levels reflects the makeup of the local community
 - Equalities, social inclusion and community cohesion have all improved with our communities

4 Annual Equality Journal

- 4.1 At the end of each financial year the Council produces an annual Equality Journal. The Journal contains a record of the key equality & diversity focused activity delivered during the previous year by the Council towards meeting its Equality Objectives, together with the requirements of the Equality Act 2010 and Public Sector Equality Duty.
- 4.2 The Equality Journal 2022/23 was presented to the Equality & Diversity Advisory Panel in October 2023 for review. The Equality Journal 2022/23 will also be presented to Council in November 2023 before being made available on the staff intranet and the Council's website.

- 4.3 I would encourage members to view the full Equality Journal 2022/23, which will be made available via the following link when published - <https://www.lincoln.gov.uk/policies-publications/equality-diversity-1/3>

5 Equality & Diversity Advisory Panel Agenda Items from the Past 12 Months

- 5.1 During the past year, the Equality & Diversity Advisory Panel has met on two occasions as planned to discuss a range of equality and diversity topics. The meetings were held on 1st March 2023 and 11th October 2023. Below includes the agenda items discussed at each meeting.

5.2 Wednesday 1st March 2023
Agenda Items

1. Gender Pay Gap
2. Equality & Diversity Action Plan 2022/23 update

5.3 Wednesday 11th October 2023
Agenda Items

1. Equality Journal 2022/23
2. Equality & Diversity Action Plan 2023/24 update
3. Human Resources Update
4. Mental Wellbeing

6 Key Equality and Diversity Activity Progressed over the Past 12 Months across Service Areas

- 6.1 Included below are some examples of the key equality and diversity activity progressed during the past year as highlighted within the latest Equality Journal 2022/23.

A number of additional key activities have also been included below, which have been progressed since the Equality Journal 2022/23 was produced.

Continued to Ensure the Council's Website Meets Accessibility Legislation

- 6.2 The Web Content Accessibility Guidelines (WCAG) is a legal requirement, which all public sector websites and applications must meet. The guidelines focus on how a disabled person accesses or benefits from a document, website, system or application, with the aim of ensuring those with a disability can access what they require in a similar amount of time and effort as someone without a disability.
- 6.3 In February 2023, the website was audited for its accessibility by the Government Digital Service. The review was a success; some minor accessibility issues were identified and these have since been fully resolved.

Provided a Wide Range of Cost of Living Support

- 6.4 Over the past 12 months cost of living challenges have continued to have a significant impact on many of our residents and businesses.

During this time, the Council and its partners have continued to provide a wide range of cost of living support to the residents of the City. This has included administering a variety of additional support payments to residents to help with increased energy bills, together with working closely with partners to deliver local initiatives to help residents to keep warm and to ensure they have sufficient food.

Gender Pay Gap 2022 Considered by the Equality & Diversity Advisory Panel and Published on the Council's Website

- 6.5 The gender pay reporting legislation requires employers with over 250 employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees.
- 6.6 In March 2023, the Gender Pay Gap 2022 for the City of Lincoln Council was published on the Council's website for the period 2021/22.

- 6.7 The Council's gender pay gap headline figures as at 31st March 2022 were as follows:

- The mean gender pay gap was 1.3%
- The median gender pay gap was 1.9%
- The mean gender bonus gap was 0% (not applicable to the council as it does not have any bonus schemes)
- The median gender bonus gap was 0%
- The proportion of male employees receiving a bonus was 0% and the proportion of female employees receiving a bonus was 0%

- 6.8 The Council is confident that its gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather its gender pay gap is the result of the roles in which men and women work within the organisation and the salaries that these roles attract.

Continued to Provide Support for Refugees Arriving in the City

- 6.9 During the past 12 months the Council has supported both the Syrian and Afghan Refugee Resettlement schemes, together with been a key partner in the response to the Ukrainian war crisis.
- 6.10 As part of this response the Council has provided housing advice to those arriving under the Ukrainian Family Scheme and has also been working closely with Lincolnshire County Council, the other Lincolnshire districts, and other key partners to implement the Homes for Ukraine Scheme.

- 6.11 In Lincoln we have welcomed over 80 households into sponsor properties and continue to work to help the families settle into the community.

Council Policies

- 6.12 The Corporate Policy & Transformation Team working alongside the Legal Services Manager has continued to monitor all Council policies on a quarterly basis to ensure they are reviewed at the required frequency by service areas and continue to meet the needs of the Council and national legislation. Of these policies, 35 are managed by the Human Resources Team, with the majority having direct or indirect links to the topic of equality and diversity.

Retained Accreditation to Employee Support Initiatives

- 6.13 The Council has continued to retain its accreditation as a Foster Friendly Employer, Mindful Employer and Disability Employer. Additionally, the Council has continued to retain accreditation to the Carers Charter Quality Award and has continued to be a signatory to the Dying to Work Charter. Collectively each of these activities help to demonstrate that our employees are provided with support for a range of different circumstances. Work to retain accreditation to these worthy initiatives will continue over the coming year.

Equality Impact Assessment Awareness Training

- 6.14 In June 2023 Equality Impact Awareness Training was provided to a number of Council officers by a local organisation called Every One. The training successfully raised awareness of the importance of Equality Impact Assessments, how to complete these accurately and the possible consequences if equality and diversity impacts are not fully considered. The training was well received by officers.
- 6.15 Full consideration of equality and diversity will continue to be essential when making changes to existing service delivery and implementing new services. This reaffirms the importance of this training and subsequently it is anticipated that further training sessions will continue to be delivered moving forward.

Review of Languages included as Alternative Languages in Council Publications

- 6.16 In September 2023, a review of the top seven languages included as alternative languages in Council publications was undertaken by the Customer Services and Policy & Transformation Teams. This annual activity ensures the alternative languages we include at the end of our publications are representative of the residents of our City and our service users. A key element of this activity was reviewing the interpretations, which had been requested in the six months prior to the review taking place.

- 6.17 The review highlighted that six out of the seven languages included within the guide remained correct. One change has been made to the guide, which was to add Bangla onto the list of languages in place of Slovak. Bangla has seen an increase in interpretations requested, whereas Slovak has seen a reduction. The list will continue to be reviewed on a regular basis.

Lincoln Citizens' Panel Refresh

- 6.18 The Lincoln Citizens' Panel is a key resource used to gather feedback on the delivery of our services from residents across the City.
- 6.19 Led by the Policy & Transformation Team and working with an external supplier, a recruitment campaign was undertaken between August and October 2023 to encourage further residents to join our Panel and have the opportunity to share their views on the delivery of our services. The aim of the campaign was to ensure the Panel continues to be as representative as possible of our residents. The refresh was completed in October 2023.
- 6.20 Following this exercise, the Panel now consists of over 650 active Panel members covering all wards in the City. The age of Panel members ranges from 18 to 88 (where age has been provided), with the highest proportion of Panel members continuing to be over the age of 50 – those over 50 are usually keener to participate in feedback questionnaires. Work to recruit new Panel members will continue on a rolling basis over the coming year, and the team is currently working with the Housing service to increase the proportion of Citizens' Panel members who are Council tenants.
- 6.21 Additionally, work will also take place to explore other routes of consultation alongside the Lincoln Citizens' Panel to encourage and enable further resident engagement.

7 Equality and Diversity Action Plan 2023/24

- 7.1 The actions set out in the Equality and Diversity Action Plan 2023/24 serve to demonstrate how the Council is meeting its Equality Objectives and complying with the Equality Act 2010 and the Public Sector Equality Duty. The action plan is treated as a live document with actions being added into the plan on a rolling basis throughout the year as these are identified by service areas.
- 7.2 The actions included within the Equality and Diversity Action Plan 2023/24 consist of:
- A range of recurring equality related actions, which are undertaken on an annual basis
 - Actions requested for inclusion in the plan by the Equality & Diversity Advisory Panel
 - Equality related actions drawn from Assistant Director Service Plans
 - Actions which have been identified by service areas

7.3 At the time of writing this report there are **26** actions within the Equality and Diversity Action Plan 2023/24. Of these actions:

- **16** actions are currently being progressed
- **2** actions are complete
- **8** actions are yet to be started but are scheduled to start in the near future

The actions delivered within this plan will form the basis of next year's Equality Journal covering the period 1st April 2023 to 31st March 2024.

8 Concluding Comments

8.1 I would like to thank officers and members for their continued support and commitment towards equality and diversity at the Council over the past year. This work has been and will continue to be extremely important.

8.2 Moving forwards it is essential that equality and diversity continues to be fully considered when delivering our services. This will ensure the needs of our residents are fully understood, and importantly, accommodated for, to the best of the council's ability.

8.3 The next Equality and Diversity Advisory Panel meeting is scheduled to take place in early 2024.

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COUNCIL

28 NOVEMBER 2023

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

Report by Councillor Emily Wood, Chair of Policy Scrutiny Committee

Introduction

This year's Policy Scrutiny Committee's membership consists of the following Councillors: Emily Wood (Chair), Calum Watt (Vice-Chair), Debbie Armiger, Liz Bushell, Natasha Chapman, Bill Mara and Mark Storer.

Substitute member(s): Councillors Martin Christopher, Clare Smalley, Dylan Stothard, Pat Vaughan and Aiden Wells

Officers attending include: Caroline Bird, Steve Bird, Simon Colburn, Kate Ellis, Michelle Hoyles, Ben Jackson, Tracey Parker, Sammy Pengally. 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.

Since May 2023, the Committee met three times, principally to scrutinise decisions due to be taken by the Executive or Council. The Committee provided its insights and recommendations on a variety of topics, which were suitably reflected in the eventual decision-making process.

The Committee scrutinised the following topics in particular detail:

Events and Culture – Christmas in Lincoln 2023 and beyond – Programme of Events

The committee scrutinised the development of the new events programme, covering the following main points:

- New Branding
- Our Aim
- What we want to achieve
- Our Approach to developing the programme
- Seeking a range of views
- Results so far – What people would like to see
- Key results – public information gathering
- A full range of ideas
- Event Themes
- Types of Market
- Enhancement/ more often
- The 2023 Programme
 - Lincoln Live
 - Lincoln Monster Invasion

- Christmas in Lincoln
- Ice Trail – 9 and 10th December
- Christmas lights and light Trail
- Additional small-scale content
- The CoLC and BIG 2023 Programme
- Next Steps

Members discussed the events programme in detail and noted the presentation with thanks. It was agreed that a further update be provided to a future meeting of Policy Scrutiny Committee.

Lincoln Central Market Policies

The committee were presented with the plan for the Lincoln Central Market and were asked to provide feedback to assist in forming the Lincoln Central Market Policy.

A power point presentation was presented to committee, covering the following main points:

- Before Regeneration
- Refurbishment
- Getting the Right Traders
- Stallholder Products Mix – Catering
- Stallholder Products Mix – Produce/ Food Retail
- Stallholder Products Mix – Retail
- Products we do not want
- Selection Process
- New Market, New Opening Hours
- Outside Space
- Next Steps

Members discussed the plan for the Lincoln Central Market in detail and noted the presentation with thanks.

Proposals for Extension of Public Space Protection Order (PSPO) at Lucy Tower, Broadgate and Lincoln Central Car Parks

The Committee were asked to provide views on the proposal to extend the Public Space Protection Order at Lucy Tower, Broadgate and Lincoln Central Car Parks.

Committee were provided with details of the current PSPO that was in place and were given an overview of the current prohibited activities within the designated areas. Consultation had taken place with both public and partner agencies and an explanation of the five responses received was provided, these called for the existing PSPO to remain in place. Committee were also provided with evidence that had been gathered from Lincolnshire Police, the CCTV team and the Car Parking team.

Members discussed and supported the proposal to extend the current PSPO without variations to the prohibition or location and referred the report Executive for approval.

The Committee also scrutinised the following items and forwarded its comments for consideration by the Executive:

- Protecting Vulnerable People
- Waste Collection and Street Cleansing Specifications (for new contracts from 01/09/2026)
- Parks and Open Spaces – Income Policy
- Localised Council Tax Support Scheme 2024/25
- Corporate Document Review 2023
- Scrutiny Annual Report 2022/23

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 17 May 2023, 14 June 2023 and 19 July 2023 which were attended on behalf of the City Council. The subjects and organisations scrutinised were:

- Update on Pilgrim Hospital, Boston, Paediatric Service
- Manthorpe Unit, Grantham and District Hospital - Extended Temporary Closure for Enhanced Dementia Home Treatment Pilot
- Temporary Closure of Lincolnshire's Male Psychiatric Intensive Care Unit (PICU) - The Hartsholme Centre
- Consultation on Paediatric Services at Pilgrim Hospital, Boston
- East Midlands Ambulance Service NHS Trust – Performance
- NHS Joint Forward Plan
- GP Provision in Lincolnshire
- NHS Dental Services in Lincolnshire
- Water Fluoridation
- Outcome of Consultation on Local Mental Health Rehabilitation Services (Ashley House in Grantham)
- Update on Adult Mental Health Services in Lincolnshire
- Lincolnshire Acute Service Review – Urgent & Emergency Care and Acute Medicine Implementation Update
- Paediatric Service at Pilgrim Hospital, Boston – Proposed Response of the Committee to the Consultation

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

- Safeguarding Policy
- Downsizing incentive scheme proposal
- Recycling- paper and card collections proposal
- Annual Review of County Homelessness Strategy

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 2023/24. 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 Emily Wood
Chair of Policy Scrutiny Committee

SUBJECT:	EQUALITY JOURNAL APRIL 2022 TO MARCH 2023
DIRECTORATE:	CHIEF EXECUTIVE & TOWN CLERK
REPORT AUTHOR:	GRAHAM ROSE – SENIOR STRATEGIC POLICY OFFICER

1. Purpose of Report

- 1.1 To present the Equality Journal for 2022/23 to Council for information.

2. Executive Summary

- 2.1 The Equality Journal 2022/23 is a record of the key equality actions delivered between April 2022 and March 2023 towards meeting City of Lincoln Council's strategic equality objectives.

3. Background

- 3.1 Adopted in early 2020 in line with the Council's refreshed strategic plan, Vision 2025, were the council's revised equality objectives for the four-year period from April 2020.
- 3.2 The council's equality objectives are underpinned by an annual Equality Action Plan. The actions set out in the action plan serve to demonstrate how the Council is meeting its equality objectives on an annual basis. A range of other equality and diversity focused actions are also delivered each year within service areas across the Council and support those actions included within the formal plan.
- 3.3 Overall progress on the delivery of equality focused actions is reported annually through an Equality Journal.

4. Equality Journal 2022/23

- 4.1 The Equality Journal 2022/23 at Appendix A reviews the equality actions delivered during the past year and is in effect the Council's Equality and Diversity Annual Report.

The Journal details the activity that City of Lincoln Council has undertaken to meet its equality objectives and to comply with the requirements of the Equality Act 2010 and the Public Sector Equality Duty.

The Equality Journal also includes the latest City of Lincoln Council workforce demographics using data provided by the Council's Human Resources team, together with the latest demographics for the City of Lincoln collated from the Office for National Statistics.

5. Strategic Priorities

- 5.1 Consideration of equality and diversity is an integral part of the council's strategic plan, Vision 2025, particularly the priority 'Let's reduce all kinds of inequality'. During 2022/23 the Council continued to support equality and diversity across all Vision 2025 priorities. Moving forward, the Council will continue to adapt to the changing needs of our residents and staff based on the latest data available and through engagement and feedback.

6. Organisational Impacts

6.1 Finance (including whole life costs where applicable)

There are no direct financial implications arising from this report.

6.2 Legal Implications including Procurement Rules

The information and activities included in the supporting appendix contribute to the implementation of and the monitoring of progress towards meeting the Council's strategic equality objectives and the requirements of the Equality Act 2010 and the Public Sector Equality Duty.

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 Equality Journal provides information on the key equality and diversity activities delivered by the City of Lincoln Council over the past year towards meeting the requirements of the Equality Act 2010 and the Public Sector Equality Duty.

Although outside of the time period for the Equality Journal that this report covers, it should be noted that in Quarter 1 of 2023/24, Equality Impact Assessment training was delivered across directorates. This training was delivered to refresh knowledge on equality and diversity considerations for projects, reports, recommendations and decision making.

7. Risk Implications

7.1 (i) Options Explored – N/A

7.2 (ii) Key Risks Associated with the Preferred Approach – N/A

8. Recommendation

8.1 That Council notes the contents of the Equality Journal April 2022 to March 2023 included at Appendix A.

Is this a key decision? No

Do the exempt information categories apply? No

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

How many appendices does the report contain? One

List of Background Papers: None

Lead Officer: Graham Rose, Senior Strategic Policy Officer
Email address: graham.rose@lincoln.gov.uk

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City of Lincoln Council's Equality Journal

April 2022 to March 2023



CITY OF
Lincoln
COUNCIL

Together, let's deliver
Lincoln's ambitious future



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Organisation	City of Lincoln Council
Title	Equality Journal April 2022 to March 2023
Author - name and title	Graham Rose, Senior Strategic Policy Officer
Owner - name and title	Graham Rose, Senior Strategic Policy Officer
Date	September 2023
Approvals	CMT – 26 th September 2023 Equality & Diversity Advisory Panel – 11 th October 2023
Filename	Appendix A - Equality Journal 2022-23

Forward

Welcome to the City of Lincoln Council's 2022-23 Equality Journal.

The Equality Journal is produced on an annual basis and demonstrates how the council has continued to meet its five equality objectives through the progression of a range of equality focused activities during the previous year.

The Journal also provides information on the latest demographics of the city using the Census 2021 data, together with information on the makeup of the council's workforce provided by the Human Resources team.

The Journal has been produced on behalf of the council's Equality and Diversity Advisory Panel. The panel is an informal advisory working group formed of councillors and officers overseeing all aspects of equality and diversity at the council.

During the year we saw a range of equality & diversity activities delivered across the council. The delivery of these activities would not have been possible without the continued dedication and efforts made by our staff and councillors.

As we move forward it is important that we continue to provide equal opportunity and foster good relations between our residents – this will be vital as we continue to navigate the ongoing cost of living challenges.



Councillor Joshua Wells
Chair of Equality and Diversity Advisory Panel

1. Introduction

The Equality Journal provides an update on the activities City of Lincoln Council has undertaken towards meeting its equality objectives between 1st April 2022 and 31st March 2023, and provides in one place up to date equality information. It is in effect the council's equality and diversity annual report.

In addition, the Equality Journal also includes information on City of Lincoln Council's workforce demographics and Lincoln's resident demographics, both of which are used to inform decision making.

Each activity undertaken during the year helps to demonstrate the council's ongoing commitment towards meeting the requirements of the Equality Act 2010 and the Public Sector Equality Duty.

Equality Act (2010) and Public Sector Equality Duty

As a reminder there are three aims outlined in the Equality Act (2010) and the Public Sector Equality Duty. These are to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and those who do not
- Foster good relations between people who share a protected characteristic and those who do not

The nine protected characteristics are:

- Age
- Disability
- Race
- Sexual orientation
- Gender
- Pregnancy and maternity
- Religion and belief
- Gender reassignment
- Marriage and civil partnership

2. Our Equality Objectives

The council's current equality objectives were adopted in 2020 in line with the council's refreshed strategic plan, Vision 2025. These objectives will remain in place for four years through to 2024.

These objectives are:

- Our services are more accessible and do not discriminate on any unjustifiable grounds
- Local communities and stakeholders are empowered to influence the way our services are provided to them
- Equality and Diversity is at the heart of decision making at all levels within the council
- Our workforce at all levels reflects the make-up of the local community
- Equalities, Social Inclusion and Community Cohesion have all improved within our communities

The continued close alignment of the council's equality objectives with its strategic priorities as set out within Vision 2025 provide solid foundations for ensuring equality and diversity are embedded in the work of the council.

Service responsibilities

Customer Services Team – Continues to lead on providing customer facing support and guidance to Lincoln's residents, ensuring their individual needs are fully considered and respected at all times.

Policy & Transformation Team – Continues to retain responsibility for monitoring the Equality Action Plan, providing overall equality information for the council in this annual Journal and providing guidance on completing Equality Impact Assessments.

Human Resources Team - Continues to manage staff training in respect of equality and diversity, provide information relating to the council's workforce and provide employment advice around equality and diversity (e.g. recruitment).

Legal Team - Continues to provide legal advice, together with guidance on completing Equality Impact Assessments and general equality guidance.

Support for members continues to be provided by the Democratic Services Team.

3. Equality and diversity focused activities progressed within 2022/23

Included within the following pages are the main activities progressed between April 2022 and March 2023 towards meeting each of the council's equality objectives. This includes those key actions drawn from the council's 2022/23 Equality Action Plan alongside a range of other equality and diversity actions progressed across service areas during the year.

It is important to note that the activities below have been placed under the most relevant City of Lincoln Council equality objective. However, in most cases each activity also feeds into and support more than one objective.

3.1 - Our services are more accessible and do not discriminate on any unjustifiable grounds

Key actions progressed between April 22 and March 23:

- Reviewed which languages are included as alternative languages in council publications using service user and translation / interpretation data
- Launched a customer survey on 'Your experience of contacting the council' to ensure the needs of the council's service users have continued to be met
- Under the UK Shared Prosperity Fund (UKSPF) the first round of funding for projects has now been agreed, which includes a range of projects focused on community support, with the aim of positively impacting upon equality and access to services and support. Additionally, there is now an overarching Equality Impact Assessment in place for the program.
- Launched a new Housing Repairs reporting system for council tenants to ensure the service is as easy to access as possible
- Opened a new play area at Whitton's Park providing a new facility for the local community
- Launched the Home Energy Upgrade Scheme with a specific focus on at risk residents (for example those with health issues or living in fuel poverty)
- Started work on a new woodland area in the city which will provide a number of opportunities for volunteering and skills development
- Continued to ensure the council's website meets accessibility legislation

Case Study

Launched a new Housing Repairs reporting system for council tenants to ensure the service is as easy to access as possible

In May 2022 City of Lincoln Council, in collaboration with other local authorities, launched a new digital service to make it more convenient for tenants to report their housing repair needs.

The Housing Repairs reporting tool has been funded through the Local Digital Fund of the Department for Levelling Up, Housing and Communities.

City of Lincoln Council received £350,000 for the project and is the first council in the UK to implement the service, which will also be available for other local authorities to use.

The system enables tenants to book non-emergency repairs on the web rather than telephoning the council, making the service accessible 24 hours a day.

This new service has provided a better experience for residents and has also helped to free up phone lines for residents who still need help through non-digital channels.

Residents who are not able to book their non-emergency repairs online can still contact customer services via telephone to make an appointment with the repairs team.

Launched the Home Energy Upgrade Scheme with a specific focus on at risk residents (for example, those with health issues or living in fuel poverty)

Following receiving Government funding, in 2022 the council launched the Home Energy Upgrade Scheme to help residents improve the warmth and efficiency of their homes.

The amount of funding available to households can be up to £25,000, however most properties receive upgrades up to the value of £10,000.

The type of the property dictates the improvements householders can receive which may include insulation, solar panels, air source heat pumps and high heat retention electric storage heaters.

With energy bills at an all-time high, the council is providing this scheme to help residents save money whilst keeping warm.

City of Lincoln Council is working with energy experts YES Energy Solutions to help residents qualify for the scheme. To qualify, residents must have a household income of £30,000 or less, or receive means tested benefits.

At the time of writing this Journal, energy efficiency measures had been installed in 87 properties and a further 23 installations are currently taking place as a result of this scheme. The team continues to carry out property assessments and subsequently this figure changes daily.

Efficiency measures include:

- External wall, internal wall and room in roof insulation
- Efficient electric heating
- Solar photovoltaic panels
- Loft insulation and ventilation.

Further information on the scheme is available on the council's website - <https://www.lincoln.gov.uk/environmental-issues/green-sustainable-living-1/9>

Commenced work on a new woodland area in the city which will provide a number of opportunities for volunteering and skills development.

In February 2023 the council commenced work on the creation of Hope Wood on council-owned land, which sits between Simon's Hill allotments and the River Witham.

Working with partners and advisors, Lincolnshire Wildlife Trust and the Woodland Trust, the aim has been to take a field previously let for grazing and enhance the existing biodiversity through thoughtful planting of thousands of trees and shrubs.

The first phase of the project has seen the Woodland Trust supply the city council with 1,500 trees and 500 shrubs for planting at the site. Further planting will take place each winter over the next two years.

Although the focus is on creating a wild space to encourage biodiversity, it is also a vital part of the scheme to make areas of the site accessible, so pathways will be cut traversing the site. Upon completion of the works, the area will be accessible for not just the many volunteers who will work on it, but also casual visitors. Although the site is relatively prone to winter flooding, there will be raised paths around the site, so visitors will still be able to look through and across the site to see the site develop and the wildlife active within it.

Continued to ensure the council's website meets accessibility legislation

The Web Content Accessibility Guidelines (WCAG) 2.1 is a legal requirement, which all public sector websites and applications must meet. The guidelines focus on how a disabled person accesses or benefits from a document, website, system or application, with the aim of ensuring those with a disability can access what they require in a similar amount of time and effort as someone without a disability.

Throughout 2022 the council's Web/Digital Officer provided essential training and updates to staff. This included delivering workshops with content editors, providing 1 to 1 training for staff requesting web pages or updates, wrote articles on The Hub for all staff to read focused on website accessibility and presented regular updates on accessibility to the Creating Value Processes group. The Web/Digital Officer also wrote the Accessibility statement for the website and has ensured the council continued to meet the Web Content Accessibility Guidelines throughout the year. This helped to keep the council's website averaging over 95% for accessibility on the Silktide Dashboard, which is our software for measuring the website accessibility and content.

In February 2023 the website was audited for its accessibility by the Government Digital Service (part of the Cabinet office). The review was a success, with only a limited number of non-urgent issues being identified. These issues have since been corrected or logged with our supplier.

3.2 - Local communities and stakeholders are empowered to influence the way our services are provided to them

Key actions progressed between April 22 and March 23:

- Delivered regular consultation with members of the Lincoln Citizens' Panel and wider Lincoln residents on a range of topics enabling residents to have their say on the services provided to them
- Continued to provide Lincoln Community Lottery as a fund-raising tool to more than 80 local good causes serving Lincoln residents
- Continued to offer translation and interpretation services to our customers helping to ensure our services remain accessible for all (statistics for the year are provided below)

Translation and interpretation

The council's policy is to provide translation or interpretation when it is required for an individual or for targeted engagement, rather than large scale which provides little value. Requests made are carefully monitored - details of which are provided in the table below.

Table of requests for interpretation – April 2022 to March 2023

Language	Number of Interpretations
Bulgarian	75
Russian	70
Polish	54
Bengali	42
Portuguese	33
Lithuanian	27
Slovak	20
Turkish	18
Romanian	17
Ukrainian	12
Arabic	9
Latvian	8
Kurdish	5
French	3
Albanian	2
Czech	2
Farsi	2
Spanish	2
Hungarian	1
Thai	1
Greek	1
TOTAL	404

Whilst there were no requests for translation between April 2022 and March 2023, our customer facing service areas, specifically Customer Services and the Housing Service, continued to actively raise awareness of the translation service available to our customers should these be required.

Community Initiatives

The Neighbourhood Team has supported the creation and development of an organisation called Lincoln Embracing All Nations to support our culturally diverse communities based in the city. The group is supported by GYROS, an organisation from Great Yarmouth. Each month a team of specialist advisors hold a surgery in the city offering support to members of our community who need immigration advice.

Translation and interpretation services continue to be made available for this service to ensure the advice available reaches as many people as possible.

Further information on the work of Lincoln Embracing All Nations and GYROS is provided in section 3.5 of this report – Equalities, Social Inclusion and Community Cohesion have all improved within our communities.

Looking ahead, promotion of the interpretation and translation services available will continue to take place.

Case Studies

Delivered regular consultation with members of the Lincoln Citizens' Panel and wider Lincoln residents on a wide range of topics enabling visitors to have their say on the services provided to them.

During 2022/23 the council delivered a number of consultations to ensure Lincoln's residents could have their say on the services provided to them. The consultations were sent to members of the Lincoln Citizens' Panel. In addition, most of these consultations were also open to all residents, not just those on the panel. The topics covered through these consultations during the year included:

Survey	Topics included	Survey distributed	Communicated to Lincoln Citizens' Panel Y/N	Open to all residents Y/N
Lincoln City Centre worker car parking survey	<ul style="list-style-type: none"> - Car parks used - Preferred mode of transport - Parking permits 	May-22	Y	Y
Lincoln Student Car Parking survey	<ul style="list-style-type: none"> - Car parks used - Preferred mode of transport - Parking permits 	May-22	Y	Y

Survey	Topics included	Survey distributed	Communicated to Lincoln Citizens' Panel Y/N	Open to all residents Y/N
Lincoln Citizens' Panel July 2022	<ul style="list-style-type: none"> - Travelling into Lincoln City Centre - Council Services - Public Open Spaces/Grounds Maintenance 	Jul-22	Y	N
Community Engagement - UK Shared Prosperity Fund survey	<ul style="list-style-type: none"> - Employment - Income - Your area - Services - Your home - Your council 	Jul-22	Y	Y
Have your say on the allocation of Lincoln Lottery Community Fund 2022	<ul style="list-style-type: none"> - Good cause areas where residents would like to see the 2022 community fund awarded towards 	Oct-22	Y	Y
Lincoln Citizens' Panel November 2022	<ul style="list-style-type: none"> - Food Health & Safety - Revenues Service - Waste Management - City Centre Bus Station - Cost of Living Support 	Nov-22	Y	N
City of Lincoln Council's Budget Proposals 2023/24	<ul style="list-style-type: none"> - Vision 2025 - Budget Allocation - Delivering Savings - Council Tax and Rents 	Jan-23	Y	Y

Continued to provide Lincoln Community Lottery as a fund-raising tool to more than 80 local good causes serving Lincoln residents.

Launched in 2018, Lincoln Community Lottery has continued to be an effective tool to help raise additional funds for good causes located in and around the City of Lincoln, with the lottery raising over £182k for local good causes so far.

There is no cost to a good cause to join and benefit from the lottery. All causes are provided with their own lottery webpage, promotional material and an online fundraising dashboard.

To ensure the lottery remains fair for all, good causes must meet set criteria to be accepted as a lottery supported cause. Good causes can sign up to Lincoln Community Lottery by visiting - www.lincolnlottery.co.uk/good-causes.

For every £1 ticket sold, 50 pence goes directly to the supporters chosen cause, with a further 10 pence contributing to the Lincoln Lottery Community Fund. All players to the lottery must be at least 18 years of age and located in Great Britain.

On an annual basis the Lincoln Lottery Community Fund is allocated to local causes to undertake activities which benefit the residents of the city through an application and selection process. Residents of the city have the opportunity to influence the good cause areas they would like the fund to be allocated to ahead of an application and selection process taking place open to causes working in these areas. For the period August 2021 to August 2022 a total of £10,000 was raised in the community fund, and in December 2022 the following allocations were made –

Acts Trust - Awarded £4,000 to purchase food to help meet the current unprecedented demand being placed on Lincoln's food banks. The food banks which have benefited from the food purchases include Lincoln Community Larder, Lincoln Foodbank and Lincoln Community Grocery with the purchases taking place during the first term of 2023 (January to April 2023).

GoGro CIC - Awarded £3,500 to deliver interactive cooking sessions for customers of food banks throughout the City of Lincoln. The sessions are being delivered at the food banks or as close as is possible through community hubs / venues. The sessions concentrate on the creation of healthy, nutritional meals for the family using ingredients commonly received from food banks, particularly those "hard to use" ingredients such as turnips and parsnips, whilst at the same time concentrate on the power consumption required to create the meals focusing on the economic use of microwave ovens and slow cookers.

Old Wood Organic CIC - Awarded £2,500 to deliver green woodworking courses where participants will learn traditional rural crafts and develop new skills, whilst learning the importance of caring for our green spaces. The courses cover axe skills and basic wood turning and are aimed at both complete beginners and those who enjoy the practice of green woodworking. The project aims to be welcoming and accessible for our diverse local community, providing opportunities for people living in Lincoln city and the surrounding villages.

3.3 – Equality and Diversity is at the heart of decision making at all levels within the council

Key actions progressed between April 22 and March 23:

- Equality and Diversity Advisory Panel met on two occasions to consider and comment on equality issues (October 2022 and March 2023).
- The 2021/22 Equality Journal was produced providing an insight into the equality and diversity activity progressed during the previous year
- All committee reports requiring decisions included a paragraph on the impact on equality and also a detailed equality analysis if appropriate
- Ongoing commitment to equalities in the council's strategic plan, Vision 2025, with continued commitment to reducing all kinds of inequality
- Provided a wide range of cost of living support and produced a comprehensive guide of support available to residents

- Increased staff, member and external equality & diversity communications, promoting related topics and events to help improve decision making and awareness raising

Case Studies

Equality and Diversity Advisory Panel met on two occasions during the year to consider and comment on equality issues.

The council's Equality and Diversity Advisory Panel is an internal working group formed of elected members and council officers. During 2022/23 the panel met on two occasions. The topics discussed within the meetings during the year included:

- Applicants for City of Lincoln Council job vacancies
- Census 2021 update
- Equality Journal 2021/22
- Update on the Equality Action Plan 2022/23
- Gender Pay Gap

Provided a wide range of cost of living support and produced a comprehensive guide of support available to residents

The current cost of living challenges are having a significant impact on many of our residents and businesses, and helping to mitigate these impacts remains a key focus for the council when making decisions regarding service delivery.

During the past year the council and its partners have continued to provide a wide range of cost of living support to the residents of the city. This has included administering a range of additional support payments to residents to help with increased energy bills, together with working closely with partners to deliver local initiatives to help residents to keep warm and ensure they have sufficient food to feed their families.

This support was particularly vital over the winter months. To help raise awareness of the support available, during the year the council produced several editions of a useful cost of living support guide. The guide provides details of the latest support currently available for residents, with a specific focus on the areas of -

- benefits
- energy saving
- finance
- food
- housing
- well-being & emotional support.

The guide can be found on the cost of living section of the council's website, which also includes a comprehensive list of the wide range of support available for residents during this challenging time. Hard copies of the guide have also been shared with our key partners for further distribution to Lincoln's residents, and also placed within the council's community and leisure centres. Included within are details on how to obtain the guide in different formats such as in a different language, large print and braille.

Increased staff, member and external equality & diversity communications, promoting related topics and events to help improve decision making and awareness raising

The council has continued to promote the topic of Equality & Diversity internally and externally throughout 2022/23.

Some of this promotion has included -

- Encouraging staff, residents and businesses to Stand with Ukraine
- Celebrating the launch of the Homes For Ukraine Scheme
- Sharing information on food appeals across the city and wider Lincolnshire to encourage residents and businesses to make donations where they can
- Raising awareness of and celebrating International Women's Day. This content included promoting a video asking our Chief Executive, Councillors and other female members of staff "What makes them proud". This video was shared both internally and externally
- Celebrating Eid, Ramadan and Easter

3.4 – Our workforce at all levels reflects the makeup of the local community

Key actions progressed between April 22 and March 23:

- Continued to monitor the make-up of our workforce
- Gender Pay Gap 2022 considered by the Equality & Diversity Advisory Panel and published on the council's website
- Retained accreditation to the Carers Charter Quality Award
- Retained accreditation as a Mindful Employer and Disability Confident Employer
- Continued to deliver manager briefings and training sessions, which included Equality & Diversity topics
- Reviewed recruitment data by protected characteristic
- Continued to offer a range of health & wellbeing support to our workforce

Case Study

Gender Pay Gap 2022 considered by the Equality & Diversity Advisory Panel and published on the council's website

The gender pay reporting legislation requires employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees.

In March 2023 the Gender Pay Gap 2022 for the City of Lincoln Council was published on the council's website. This related to the period 2021/22. The City of Lincoln Council gender pay gap headline figures as at 31st March 2022 were as follows:

- The mean gender pay gap is 1.3%
- The median gender pay gap is 1.9%

- The mean gender bonus gap is 0% (not applicable to the council as it does not have any bonus schemes)
- The median gender bonus gap is 0%
- The proportion of male employees receiving a bonus is 0% and the proportion of female employees receiving a bonus is 0%

The following table shows the council's workforce divided into four equal-sized groups based on hourly pay rate. Band A includes the lowest-paid 25% of employees (the lower quartile) and band D covers the highest-paid 25% (the upper quartile).

If we had no gender pay gap, there would be an equal ratio of men to women in each band. However, instead, 60% of the employees in band A are females and 40% males. The percentage of male employees differs throughout the remaining bands, from 49% in band B, 51% in bands C and 46% in band D.

Pay quartiles by gender			
Band	Males	Females	Description
A	40%	60%	Includes all employees whose standard hourly rate places them at or below the lower quartile.
B	49%	51%	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median.
C	51%	49%	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile.
D	46%	54%	Includes all employees whose standard hourly rate places them above the upper quartile.

The council is committed to equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability.

The council has clear procedures for paying employees equally for the same or equivalent work, regardless of their sex. The council also has an action plan to attempt to reduce the gender pay gap.

Subsequently, the council is confident that its gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather its gender pay gap is the result of the roles in which men and women work within the organisation and the salaries that these roles attract.

3.5 – Equalities, Social Inclusion and Community Cohesion have all improved within our communities

Key actions progressed between April 22 and March 23:

- Continued to provide support for refugees arriving in the city

- Continued to support the development of the Black, Asian and Minority Ethnic (BAME) network
- Reached over 100 signees to the Lincoln Social Responsibility Charter demonstrating the commitment of Lincoln organisations to their employees and the local community
- Progressed Vision 2025 projects aimed at reducing inequalities in our city
- Supported the setup and launch of the Portland Street Community Gardening project
- Continued to offer support and integrate communities as part of the continued community cohesion and neighbourhood work within Sincil Bank

Case studies

Continued to provide support for refugees arriving in the city.

Throughout 2022/23 the council has supported both the Syrian and Afghan Refugee Resettlement schemes, together with been a key partner in the response to the Ukrainian war crisis.

As part of this response the council has provided housing advice to those arriving under the Ukrainian Family Scheme and has also been working closely with Lincolnshire County Council, the other Lincolnshire districts, and other key partners to implement the Homes for Ukraine Scheme.

Under this scheme officers have undertaken property safety and suitability checks where local people have offered to be sponsors for those fleeing the war in Ukraine. In addition the council has also administered the welcome guest payments and ongoing sponsor payments.

In Lincoln we have welcomed over 80 households into sponsor properties and continue to work to help the families settle into the community.

The council has recently been advised of the extension to the National Asylum Seeker Dispersal Scheme and is working closely with East Midlands Councils, the other Lincolnshire Districts and Serco, the accommodation provider, to establish how this will affect the city.

Continued to support the development of the Black, Asian and Minority Ethnic (BAME) network

The need to support our culturally diverse communities is demonstrated to the Neighbourhood Team on a daily basis. Subsequently during the past year the team has been instrumental in creating an organisation called Lincoln Embracing All Nations (LEAN) to provide advice and guidance to these communities.

LEAN was formally launched at an event on the 7th November 2022 with over 60 people attending. LEAN is supported by an organisation based in Great Yarmouth (GYROS) and has been holding monthly surgeries to support any residents with concerns over their immigration status.

A website has recently been launched to raise awareness of the work of the organisation, how residents can get involved and the support available, including debt, money, benefits, welfare, education and employment advice - <https://lincoln-lean.org.uk/>.

More recently GYROS has attracted £25k from Local Motion to continue the development of LEAN. This funding will be used to employ staff based in Lincoln. GYROS continue to hold immigration surgeries. These surgeries ensure that residents in Lincoln have access to level two immigration advice.

Sixteen community connectors have been recruited to support our engagement with our culturally diverse communities based in the city.

Reached over 100 signees to the Lincoln Social Responsibility Charter demonstrating the commitment of Lincoln organisations to their employees and the local community

Launched by City of Lincoln Council in 2018, the Lincoln Social Responsibility Charter aims to give recognition to those organisations located in and around the City of Lincoln for going above and beyond to support their employees and the local community, and subsequently helping to provide our residents with a better quality of life.

In 2022/23 the number of local organisations accredited to the charter reached 105 signees, with each agreeing to and demonstrating that they meet the principles of the charter.

In addition to giving recognition to those organisations going above and beyond the statutory minimum, the charter also raises awareness of current opportunities in the city, which signees can support as part of their commitment to corporate social responsibility and the charter. Throughout the year a range of opportunities have been shared by the council with charter signees and it has been encouraging to see signees stepping up to support their employees and local communities during a challenging time. A range of these activities have been focused on mitigating the impacts of the rising cost of living. Some examples of these opportunities shared with and undertaken by charter signees include:

- Supporting local food banks, which have been placed under extreme pressure due to the rising cost of living. Support has been through donation of food, financial donations, setting up food banks collection points and providing staff volunteering time.
- Providing opportunities to help young persons into work, such as supporting the Special Education Needs and Disabilities education programme, providing work experience placements and attending careers events
- Donation of Christmas presents to the Mission Christmas campaign run by Lincs FM. The campaign provided new toys and gifts for children where their parents were facing hardship and were unable to afford them.

Whilst the council has continued to lead on and administer this successful initiative, over the past year the council has itself also continued to undertake a range of socially responsible activities above the statutory minimum to support its employees and the local community. Some of these activities include:

<i>Benefitting our employees</i>	<i>Benefitting the local community</i>
Employers for carers charter signatory	Continued to host a food bank collection points for staff to donate to and regularly encouraged residents and businesses to support local food banks
Dying to Work Charter signatory	Undertaken local recruitment into vacant positions where possible
Foster Friendly Employer signatory	Hosted work experience placements
Continued to deliver an employee benefits scheme	Continued to provide successful apprenticeship schemes both at City Hall and Hamilton House
Continued to offer a wide range of health and wellbeing initiatives and support to employees	Used services of local businesses / local products
Paid the real Living Wage rate as a base	

Progressed Vision 2025 projects aimed at reducing inequalities in our city

Projects under the Vision 2025 priority 'Let's reduce all kinds of inequality' have continued to be progressed and remain on target.

Two sub groups established to support the delivery of the 'Lets reduce all kinds of inequality' agenda have continued to meet regularly - the Cost of Living Sub Group and the Health and Wellbeing Sub Group.

One element of the Health and Wellbeing Sub Group is to develop a health and wellbeing strategy. This strategy has been agreed and a plan for Lincoln has now been drafted with a range of key measures to tackle health inequality.

The Cost of Living Sub Group has provided a range of support and guidance for businesses and residents to help mitigate the impacts of the current cost of living challenges. The council website has also continued to be regularly updated to reflect the support available by the council and partners. Funds such as Household Support Fund 4, Council Tax Support Fund, Council Tax Exceptional Hardship Fund and the Discretionary Housing Payment allocation fund are continuing for 2023-24.

The council is continuing to engage with residents to promote support available and build communities to mutually support each other – linking into wellbeing hubs and warm spaces. The council is also engaging with the community in “let's talk money” week and planning for winter 2023-24.

4. Demographic of Lincoln

Provided below is the latest population demographic data for the City of Lincoln, which has been drawn from the Census 2021. This data includes population by:

- Gender
- Age
- Religion
- Ethnicity
- Disability
- Proficiency in English

Where possible the Census 2021 data has been presented alongside the Census 2011 data to provide an insight into how each demographic has change over the 10 year period.

Total population	
Census 2011	Census 2021
Count	Count
93,541	103,813

Source: Census 2011 & 2021 Office for National Statistics

Population by gender				
Gender	Census 2011		Census 2021	
	Count	Percentage	Count	Percentage
Female	47,768	51.1%	52,410	50.5%
Male	45,773	48.9%	51,403	49.5%

Source: Census 2011 & 2021 Office for National Statistics

Age Group	Population by age group			
	Census 2011		Census 2021	
	Count	Percentage	Count	Percentage
Age 0-4	5,514	5.9%	5,119	4.9%
Aged 5-9	4,303	4.6%	5,394	5.2%
Aged 10-14	4,548	4.9%	5,272	5.1%
Aged 15-19	7,706	8.2%	8,835	8.5%
Aged 20-24	11,198	12.0%	13,598	13.1%
Aged 25-29	7,915	8.5%	7,943	7.7%
Aged 30-34	6,363	6.8%	7,663	7.4%
Aged 35-39	5,582	6.0%	6,530	6.3%
Aged 40-44	5,901	6.3%	5,833	5.6%
Aged 45-49	6,181	6.6%	5,612	5.4%
Aged 50-54	5,384	5.8%	5,969	5.7%
Aged 55-59	4,746	5.1%	6,019	5.8%
Aged 60-64	4,874	5.2%	5,021	4.8%
Aged 65-69	3,709	4.0%	4,120	4.0%
Aged 70-74	3,004	3.2%	4,001	3.9%

Aged 75-79	2,472	2.6%	2,807	2.7%
Aged 80-84	2,075	2.2%	2,029	2.0%
Aged 85+	2,066	2.2%	2,048	2.0%

Source: Census 2011 & 2021 Office for National Statistics

Population by religion				
	Census 2011		Census 2021	
Religion / Belief	Count	Percentage	Count	Percentage
No religion	30,456	32.6%	48,940	47.1%
Christian	54,265	58.0%	43,898	42.3%
Buddhist	303	0.3%	355	0.3%
Hindu	335	0.4%	456	0.4%
Jewish	63	0.1%	70	0.1%
Muslim	902	1.0%	1,896	1.8%
Sikh	73	0.1%	103	0.1%
Other religion	478	0.5%	793	0.8%
Not answered	6,666	7.1%	7,302	7.0%

Source: Census 2011 & 2021 Office for National Statistics

Population with a disability				
	Census 2011		Census 2021	
Disability	Count	Percentage	Count	Percentage
Disabled under the Equality Act: Day-to-day activities limited a lot	8,012	8.6%	8,407	8.1%
Disabled under the Equality Act: Day-to-day activities limited a little	9,254	9.9%	12,916	12.4%
Not disabled under the Equality Act: Has long term physical or mental health condition but day-to-day activities are not limited	-	-	7,896	7.6%
Not disabled under the Equality Act: No long term physical or mental health conditions	76,275	81.5%	74,594	71.9%

Source: Census 2011 & 2021 Office for National Statistics & NOMIS

Population by ethnicity				
	Census 2011		Census 2021	
Ethnicity	Count	Percentage	Count	Percentage
White: English, Welsh, Scottish, Northern Irish or British	83,653	89.4%	85,891	82.7%
White: Irish	719	0.8%	652	0.6%
White: Gypsy or Irish Traveller	80	0.1%	145	0.1%
White: Roma	-	-	159	0.2%
White: Other White	4,927	5.3%	8,818	8.5%
Mixed or Multiple ethnic groups: White and Black Caribbean	367	0.4%	470	0.5%
Mixed or Multiple ethnic groups: White and Black African	189	0.2%	373	0.4%
Mixed or Multiple ethnic groups: White and Asian	372	0.4%	657	0.6%
Mixed or Multiple ethnic groups: Other Mixed or Multiple ethnic groups	302	0.3%	568	0.5%
Asian, Asian British or Asian Welsh: Indian	522	0.6%	788	0.8%
Asian, Asian British or Asian Welsh: Pakistani	139	0.1%	302	0.3%
Asian, Asian British or Asian Welsh: Bangladeshi	139	0.1%	322	0.3%
Asian, Asian British or Asian Welsh: Chinese	452	0.5%	788	0.8%
Asian, Asian British or Asian Welsh: Other Asian	542	0.6%	1,147	1.1%
Black, Black British, Black Welsh, Caribbean or African: African	504	0.5%	1,094	1.1%
Black, Black British, Black Welsh, Caribbean or African: Caribbean	165	0.2%	236	0.2%
Black, Black British, Black Welsh, Caribbean or African: Other Black	109	0.1%	136	0.1%
Other ethnic group: Arab	175	0.2%	320	0.3%
Other ethnic group: Any other ethnic group	185	0.2%	948	0.9%

Source: Census 2011 & 2021 Office for National Statistics

Population by sexual orientation (aged 16+)		
	Census 2021	
Sexual orientation	Count	Percentage
Straight or Heterosexual	73,780	84.7%
Gay or Lesbian	1,880	2.2%
Bisexual	2,974	3.4%
Pansexual	441	0.5%
Asexual	143	0.2%
Queer	45	0.1%
All other sexual orientations	40	0.0%
Not answered	7,764	8.9%

Source: Census 2021 Office for National Statistics

Please note, no comparable sexual orientation data is available from the Census 2011.

Proficiency in English (residents aged 3 and over)						
		Main language is English	Main language is not English	Does not apply	Main language is not English: Can speak English very well or well	Main language is not English: Cannot speak English or cannot speak English well
Census 2011	Count	84,613	5,473	-	4,077	1,396
	%	93.9%	6.1%	-	74.5%	25.5%
Census 2021	Count	90,922	9,841	3,051	7,741	2,100
	%	87.6%	9.5%	2.9%	78.7%	21.3%

Source: Census 2011 & Census 2021 Office for National Statistics and NOMIS

The following table shows the National Insurance registration data by year for the period 2013/14 to 2022/23. This data is obtained from LG Inform / Department for Work and Pensions.

NiNo (National Insurance) registrations to adult overseas nationals entering Lincoln between 2013/14 & 2021/22	
Financial Year	Number of NiNo (as of March each year)
2013/14	963
2014/15	1,135
2015/16	1,456
2016/17	1,553
2017/18	1,364
2018/19	1,066
2019/20	1,290
2020/21	452
2021/22	1,717
2022/23	2,733

Source: LG Inform / Department for Work and Pensions

5. Our workforce over time

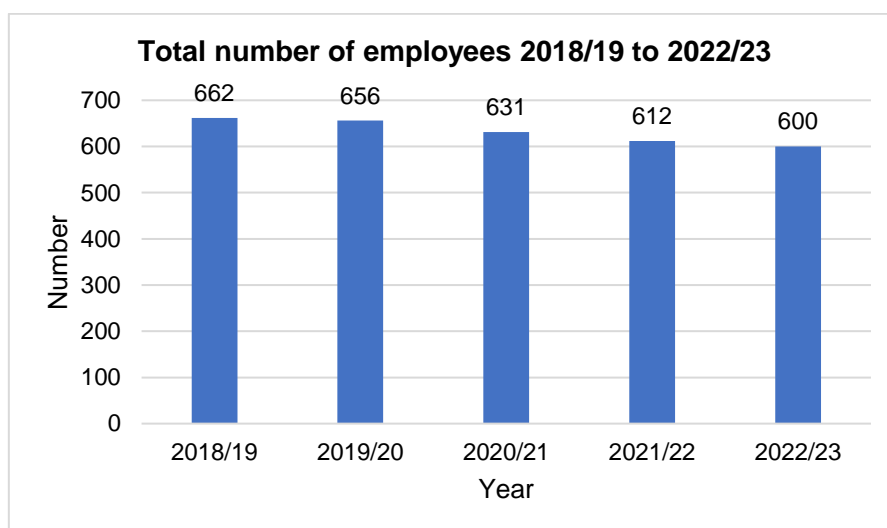
The section below shows how the council's workforce demographics have changed over time. Data provided is as at 31st March 2023.

In some cases comparable data is not available for the full period 2018/19 to 2022/23, and in these cases the most recent data has been provided.

It should be noted that the council's policy to initially advertise vacancies internally (to provide existing staff with development opportunities) means the rate of change in employee demographics is necessarily slower than if all vacancies were offered externally.

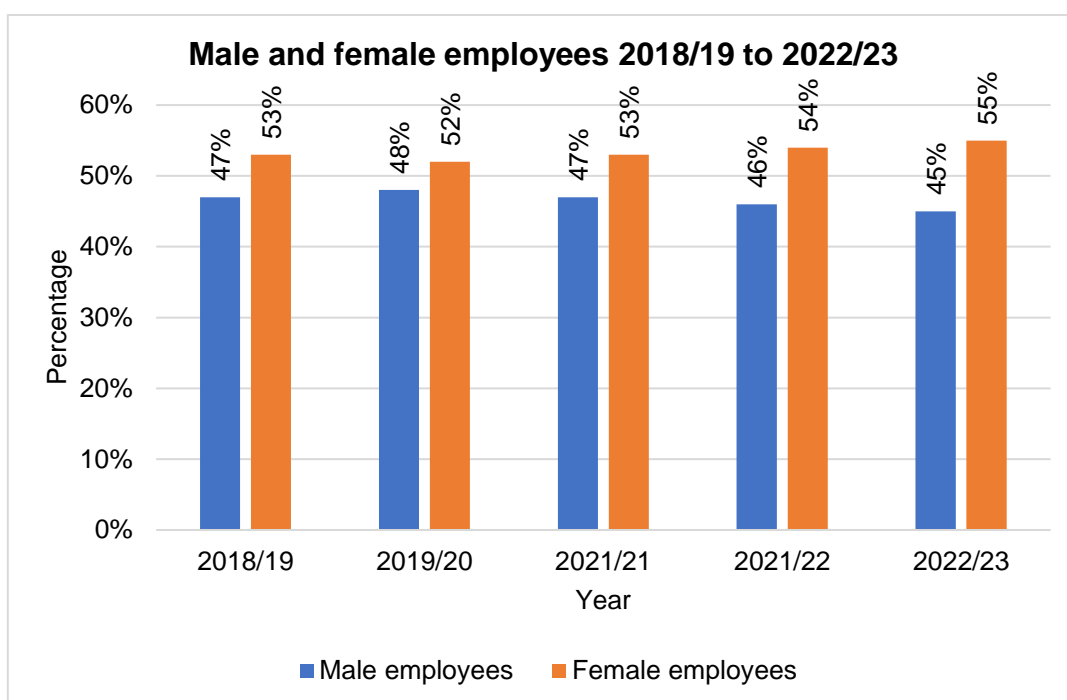
A comparison of how the council's workforce compares against the demographic of Lincoln using the latest Census 2021 data will be undertaken by the Human Resources team during 2023/24.

Total number of employees



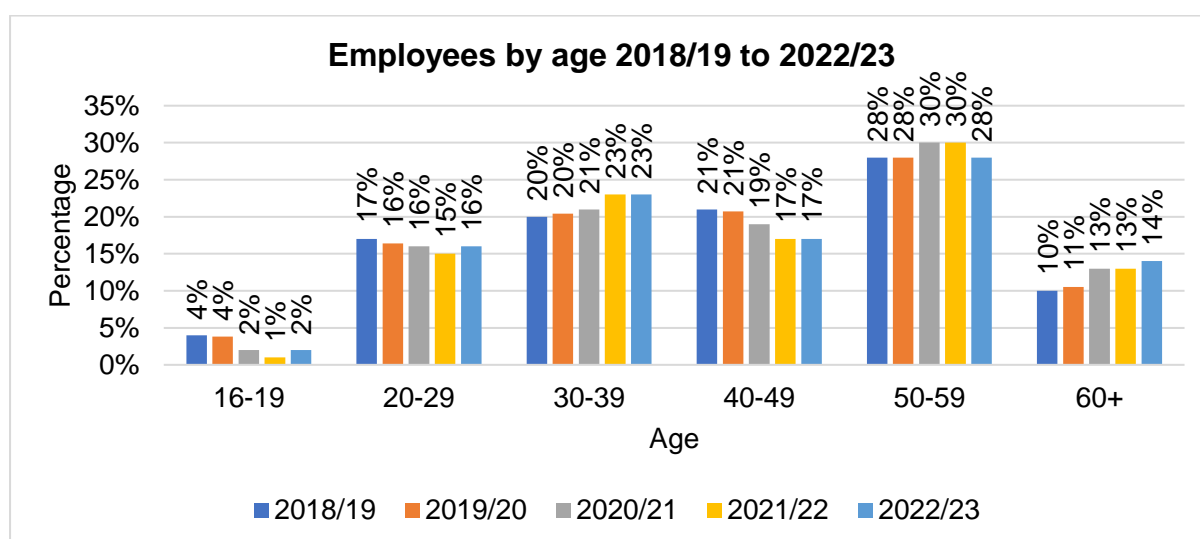
	2018/19	2019/20	2020/21	2021/22	2022/23
Total number of employees	662	656	631	612	600

Male and female employees



	2018/19	2019/20	2020/21	2021/22	2022/23
Male employees	47% (311)	48% (314)	47% (294)	46% (280)	45% (269)
Female employees	53% (351)	52% (342)	53% (337)	54% (332)	55% (331)

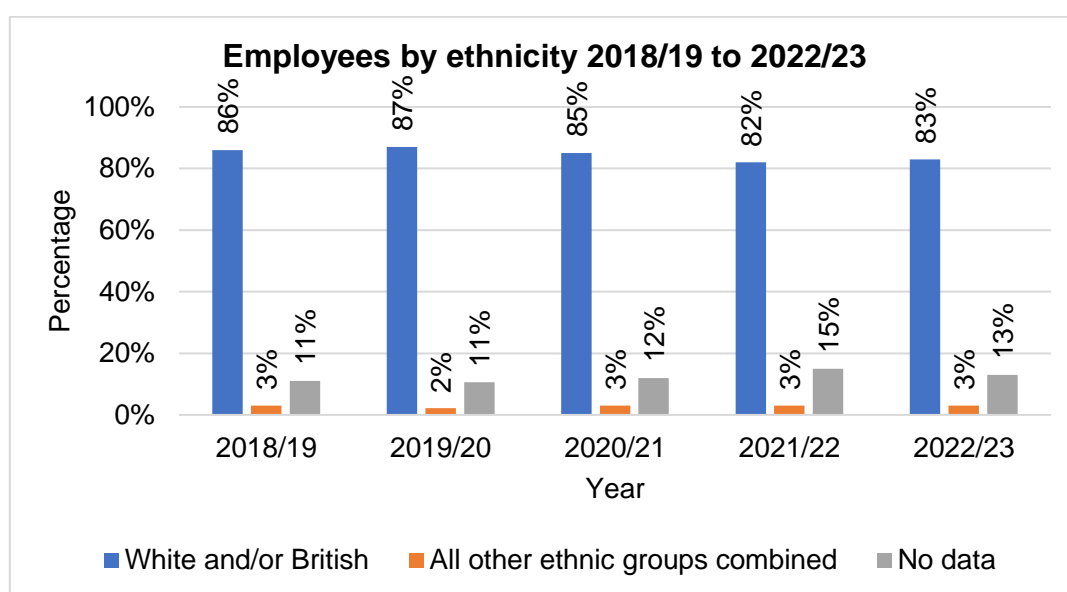
Employees by age



Age	2018/19	2019/20	2020/21	2021/22	2022/23
16-19	4% (26)	4% (25)	2% (11)	1% (8)	2% (10)
20-29	17% (112)	16% (108)	16% (101)	15% (91)	16% (94)
30-39	20% (134)	20% (134)	21% (134)	23% (142)	23% (138)
40-49	21% (140)	21% (136)	19% (118)	17% (107)	17% (101)
50-59	28% (184)	28% (184)	30% (187)	30% (185)	28% (170)
60+	10% (66)	11% (69)	13% (80)	13% (79)	14% (87)

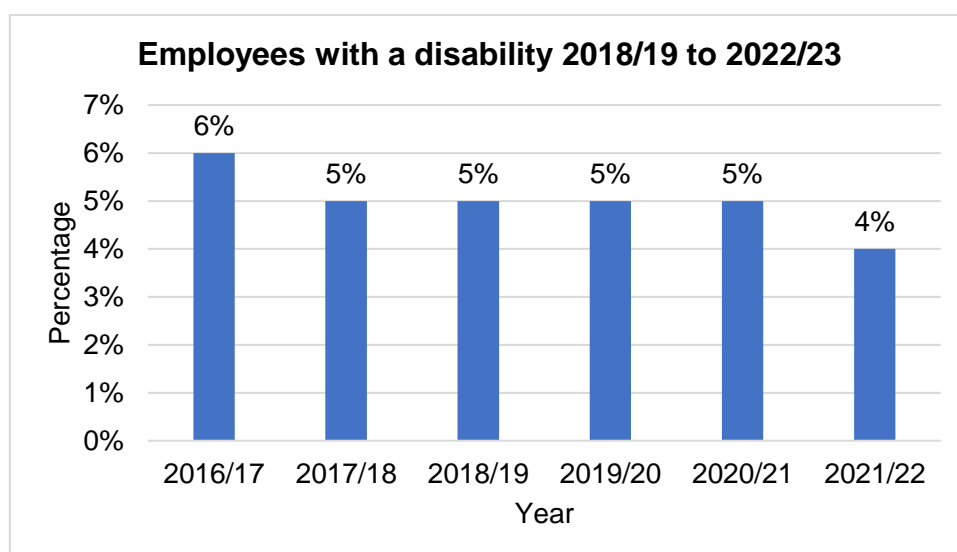
The Human Resources team is currently reviewing the council's recruitment policy and a variety of attraction strategies to support with skills shortages and to increase the number of applicants from a wider pool as possible.

Employee by ethnicity



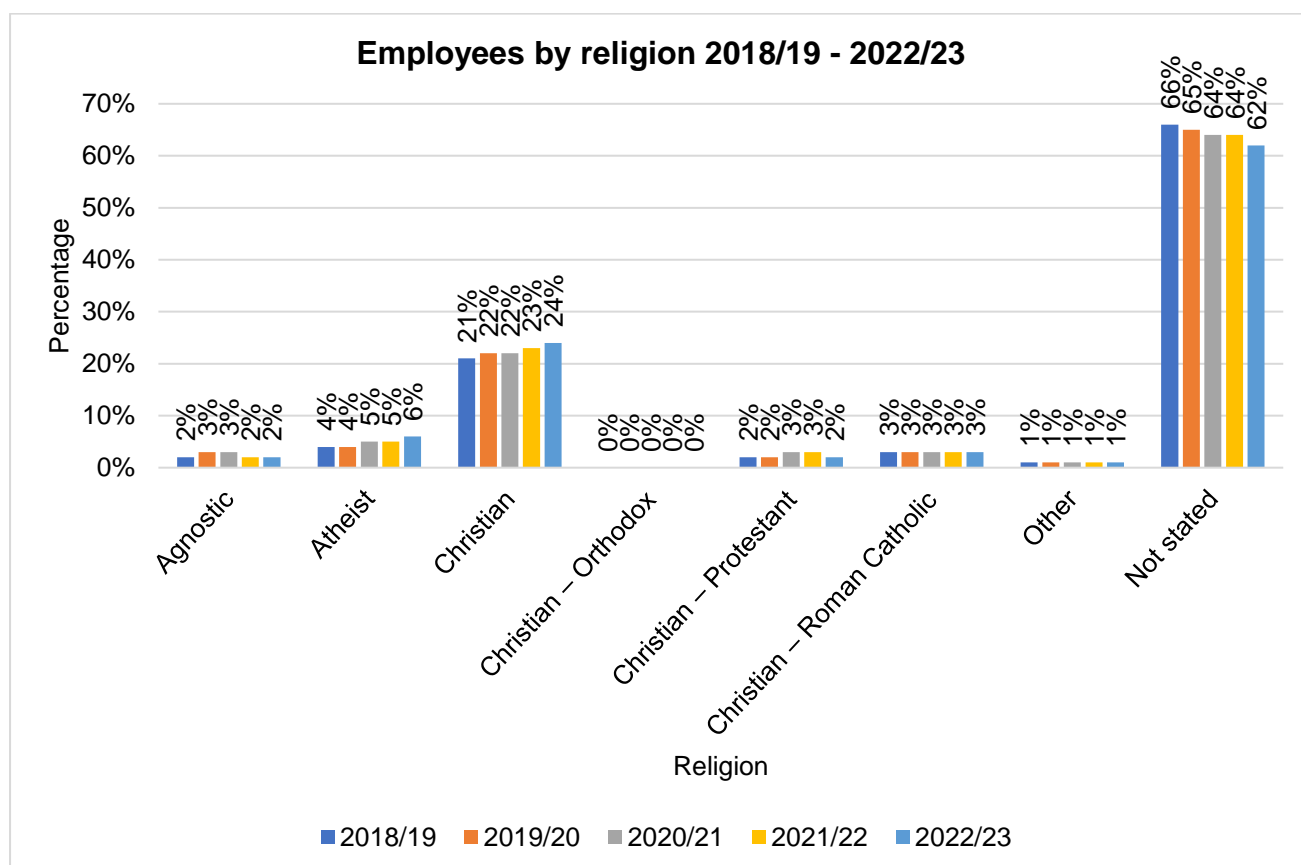
	2018/19	2019/20	2020/21	2021/22	2022/23
White and/or British	86% (571)	87% (571)	85% (535)	82% (499)	83% (501)
All other ethnic groups combined	3% (20)	2% (15)	3% (18)	3% (19)	3% (20)
No data	11% (71)	11% (70)	12% (78)	15% (94)	13% (79)

Employees with a disability



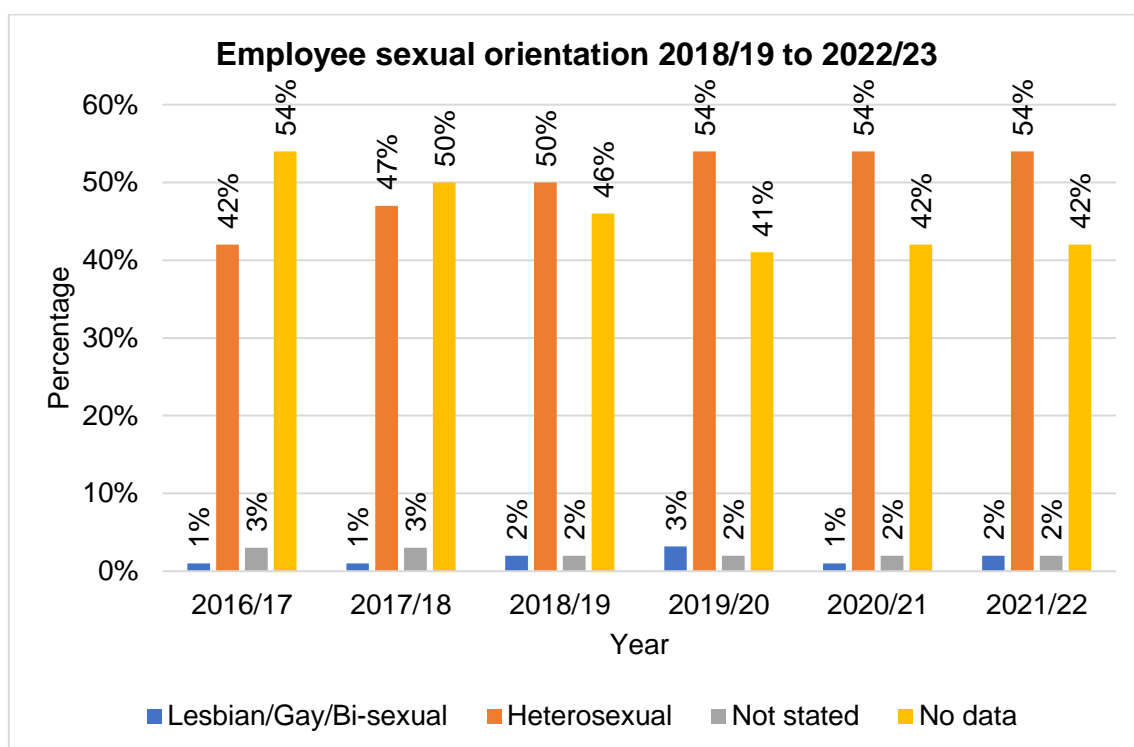
	2018/19	2019/20	2020/21	2021/21	2022/23
Employees with a disability	5% (30)	5% (34)	5% (32)	4% (27)	5% (31)
Total number of employees	662	656	631	612	600

Employees by religion



	2018/19	2019/20	2020/21	2021/22	2022/23
Agnostic	2% (15)	3% (17)	3% (16)	2% (14)	2% (15)
Atheist	4% (28)	4% (29)	5% (29)	5% (32)	6% (33)
Christian	21% (139)	22% (146)	22% (140)	23% (138)	24% (141)
Christian – Orthodox	0% (2)	0% (1)	0% (1)	0% (1)	0% (2)
Christian – Protestant	2% (14)	2% (14)	3% (16)	3% (16)	2% (11)
Christian – Roman Catholic	3% (20)	3% (21)	3% (21)	3% (16)	3% (16)
Other	1% (7)	1% (4)	1% (6)	1% (6)	1% (9)
Not stated	66% (437)	65% (424)	64% (402)	64% (389)	62% (373)

Employees by sexual orientation



	2018/19	2019/20	2020/21	2021/22	2022/23
Lesbian / Gay / Bi-sexual	2% (10)	2% (11)	2% (11)	2% (12)	3% (18)
Heterosexual	50% (333)	54% (354)	54% (340)	54% (332)	57% (343)
Not stated	2% (14)	2% (14)	2% (13)	2% (12)	2% (14)
No data	46% (305)	42% (277)	41% (267)	42% (256)	38% (225)

6. Ways of contacting us

If you have any questions on the contents of this Equality Journal or want to know more about how the City of Lincoln Council is working to meet the aims of the Equality Act 2010 and the Public Sector Equality Duty, please contact:

By Post

Corporate Policy & Transformation Team
City of Lincoln Council
City Hall
Beaumont Fee
Lincoln
LN1 1DD

By E-mail

policy@lincoln.gov.uk

By Telephone

01522 881188

7. Alternative formats

The City of Lincoln Council is passionate about promoting equality and diversity. If you have difficulty in understanding anything in this document, please call us on 01522 881188, or email us at customer.services@lincoln.gov.uk, where we can call in an interpreter for you.

Bangla

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Bulgarian

Община Линкълн изключително много държи да насърчава равенството и разнообразието. Ако се затруднявате да разберете нещо в този документ, моля, обадете ни се на номер 01522 881188 или ни изпратете имейл на customer.services@lincoln.gov.uk, където можем да Ви свържем с преводач.

Chinese (Simplified, PRC)

林肯市议会（the City of Lincoln Council）热衷于促进平等与多样性。如果您难以理解本文档中的任何内容，请致电 01522 881188 与我们联系，或发送电子邮件 customer.services@lincoln.gov.uk，我们可以为您提供翻译服务。

Lithuanian

Linkolno savivaldybė aistringai skatina lygybę ir įvairovę. Jei jums sunku suprasti tai, kas parašyta šiame dokumente skambinkite mums 01522 881188

arba rašykite el. paštą customer.service@lincoln.gov.uk ir mes galėsime jums suorganizuoti vertėją.

Polish

Radzie Miasta Lincoln zależy na promowaniu równości i różnorodności. Jeżeli mają Państwo trudności ze zrozumieniem treści zawartych w niniejszym dokumencie, prosimy skontaktować się z nami pod numerem telefonu 01522 881188 lub wysyłając e-maila na adres customer.services@lincoln.gov.uk, w ten sposób będziemy w stanie zamówić usługi tłumaczeniowe dla Państwa.

Romanian

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COUNCIL**28 NOVEMBER 2023**

SUBJECT: STATEMENT OF ACCOUNTS 2022/23

REPORT BY: CHIEF EXECUTIVE AND TOWN CLERK

LEAD OFFICER: LAURA SHIPLEY, FINANCIAL SERVICES MANAGER

1. Purpose of Report

- 1.1 To present, for approval, the final Statement of Accounts for the financial year ending 31st March 2023, following substantial completion of the audit opinion.

2. Executive Summary

- 2.1 The Statement of Accounts (SOA) for 2022/23 provide a comprehensive picture of the Council's financial circumstances and are compiled to demonstrate probity and stewardship of public funds.
- 2.2 The Council is statutorily required to publish its draft Statement of Accounts for 2022/23 by 31 May 2023 with an audit opinion and certificate by no later than 30 September 2023.
- 2.3 The Audit Committee should note that the Statement of Accounts for 2022/23 are still subject to final verification by external audit. The audit of the accounts is being finalised by Mazars, who commenced the audit in July. The majority of the audit work has now been completed, however should any changes be necessary as a result of this final external work, these will be reported to the Chair of the Audit Committee, with any material changes notified to the Audit Committee.
- 2.4 The Council must make the Statement of Accounts available for public inspection for 10 working days. Following notification from Mazars, this ran from 1st June until 15 June 2023 and the External Auditor was available to answer questions during that period, however no questions were received.
- 2.5 The Audit Completion Report also states that there were no significant findings or recommendations in relation to internal controls during the completion of the audit work.
- 2.6 The Council is also required to provide a documented annual review of the effectiveness of its governance arrangements (Annual Governance Statement), which sits alongside the Statement of Accounts. The overall level of assurance provided in 2022/23 was substantial (green) and is in line with our Code of Corporate Governance. Substantial progress has been made against the significant issue in relation to the IT Disaster Recovery Plan, that was included in the previous year's AGS, to the extent that the issue is no longer a significant governance issue. There were no new significant governance issues that were identified for inclusion in the 2022/23.

3. Background

3.1 The Accounts and Audit Regulations 2015 require the Statement of Accounts to be certified by the Council's Chief Finance Officer by the 31 May each year. The Accounts were then released to be audited by the Council's external auditor, Mazars. After completion of the audit the accounts must be published with the audit opinion and certificate, and before that must have been approved by Full Council, normally by no later than 31 July each year. However, amended Regulations published in 2022 have extended this date to 30th September for a period of 6 years i.e. up to 2027/28. The timescales involved with the approval of the Statement of Accounts for 2022/23 are therefore as follows:

- | | |
|---|------------------|
| a) Report draft accounts to Audit Committee | 17 July 2023 |
| b) Report to Audit Committee | 8 November 2023 |
| c) Report to the Executive | 20 November 2023 |
| d) Approval by Council | 28 November 2023 |

3.2 In order to ensure that the current statutory deadline of 30 September is met Mazars must complete their audit and issue the relevant audit opinion. Where an audit of accounts has not been concluded by the statutory deadline, the Council must (in accordance with the Accounts and Audit Regulations 2015) publish as soon as reasonably practicable on or after that date a notice stating that it has not been able to publish the Statement of Accounts and its reasons for this. In accordance with this, a notice was published on the Council's website on 30 September to state that the audit of the 2022/23 Statement of Accounts had not yet been completed.

3.3 There is a great deal of technical detail contained in the statutory rigid format of the Accounts that is not always easily understood by the reader unless they are familiar with accounting and audit standards. To assist members in their understanding of the accounts:

- Training has been provided to the Audit Committee
- A short summary of the accounts has been produced at Appendix A
- The remainder of this report sets out a short summary highlighting the key figures in the financial statements.

4. Going Concern Assessment

4.1 As with all principal local authorities, the Council is required to compile its Statement of Accounts in accordance with the Code of Practice on Local Authority Accounting for 2022/23. In accordance with the Code the Council's Statement of Accounts is prepared assuming that the functions of the authority will continue in operational existence for the foreseeable future and that it is able to do so within the current and anticipated resources available. By this, it is meant that the Council will realise its assets and settle its obligations in the normal course of business. The Code also states "An authority shall prepare its financial statements on a going concern basis unless there is an intention by government that the services provided by the authority will no longer be

provided. An intention by government to transfer services from one authority to another (for example, as part of local government reorganisation) does not negate the presumption that the authority is a going concern.”

- 4.2 We are satisfied there are no indications of changes to the ‘continued provision of services’ principle, which underpins our assessment of the Council’s going concern basis. The Council is not reliant on significant alternative sources of non-statutory funding and no events or conditions have been identified that highlight uncertainties in relation to the Council’s continuing existence and the extent to which our services may cease or transfer outside of the public sector.

5. Summary of Key Issues in the Financial Statements

5.1 The Comprehensive Income and Expenditure Statement

- 5.1.1 **The Comprehensive Income and Expenditure Statement (CIES)** (SOA page 25) – in line with statutory accounting practice the Comprehensive Income and Expenditure Statement (CIES) shows the Council’s actual performance for the year measured in terms of the resources consumed and generated over the last 12 months. It should not be misinterpreted as the financial outturn position of the Council as this statement contains a number of accounting entries required under International Financial Reporting Standards (IFRS). Regulation allows local authorities to reverse these amounts out of the accounts before determining their outturn position. There is a note to the accounts (Expenditure & Funding Analysis (SOA page 55)) that adjusts the expenditure that is chargeable to general fund and the HRA balances (as per the actual outturn position) to the accounting entries in the CIES under IFRS. To further assist members interpretation of the CIES the table below summarises the reconciliation between the net surplus on the Provision of Services of £25.317m in the CIES to the outturn position of a decrease in General Fund Balances of £0.218m and a decrease on HRA balances of £0.161m as reported in the Financial Outturn report (Executive 30 May 2023).

	£m	£m
Net (surplus)/deficit on the Provision of Services		(25.317)

Of which:

General Fund	£m	£m
Net (surplus)/deficit on the Provision of Services		(2.110)
Adjust for:		
Depreciation, revaluation losses and gains & impairment of non-current assets	(1.598)	
Revenue expenditure funded from capital under Statute	(4.461)	
Direct Revenue financing of capital expenditure	0	
Gain/loss on the sale of non-current assets	0	
Contribution to/from the pensions reserve	(1.389)	
Debt repayment and premiums & discounts on debt	0.824	
Short-term compensated absences	0.058	
Contribution to Government's Housing Capital Receipts Pool	0	
Capital grants & contributions unapplied credited to CIES	9.445	
Adjustment for Collection Fund	4.661	
Adjustment for Financial Instruments	0.002	
Transfer to/from Earmarked reserves	(5.650)	
Total Adjustments		1.892
(Increase)/decrease in General Fund Balances		(0.218)

Of which:

HRA	£m	£m
Net (surplus)/deficit on the Provision of Services		(23,207)
Adjust for:		
Depreciation, revaluation losses and gains & impairment of non-current assets	19.798	
Direct Revenue financing of capital expenditure	0	
Gain/loss on the sale of non-current assets	0.627	
Contribution to/from the pensions reserve	(0.799)	
Short-term compensated absences	0.029	
Capital grants & contributions unapplied credited to CI&ES	0.496	
Transfer to/from the HRA	2.147	
Transfer to/from Earmarked reserves	0.748	
Total Adjustments		23.046
(Increase)/decrease in HRA Balances		(0.161)
Overall (Increase)/decrease in Balances		(0.377)

- 5.1.2 Clearly the most significant issue for Members to be aware of from the Comprehensive Income and Expenditure Statement is how the Council performed financially in 2022/23, in comparison to the revised budget for the year. The General Fund is reporting an outturn of an overall budget surplus of £0.218m, against a revised budgeted surplus of £0.061m, resulting in an underspend of £0.157m. General Fund balances were therefore £2.415m as at

31st March 2023.

5.1.3 The Housing Revenue Account is reporting an outturn of an overall budget surplus £0.161m against a revised budgeted surplus of £0.039m, resulting in an underspend of £0.121m. HRA balances were therefore £1.191m as at 31st March 2023.

5.1.4 Further details on these are provided in the Narrative Report in the Statement of Accounts (SOA *page 3*) and were subject to a separate report to Performance Scrutiny Committee and Executive on the 25th May 2023 and 30th May 2023, respectively.

5.2 The Balance Sheet (SOA *page 26*)

5.2.1 **The Balance Sheet** is fundamental to understanding the Council's financial position at the year-end. It shows the Council's balances and reserves, long-term indebtedness, and the non-current and current assets employed in the Council's operations. The key information for members to be aware of in the Balance Sheet as at 31 March 2023 are:

5.2.2 **General Balances** – General balances have increased by £0.377m during the year, as analysed below:

Description	Opening Balance £m	Closing Balance £m	Increase/ (Decrease) £m
General Fund balances	2.197	2.415	0.218
HRA balances	1.030	1.191	0.159
HRS	0	0	0
Total	3.227	3.604	0.377

5.2.3 **Earmarked Reserves** - in total monies carried forward to pay for specific future commitments (including the insurance fund) have decreased by £5.627m, as analysed below:

Description	Opening Balance £m	Closing Balance £m	Increase/ (Decrease) £m
Other Specific Reserves	12.668	7.040	(5.627)

This is due to a number of contributions to and from earmarked reserves as reported as part of the 2021/22 Provisional outturn to the Executive 30th May 2023 and as detailed in Note 10 (Transfers to/ from Earmarked Reserves) in the Statement of Accounts (SOA *page 64*). The most significant use of reserves relates to the authorities share of the Business Rate deficit. Funding of £5.1m was utilised from the Business Rates Volatility Reserve, which had been received from the Government in 20/21 to finance the Collection Fund deficits which had occurred due to the Reliefs awarded in 21/22.

- 5.2.4 **Liquidity** – a reliable indication of liquidity is the ratio of current assets (excluding inventories) to current liabilities. The Council's current assets (excluding inventories) of £55.487m exceed current liabilities of £40.649m by a ratio of 1.36:1, which represents an increase from the previous year's ratio of 1.3:1. This is due to a reduction in short-term borrowing and short-term creditors.
- 5.2.5 **Debtors** – debtors have decreased by £8.371m to £16.545m. The decrease is mainly due to decreases in balances on the Central Government and County Council shares of the Council Tax and Business Rates Collection Fund deficits, both preceptors now having creditor balances, and a reduction in Housing Subsidy and Standard Rent Allowance grants.
- 5.2.6 **Creditors** – have decreased by £17.676m to £26.254m. This is mainly due to the utilisation/repayment of grants related to CT energy rebate, CARF and Towns fund all paid in 2021/22 in advance of being awarded in 2022/23.

5.3 Cross Cutting Key Issues

- 5.3.1 There are a number of areas that have significant impacts or are of particular interest that sit both within the Comprehensive Income and Expenditure Statement and the Balance Sheet. To aid members understanding of the Accounts these are summarised below:

- 5.3.2 **Non-Current Assets** are shown in the Balance Sheet and represent the Council's land, building, heritage, community and intangible assets.

- **The value of non-current assets and assets held for sale in the Balance Sheet has increased by £28.2m (6.1%) to £485m between 31 March 2022 and 31st March 2023 (see the Balance Sheet and Notes 14, 15 and 16 for further detail). This net increase is the result of a number of factors:**

- **Revaluations** - The Council's Assets are valued on a rolling programme, which ensures each asset is re-valued every 5 years as at the 31 March. In addition to this, all assets are reviewed for any material change in their value at the end of each financial year. The results for 22/23 have seen an **overall increase in value of £13.693m**, which is the net result of valuation gains and losses across a range of assets.

Accounting rules require that where a balance has not built up on the Revaluation Reserve for an individual asset (a reserve which holds accumulated gains following previous revaluations upwards) then any revaluation losses (downwards revaluation in asset values) must be recognised in the Comprehensive Income and Expenditure Statement (CI&ES) and then reversed out in the Movement in Reserves Statement before it impacts on Council Tax payers. Accounting rules also require that where a revaluation loss previously recognised in the CI&ES on an individual asset is subsequently

reversed by an upwards revaluation, then the revaluation gain should be recognised in the Comprehensive Income and Expenditure Statement up to the value of the original revaluation loss. Within the £13.693m net upwards movements due to revaluation gains and losses in 22/23, there were:

- **£12.763m of net revaluation gain** required to be charged to Cost of Services in the CIES. This is mainly due to reflecting the social housing value of housing stock (£11.932m).
- **£0.930m of net upwards revaluations** were reflected in the Revaluation Reserve (shown in Other Comprehensive Income and Expenditure in the CIES). This was mainly due to the upward revaluation (£1.1m) an increase in the council's land and buildings.
- **Additions - New capital investment in assets belonging to the Council totalled £19.399m.** The main areas of expenditure include £4.6m spent on the Council's new build and acquisition programme, £6.0m improving Council dwellings including re-roofing, kitchens and landscaping, Central Market Improvements £4.3m and Town Fund schemes £2.3m. To pay for this investment, the Council has used £5.94m of capital grants and contributions, £1.93m of capital receipts, £7.0m of the Major Repairs Reserve, £4.0m of unsupported borrowing, and £0.47m of direct revenue financing.
- **Depreciation** – a charge is made to the Comprehensive Income and Expenditure account for depreciation to reflect the use of assets in the provision of services during the year. The value of non-current assets in the Balance Sheet is reduced by an equivalent amount. For General Fund services this charge is reversed out in the Movement in Reserves Statement (MiRS) and replaced with a statutory charge for the repayment of debt. In the HRA under self financing, depreciation is a real charge to the service however, it is set aside in the Major Repairs Reserve for future investment in the housing stock. **In 2022/23 total depreciation was £9.943m** (£7.5m in relation to HRA dwellings and £2.4m relating to non HRA assets. £7.5m was charged to the HRA which is available in the Major Repairs Reserve for future investment).
- **Disposals – assets valued at £2.634m in the Balance Sheet were disposed** of in 2022/23. This included 51 Right to Buy sales of council dwellings.

5.3.3 Pensions – the payments made by the Council to the Lincolnshire County Council Pension Fund each year as employer contributions to the scheme and any addition costs relating to pension strain etc are reflected in the financial outturn position of the Council. However, accounting practice requires that in

the Statement of Accounts pension costs are shown when the Council is committed to give them, even if the actual giving may be years into the future. This means that:

- The costs of providing retirement benefits to employees are recognised in the accounting period in which the benefits are earned by employees, and the related finance costs and any other changes in value of assets and liabilities are recognised in the accounting periods in which they arise.
- The financial statements reflect the liabilities arising from the Council's retirement obligations.
- The financial statements disclose the cost of providing retirement benefits and related gains, losses, assets and liabilities

Full details are provided in Note 44 to the accounts – Defined Benefit Pension Schemes (*SOA page 104*). The impact of these accounting requirements in the core financial statements are:

- **Comprehensive Income & Expenditure Statement (CIES)** - The cost of retirement benefits in the CIES is shown as an actuarial estimate of £7.475m reflecting the retirement benefits earned during 2022/23 and to be funded in the future. This includes £5.960m current service costs, £0.127m admin expenses, £0.122m past service costs and a net interest cost on the defined benefit obligations of £1.266m. This net cost is reversed out in the Movement in Reserves Statement (MiRS) and is replaced by the actual amount charged for pension contributions in the year of £5.287m.
- **Balance Sheet** – The Pension Reserve shows the underlying commitments that the Council has in the long term to pay retirement benefits based on an assessment by the pension schemes actuary. The balance on the Pensions Reserve is the net position of the scheme's liabilities and assets. During 2022/23 the net liability has decreased by £72.203m to £7.796m. The actuarial assumptions are detailed in note 44 to the accounts 'Defined benefit pension scheme'.

It is important for members to be aware that the statutory arrangements for funding the remaining liability of £7.796 means that this deficit will be made good by the increased level of annual employer contributions payable to the Pension Fund over the remaining estimated average working life of our employees in the Pension Scheme. The financial position of the Council remains healthy.

5.3.4 **Officer Remuneration** – note 35 to the accounts (*SOA page 94*) details senior staff salaries and the number of employees receiving more than £50k remuneration during the year (this includes receipt of any redundancy payments). Also detailed within the note is the redundancy/pension/payment in lieu costs paid in year, in line with Executive approvals of Towards Financial Sustainability business cases and the Council's redundancy policy.

5.3.5 **Borrowing** – the Council takes borrowing to fund capital expenditure. It also occasionally takes short-term borrowing for cash flow purposes.

- Between 31st March 2022 and 31st March 2023, the Council's total borrowing reduced to £121.996m (excluding accrued interest which is shown in the Balance Sheet under short-term borrowing as at 31st March 2023).
- The total borrowing can be split between short term borrowing (payable within 12 months) of £12.753m and long term borrowing of £109.243m.
- The average rate of interest payable on borrowing remained the same as the previous financial year (2021/22) at 3.02%.
- The Comprehensive Income and Expenditure Statement for 2022/23 includes £3.840m interest payable on borrowing (excluding leases) of which £1.408m relates to the General Fund and £2.432m to the HRA.

The maturity profile of the outstanding borrowing as at 31st March 2023 is as follows:

Within	£m	% of Total Debt
1 year	12.754	10.46%
1 – 2 years	2.225	1.81%
2 – 5 years	4.104	3.37%
5 +	102.913	84.36%
Total	121.996	100.00%

5.3.6 **Investments** – in line with its Treasury Management Strategy, the Council invests surplus cash on the money markets, typically for periods less than one year to approved organisations, although core cash balances may be invested for periods over 1 year if interest rates and market conditions are favourable.

- As at 31st March 2023, total investments had decreased by £13.165m, from £49.850m to £36.685m, compared to the previous year end.
- Average investment balance during 2022/23 was £55.850m, compared to £44.7m in 2021/22. The higher investment balance mainly being due to retaining BIES (covid) grant funding which has since been returned to government.
- The average interest rate received on investments in 2022/23 was 2.10% (an increase of 1.91% on the average rate achieved in 2021/22 due to the Bank of England base rate increases seen during the year). The comparable performance indicator is SONIA 7 day uncompounded (2.23%).

6. Strategic Priorities

6.1 The Council's Statement of Accounts are a financial summary of the Council's activities in support of its Vision 2025 and Strategic Priorities during the

financial year 2022/23.

- 6.2 Communication - The final Statement of Accounts along with the summary version will be published on the Council website.

7. Organisational Impacts

7.1 Finance

The financial implications are contained throughout this report.

7.2 Legal Implications including Procurement Rules

In accordance with the Accounts and Audit (Amendment) Regulations 2022 the Statement of Accounts must be approved and published by the Council, together with the audit opinion and certificate, by the 30th September 2023. Where an audit of accounts has not been concluded by the specified date, the Council must publish as soon as reasonably practicable on or after that date a notice stating that it has not been able to publish the Statement of Accounts and its reasons for this. In accordance with this, a notice was published on the Council's website on 30th September to state that the audit of the 2022/23 Statement of Accounts had not yet been completed.

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

9. Recommendation

- 9.1 That the Statement of Accounts 2022/23 be approved

Key Decision	No
Key Decision Reference No.	N/A
Do the Exempt Information Categories Apply	No
Call in and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
Does the report contain Appendices?	Yes - Two
List of Background Papers:	Medium Term Financial Strategy 2023-2028 Financial Performance - Outturn 2022/23
Lead Officer:	Laura Shipley, Financial Services Manager Email: laura.shipley@lincoln.gov.uk

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SUMMARY ACCOUNTS 2022/23

The Council produces a full set of accounts in compliance with relevant standards. In order to present the most important information from the accounts in a more user-friendly, understandable format this summary of accounts has been produced. The full statement of accounts are made up of a number of key statements and the main ones are summarised below.

Income and Expenditure

This table outlines the cost of running council services over the year.

NET EXPENDITURE	£'000
Chief Executive	6,816
Housing & Regeneration	1,116
Communities & Environment	8,816
Major Developments	4,146
Corporate	450
Net Cost of Services	21,344
Other Operating Expenditure	945
Financing & Investment Income and Exp	(844)
Taxation and Non-Specific Grant Income	(23,555)
Surplus on Provision of Services	(2,110)
FINANCED BY:	£'000
Central Government Grant	24
Council Tax	7,261
NNDR Business Rates	5,927
Non ring-fenced Government Grants	899
Capital Grants and Contributions	9,945
(Surplus)/Deficit on Provision of Services	(2,110)
Statutory Adjustments	7,542
Trf to/from Reserves	(5,650)
(Surplus)/Deficit in General Fund	(218)
General Fund balance brought forward	(2,197)
General Fund Balance carried forward	(2,415)

The Council's total gross spend on services for the year was approximately £78.738M. Council Tax equated to 8.8% of all income received by the Council. The City Council received £7.26m of Council Tax in 2022/23.

Balance Sheet

The Balance Sheet shows the current financial position of the Council at the end of the year. It shows the value of all assets and liabilities (what the council owes and is owed).

Here is a summary of the Balance Sheet as at 31 March 2023

Assets and Liabilities	£'000
Fixed Assets (Land & Buildings)	485,011
Stock (stores of materials)	155
Debtors (people who owe money to the Council)	16,545
Investments (value of money invested)	36,932
Assets Held For Sale	1,500
Cash at bank	509
Current Liabilities (council debts payable within 1 year)	(40,649)
Long-Term Liabilities (Debts payable after 1 year)	(119,024)
Total Net Assets	380,979
Financed By:	£'000
Usable Reserves	48,964
Unusable Reserves	332,015
Total Reserves and Balances	380,979

At the end of the year the council had £0.824m worth of long-term investments and £36.9m of short-term investments. At the end of the year the council had £12.753m of short-term borrowing and £109.2m of long-term borrowing.

Cash Flow Statement

This table shows the flow of cash during the year:

CASH FLOW STATEMENT	£'000
Cash as at 1 April 2022	(103)
Net Cash flow from operating activities	(8,497)
Net Cash flow from investing activities	7,138
Net cash flow from financing activities	1,971
Cash as at 31 March 2023	509

Housing Revenue Account

It is a legal requirement that all income and expenditure on council houses is kept in a separate account called the Housing Revenue Account:

Number of properties

The Council owns 7,795 homes, consisting of the following types:

Low-Rise Flats	2,356
Medium Rise Flats	1,046
High Rise Flats	294
Houses/Bungalows	4,090
General Fund	9
Total Council Dwellings	7,795

During the year 51 properties were sold under the Right to Buy scheme.

This table provides a summary of the Housing Revenue Account for 2022/23:

Income	£'000
Council house rents (gross)	(30,089)
Investment Interest	(614)
Other Income	(1,840)
Expenditure	£'000
Repairs and maintenance	8,982
Supervision and management	8,746
Rents, Rates and Other Premises	621
Capital financing costs	(13,059)
Bad Debt Provision	300
Corporate costs	3,240
Insurance Claims Contingency	284
HRS Repatriation	222
(Surplus)/Deficit for year	(23,207)
Statutory Adjustments	22,298
Trf to/from Reserves	748
(Surplus)/Deficit in HRA	(161)
HRA Balance brought forward	(1,030)
HRA balance carried forward	(1,191)

Capital Expenditure

Capital expenditure is the money spent by the Council on purchasing and upgrading or improving assets that will help achieve the Council's priorities over a number of years. Good examples are regeneration, building construction and IT upgrades.

In 2022/23 the Council's capital expenditure totalled £23.465 million.

Below is a breakdown of the capital expenditure for 2022/23:

	£'000
Works to the Housing Stock	6,197
Housing Development and Acquisition	5,990
HRA IT Infrastructure	460
Crematoria Improvements	130
Improvement and Renovation Grants	649
Central Market	4,346
Flood Alleviation Scheme	319
Yarborough Ceiling refurbishment	582
Stamp End Demolition	138
Western Growth Corridor	635
HAZ schemes	535
Towns Fund	2,216
LAD Schemes	863
Other	405
Total Capital Spend	23,465

	£'000
General Fund Investment Programme	10,818
Housing Investment Programme	12,647
Total Capital Spend	23,465



STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023



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An introduction to the City of Lincoln's 2022/23 Statement of Accounts by J Gibson, Chief Finance Officer, Section 151 Officer.

The Statement of Accounts

The purpose of the Accounts, which follow, is to give electors, those subject to locally levied taxes and charges, Members of the Council, employees and other interested parties clear information about the Council's finances. The Accounts show the financial performance for 2022/23 and the financial position at 31 March 2023. The Accounts present expenditure and income incurred by the Council in the financial year 2022/23 and highlight changes in the financial position of the Council over the course of the year.

The accounts of the Council are, by their nature, both technical and complex. The information contained within the Accounts for 2022/23 is presented as simply and clearly as possible and the Narrative Report explains some of the statements and provides a summary of the Council's financial performance as at 31st March 2023 and its financial prospects.

The financial statements have been prepared in accordance with the Code of Practice on Local Authority Accounting in the UK (the Code) published by the Chartered Institute of Public Finance and Accountancy (CIPFA).

The Statement of Accounts consists of various sections and statements, which are briefly explained below:

A Narrative Report – this provides information on the format of this Statement of Accounts as well as a review of the financial position of the Council for the financial year.

The Statement of Responsibilities – this details the responsibilities of the Council and the Section 151 Officer concerning the Council's financial affairs and the actual Statement of Accounts.

The Audit Opinion and Certificate – this is provided by Mazars LLP following the completion of the annual audit.

The Accounting Policies – this statement explains the basis for the recognition, measurement and disclosure of transactions and other events in the accounts.

The Core Financial Statements, comprising:

- **The Movements in Reserves Statement** – this statement shows the movement in year on the different reserves held by the Council, analysed into 'usable' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other unusable reserves.
- **The Comprehensive Income and Expenditure Statement (CIES)** – this statement shows the accounting cost in the year of providing services in accordance with accounting standards, rather than the amount funded from taxation. The Council raises taxation to cover the cost of expenditure in accordance with

regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

- **The Balance Sheet** – this statement shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Council. The net assets (assets less liabilities) of the Council are matched by the reserves held by the Council.
- **The Cash Flow Statement** – this statement shows the changes in cash and cash equivalents of the Council during the year. It shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

The Notes to the Financial Statements – these provide supporting and explanatory information on the Financial Statements.

The Supplementary Statements, comprising:

- **The Housing Revenue Income and Expenditure Statement** - this statement shows the economic cost in the year of providing housing services in accordance with generally accepted accounting practices, rather than the amount to be funded from rents and government grants. The Council charges rents to cover expenditure in accordance with regulations; this may be different from the accounting cost. The increase or decrease in the year, on the basis of which rents are raised, is shown in the Movement on the HRA Statement.
- **The Movement on the HRA Statement** – this statement takes the outturn on the HRA Income and Expenditure Statement and reconciles it to the surplus or deficit for the year on the HRA Balance, calculated in accordance with the requirements of the Local Government and Housing Act 1989.
- **The Collection Fund Statement** - this statement is an agent's statement that reflects the statutory obligation for billing authorities (such as the City of Lincoln Council) to maintain a separate Collection Fund. The statement shows the transactions of the Council in relation to the collection from Council Tax and Business Rate payers and distribution to Lincolnshire County Council, Police and Crime Commissioner for Lincolnshire (PCCL) and Government of Council Tax and National Non-Domestic Rates (NNDR).

Financial Summary 2022/23

Much has changed over the last twelve months with global events having played a significant part in shaping our financial year. The legacy effects of Covid19, the war in the Ukraine and Brexit have all impacted on global and national economies, creating disruption to global supply chains and commodity markets, elevating energy prices, exacerbating food shortages and critically forcing inflation to its highest level in 40 years.

The impact of these events has driven up the cost of goods and services, which in turn has put a financial strain on local government, and the Council itself. The past twelve months have seen the Council face mounting cost pressures arising from soaring energy prices, nationally agreed pay agreements and escalating contractual costs.

In addition, these global events and their specific impact on inflation has driven a national cost of living crisis in the UK. This in turn creates a growing demand for some of our key services as those more vulnerable in the City, a client group that was impacted the hardest during Covid19, look to the Council for support and rely on the safety net provided by local government.

These unforeseen and unavoidable cost pressures seriously impacted on the assumptions that underpinned our 2022/23 budget. As a result of which, when reporting the forecast position at the end of the first two quarters of the year, both the General Fund and Housing Revenue Account were forecasting significant cost pressures. In response to this, we took swift action and implemented a range of mitigation actions, as part of a financial recovery programme to ensure we retained a sustainable financial position in 2022/23, and also in the medium term.

As a result of maintaining our strong financial discipline and the mitigating actions that were taken, both the General Fund and the Housing Revenue Account were able to reverse the forecast overspend positions and have financial outturns for 2022/23 of small underspends, resulting in higher than budgeted contributions to general balances.

Despite the challenges of an increasing cost base and rising demand for services and the capacity required to implement the mitigating actions, we have continued to ensure that our limited resources are directed and used in support of our Vision 2025. During 2022/23, we have invested in local services and projects to support the City's economy, business and residents and, in addition, we have prioritised support for those feeling the effects of the cost-of-living crisis. We have continued to fully fund our Local Council Tax Support Scheme, distributed support from the Household Support Fund, Council Tax Energy Rebate and Energy Bills Support Schemes, provided further support through our local Hardship Funds and supported our tenants through the creation of a new tenancy sustainment team (further details of the support provided is set out in the Performance section below).

Although both the General Fund and Housing Revenue Account were able to respond to the financial challenges in 2022/23 and maintain balanced budget positions, this does not mean that the financial issues for the Council are resolved, it simply means that the in-year budget pressures were addressed.

We will continue to face significant financial challenges as we move into 2023/24, but we will build on our successful financial management to date, maintaining a vigilant watch on expenditure and income. The measures we have in place to manage our finances remain robust and continue to drive strong financial performance. Through constant forecasting and an ever present view of our service performance we continue to navigate the challenges of the cost of living crisis and the impacts of economic factors, to deliver value for money services for the people of Lincoln whilst also ensuring that our limited resources are directed towards the priority areas in our Vision 2025.

Performance

The City of Lincoln Council is a high performing and innovative organisation, focussed on providing quality services and delivering outcomes that matter. Our Vision 2025 is

an ambitious strategic plan that is helping to transform both the Council and the City through our five strategic priorities.

Vision 2025 was adopted by the Executive on 24th February 2020. As a result of the Covid-19 pandemic the delivery of this plan was put on hold as the duties of many of our employees were reprioritised to provide emergency support to our residents. Work on the delivery of this plan recommenced in 2022 in line with the recommencement of services and the return to more normal working conditions.

This recommencement of the plan in 2022 was an opportunity to review and relaunch Vision 2025 to ensure that the actions taken to meet the priorities will help tackle the needs of the City's residents and businesses following the Covid19 pandemic. As part of this work, the effect of Covid19 on the physical and mental health of residents was considered, and as a result resources were focussed towards prevention and addressing those areas, including health inequalities, that will be needed most over the next three year period to 2025.

Whilst delivery of this plan has continued to be challenging as a result of the financial and resource pressures being faced by the Council, listed below are some of the key Vision 2025 projects progressed over the past 12 months –

- Plans for the development of the Western Growth Corridor in the west of the city have continued to be progressed following receiving formal planning approval in 2022. The development will supply the city with 3,200 much needed new homes, a leisure village, industrial park, and transport infrastructure. Development work is expected to commence on site in 2023.
- The renovation and repurposing of Lincoln Central Market has continued. When complete this facility will provide a strong, sustainable indoor and outdoor market offer in Lincoln.
- Development of a residential scheme on land off Rookery Lane has been completed. The successful completion of the development has delivered a mix of affordable two, three, and four-bedroom houses, two-bedroom bungalows and one-bedroom flats.
- The Heritage Action Zone regeneration work has continued. The programme aims to maintain, protect and restore city centre shop fronts, historical buildings and heritage sites at risk, together with a public engagement strand based around cultural activity.
- Delivered the Lincoln Good Design awards, celebrating great architectural design in planning applications received over the last two years.
- Significant progress has been made with the re-imaging of Greyfriars, which was successful in securing it's round two funding bid from the National Heritage Lottery Fund of £1.952m in October 2022.
- Working in partnership with the Council, Heritage Trust Lincolnshire has secured funding for the Harlequin Project from the Architectural Heritage Fund, which will bring the Michaelgate properties, as the first part of this project back into use, with works anticipated to start later in 2023.
- Progress has continued on the Digital City agenda, which aims to see Lincoln becoming a smart place that is truly digitally enabled - having smart digital networks will support business innovation as well as access to transport, healthcare and a range of other services.
- Development of our workspaces and business premises offer has progressed helping to ensure businesses of all sizes and types can make Lincoln their home.

- Projects being delivered under the Town Deals work programme have continued to be progressed, such as improved transport schemes in the Sincil Bank area of the city.
- We have continued to deliver the Sincil Bank revitalisation project with the aim of making the area a better place for people to live and work.
- A review of the Central Lincolnshire Local Plan has been undertaken, which sets out where and how the city is going to develop over the next 20 years.
- Work to promote our green spaces and leisure areas has continued with the aim of inspiring residents to lead a healthy lifestyle.
- The Council has commenced work on the creation of Hope Wood on Council-owned land. The aim of the project is to enhance the existing biodiversity of the area through thoughtful planting of thousands of trees and shrubs. Upon completion of the works, the area will be an accessible space for residents and visitors to enjoy for years to come.
- Completed works on the regeneration of Boultham Park lake followed by an extensive community involvement scheme to encourage local people to become actively involved in the park.
- Completed major construction work to the dam wall in Hartsholme Country park.
- Undertaken further work to develop a cultural partnership for the city, which will lead to a new events and festivals strategy for Lincoln.
- Supported work to create Bio havens on the Brayford and have since commenced a project assessing how more greenery can be introduced into the city centre.
- Work has commenced on the development of a District Health and Wellbeing Strategy focused on improving the health of residents across the district.
- Grant funding has been made available to address issues of poor insulation and heating within the private sector.
- Following securing Safer Street funding the Council has upgraded its CCTV server room and installed a total of 34 CCTV cameras in Abbey, Carholme, Castle and Park wards. This has help provide safer routes for visitors, residents and students who choose to walk home after a night out in the city centre.
- Following completion of the De Wint Court supported housing development, a review of our other supported housing stock within the city has commenced. The review aims to assess the ongoing needs of our tenants alongside our Council housing stock.
- We have continued to deliver a campaign which encourages Private Sector landlords in the city to sign up to the Trusted Landlord Scheme.
- We have worked with partners on the Lincoln Climate Commission to develop a Climate Action Plan. This follows City of Lincoln Council being the second council in Lincolnshire to declare a climate emergency.
- The Council has achieved 'Green' level Environmental Management Accreditation by 'Investors in the Environment'.

In terms of service delivery, performance has continued to be affected over the past year, largely as a result of the current cost of living challenges and the ongoing recovery of the city following the Covid-19 pandemic. In direct response to these challenges we have worked hard to ensure our services and the support we can offer has reached those in need. Some examples of this work are provided below:

- Our Revenues and Benefits Team has continued to experience significant levels of demand, which has further continued to be impacted through the delivery

of several additional schemes to assist residents and businesses through Covid-19 and then into the cost of living challenges.

- The hard work of our Welfare Support teams has ensured our residents have continued to receive prompt, essential welfare and benefits advice.
- Across the Directorate for Housing and Investment, our housing teams have worked extremely hard maintaining Council homes to ensure they meet the decent homes standard, returning void properties back into use and collecting rent.
- The Housing Solutions Team has continued to provide invaluable support to our residents who are homeless or who are at risk of becoming homeless.
- Our Housing and Planning teams have worked to deliver much needed new affordable homes in the city on Rookery Lane.
- The Customer Services Team has managed an increasing number of telephone calls and e-mail enquiries as residents seek advice and support from the Council.
- The Council's Communication Team has provided clear guidance to residents and businesses on how they can access help and support. This communication has primarily been via our website and social media channels and has included the use of videos and a range of other media types to help effectively engage with our customers.
- The Council has continued to be a provider of apprenticeships. These apprenticeships have been across the areas of Business Administration, Customer Service, Team Leading and Management delivered by the Work Based Learning Team, together with Craft apprenticeships delivered by the Housing Repairs Service.

All of our achievements during 2022/23 should be set in the context of the significant difficulties in the recruitment and retention of staff currently being faced by local government, of which we are no exception. This creates capacity pressures in both operational services and in our support services. Whilst we have been able to continue to deliver against our priorities during 2022/23, some aspects of performance have been undoubtedly affected by our reduced resources, particularly when those resources have been under further pressure to respond to the financial and cost of living challenges arising in the year. Work continues both on a national and local level to develop a range of responses to encourage both new entrants into the sector as well as retain the existing workforce.



Revenue Income and Expenditure

General Fund

The General Fund covers all net spending by the Council on services other than those accounted for in the Housing Revenue Account. General Fund services are partly paid for by government grants and contributions from Retained Business Rates, with the balance being funded from Council Tax and income from fees and charges.

For 2022/23, the approved net expenditure budget for General Fund services was £8,907,490 including a planned contribution to reserves of £60,700.

As highlighted in the Financial Summary, 2022/23 has presented significant financial challenges for the Council and in particular the escalating cost of services provision, which were unforeseen and have far exceeded budgeted assumptions. The General Fund has experienced escalating costs in a number of key areas:

- Contractual services inflation increases – contracts for key front line service provision are linked to annual CPI/RPI price increases at set points in the year. The most significant of these contracts is in relation to waste and street cleansing. These two contracts are linked to inflation as at the previous December and have therefore seen increases of 5.4% for 2022/23.
- Gas and electric supplies - whilst the Council procures the majority of its energy supplies through a framework agreement, allowing it to benefit from economies of scale, it is still subject to the impacts of fluctuations in wholesale prices. Gas prices for 2022/23 have increased by 70% since April 2022 and electricity prices have increased by 100% from October 2022.
- Nationally agreed pay inflation - the pay offer, made by the National Employers for Local Government Services, was accepted by the Trade Unions in early November 2022. The pay deal sees a flat rate increase of £1,925 to all employees, equivalent to a 10.5% increase for the lowest paid members of staff and with the majority of officers receiving pay rises above 5%.

In terms of service delivery, during 2022/23 we have faced growing demands for some of our key services as those more vulnerable in the city look to the council for support as the cost-of-living crisis hits household incomes. This includes increased demand for; welfare advice; housing benefits; housing solutions, homelessness support, etc. Of particular challenge to the General Fund has been the cost of providing homelessness support, with escalating number of cases presenting increasing the cost of providing temporary accommodation.

In response to these escalating costs, we developed a range of mitigating actions as part of a financial recovery programme, in order to ensure we could maintain a sustainable financial position in 2022/23. Included within these actions was a review of the Council's Borrowing, Investment and Minimum Revenue Provision (MRP) strategies. This review resulted in a change to the MRP Policy (as approved by Full Council in February 2022), which has released significant savings in the medium term, whilst still maintaining a prudent provision. The net saving in 2022/23 is £0.790m

As a result of this reduction in capital financing costs, along with other actions taken during the year, including an in-year increase in some fees and charges and

temporary recruitment measures, and with some positive impacts of the economy on investment returns, the General Fund was able to reverse the forecast overspend position, estimated at quarter two, and has reported a small underspend outturn position for 2022/23. This underspend position includes additional contributions to a number of earmarked reserves in order to provide future resilience against a number of cost pressure risks that we are facing in future years.

The table that follows provides a summary of the final outturn position for the General Fund, against the net budget.

	ACTUAL 2022/23 £'000	REVISED BUDGET 2022/23 £'000	VARIANCE 2022/23 £'000
Chief Executive and Town Clerk	3,247	3,016	231
Directorate of Housing & Regeneration	1,050	1,100	(50)
Directorate of Communities & Environment	5,897	5,289	608
Directorate of Major Developments	457	489	(32)
Corporate	1,932	1,969	(37)
Net Operational Expenditure	12,582	11,863	719
Specific Grants	(899)	(859)	(40)
Savings Target	0	(54)	54
Earmarked Reserves	(5,627)	(5,626)	(1)
Insurance Reserve	(23)	40	(63)
Capital Accounting Adjustment	2,297	3,234	(937)
Contingencies	0	(112)	112
Total Expenditure	8,330	8,486	(156)
Contribution To/(From) General Balances	218	61	157
Total Net Budget	8,547	8,546	1
Retained Business Rates Income	(16,082)	(15,956)	(126)
Tariff	13,094	13,094	0
Section 31 grant	(3,192)	(3,108)	(84)
Levy Payment	967	759	208
Revenue Support Grant	(24)	(24)	0
Council Tax	(7,360)	(7,360)	0
Council Tax Section 31 Grant	0	0	0
Council Tax Deficit	6	6	0
NNDR Deficit	4,044	4,044	0
Total Resources	(8,547)	(8,546)	(1)

While total expenditure was £8.330m (£0.156m less than budget) this is offset by a £0.157m increase in the actual contribution to general balances. The actual

contribution to general balances was £0.218m compared to the approved budget of £0.061m.

Included within the General Fund Budget was an assumed savings target of £1.050m, which was to be delivered in 2022/23 as part of the Council's Towards Financial Sustainability (TFS) Programme. The provisional outturn performance shows that secured savings total £0.996m. This results in an under-achievement of the target in 2022/23 by £0.054m. This under-achievement should be set against the context of an overall positive position for the General Fund in 2022/23. The TFS programme continues to be successful, and work continues in developing and delivering new projects as part of the programme to secure the additional savings required in 2023/24 and future years.

Although the General Fund maintained a balanced budget position in 2022/23 this does not mean that the financial issues for the Council are resolved, it simply means that the in-year budget challenges have been addressed.

As at 31 March 2023, the Council held £9.455m General Fund revenue reserves, comprising £7.040m earmarked reserves (to cover specific or potential financial risks and liabilities) and £2.415m non-earmarked general reserves. General Balances are currently in line with the prudently assessed minimum requirements in the Council's Medium-Term Financial Strategy, which providing resilience for financial challenges we face.



Housing Revenue Account

The Housing Revenue Account has to be kept as a separate account for all the expenditure and income relating to the landlord functions associated with the provision, management and maintenance of Council owned dwellings.

For 2022/23, the approved net operating budget for the Housing Revenue Account was set at £0.038m contribution to balances. Actual net expenditure for 2022/23 was £0.159m surplus, resulting in a £0.120m variance against the budget.

In line with the General Fund, a number of the key cost pressures; pay inflation, contractual inflation; energy price increases; and material and external labour prices, have impacted the Housing Revenue Account. These cost increases were unforeseen and far exceeded the assumptions underpinning the Housing Revenue Accounts budget.

As is being experienced across the Council, the Housing Revenue Account is also experiencing recruitment and retention challenges in relation to its craftworkers, increasing the reliance on external contractors.

These new financial and capacity pressures arose at a time when the Housing Revenue Account is still responding to the legacy effects of Covid19 and Brexit both in relation to service delivery, in terms of backlogs of outstanding housing repairs work, and also due to the ongoing impact on supply chains and availability of labour.

This combination of factors has led to a number of significant variances of both a positive and negative nature in the Housing Revenue Account, with underspends on general repairs and maintenance due to availability of resources and contractors and overspends on repairs to void properties due to a higher than normal level of void properties.

A range of measures have been implemented in 2022/23 to address some of the factors affecting the Housing Revenue Account, and these are producing positive results e.g., a reduction in voids backlogs. However, further work will be required in 2023/24 to fully address the performance issues and the subsequent financial variances this creates.

Overall, the net impact of these variances, including the positive effect of rising investment returns, resulted in the Housing Revenue Account reversing the forecast overspend position, estimated at quarter two, to reporting a small underspend outturn position for 2022/23. This underspend position includes additional contributions to a number of earmarked reserves in order to provide future resilience against a number of cost pressure risks that we are facing in future years.

The table that follows provides a summary of the final outturn position for the Housing Revenue Account, against the net budget.

	ACTUAL 2022/23 £'000	REVISED BUDGET 2022/23 £'000	VARIANCE 2022/23 £'000
<u>Operational Expenditure</u>			
Repairs & Maintenance	8,982	10,022	(1,040)
Supervision & Management	8,776	8,370	376
Provisions (including Bad Debt)	300	250	50
Rents, Rates and Other Premises	621	486	135
Other Expenditure	293	155	138
Capital Financing	7,862	7,450	412
Sub Total	26,834	26,733	71
<u>Add:</u>			
HRS – repatriation of surplus	222	0	222
Interest Payable & Similar Charges	2,432	2,580	314
Total Expenditure	29,488	29,313	944
<u>Income</u>			
Rents & Service Charges	(31,038)	(31,081)	43
Other Income	(892)	(710)	(181)
Interest	(614)	(66)	(547)

	ACTUAL 2022/23 £'000	REVISED BUDGET 2022/23 £'000	VARIANCE 2022/23 £'000
Net Expenditure	(3,683)	(2,544)	(20,662)
<u>Less:</u>			
Appropriation to/(from) Major Repairs Reserves	2,147	2,559	(412)
Appropriations to/(from) Earmarked Reserves	749	(53)	801
Net HRA (Surplus)/Deficit	(159)	(39)	(120)

As at 31 March 2023, the Council held £4.700m HRA revenue reserves, comprising £3.509m earmarked reserves (to cover identified specific, potential financial risks and liabilities) and £1.191m non-earmarked general reserves.

Capital Expenditure (Note 39)

Capital expenditure on the provision of new or enhanced assets is met from capital receipts, government grants, contributions from third parties and revenue contributions, with the balance funded from borrowing.

Capital spending in the year was £23.9m compared to the revised approved programme budget of £38.4m, representing an underspend of £14.5m against the profiled budget. The variance in 2022/23 is mostly due to the re-profiling of schemes within the general fund and housing programmes resulting from the delays in appointed contractors for the schemes. The 2022/23 capital spending and funding position is summarised as follows:

	ACTUAL 2022/23 £'000	BUDGET 2022/23 £'000	VARIANCE 2022/23 £'000
Capital Expenditure			
General Fund	11,213	17,860	(6,647)
Housing Revenue	12,647	20,499	(7,852)
Total Expenditure	23,860	38,359	(14,499)
Financed by:			
Borrowing	4,069	7,333	(3,264)
Capital Receipts	1,934	2,469	(536)
Capital Grants and Contributions	10,330	14,386	(4,056)
Major Repairs Reserve	7,465	7,348	(2,570)
Revenue Contributions	62	3,823	(4,073)
Total Financing	23,860	38,359	(14,499)

Major Capital works carried out during 2022/23 are set out in the following table:

	£'000
Housing	
Decent Homes and improvements to Council dwellings	5,998
Council house schemes	5,570
Other major works to housing stock	1,079
General Fund	
Crematorium	131
Central Market	4,345
Improvement and Renovation Grants	649
Boultham Park	11
Western Growth Corridor	133
Towns Fund Schemes	0
Other Schemes	0
Total	23,860

Capital Financing

The Council's capital programme is funded by a number of sources including the application of capital receipts, capital grants, contributions from the revenue account and long-term borrowing. A summary of significant transactions in capital funding in 2022/2023 is provided below:

Capital Receipts (Note 9)

The Council utilised £1.934m of capital receipts and received £3.173m of capital receipts in the year. The majority of these will be used to support the new build programme within the Housing Investment Programme and investment in the housing stock.

Major Repairs Reserve (Note 9)

The Council is required to maintain a Major Repairs Reserve, which controls an element of the capital resources limited to being used on capital expenditure on HRA assets or the financing of historical capital expenditure by the HRA. The balance shows the capital resources that have yet to be applied at the year-end.



Long Term Borrowing (Note 18)

The Council undertakes long term borrowing, for periods in excess of one year, in order to finance capital expenditure. An assessment of the use of borrowing to fund capital expenditure is made through the application of the CIPFA Prudential Code in the Council's annual Treasury Management Strategy. This approach provides a framework for decision making highlighting the level of capital expenditure, the impact on borrowing and investment levels and the overall controls in place to ensure activity remains affordable, prudent and sustainable.

The Council satisfies its long-term borrowing requirement by securing external loans.

Although the Council requires long-term borrowing in order to finance capital expenditure, it can temporarily defer the need to borrow externally by using cash set aside for longer term purposes (in line with its Treasury Management Strategy); this practice means that there is no immediate link between the need to borrow to pay for capital spend and the level of external borrowing. The effect of using the cash set aside is to reduce the level of cash that the Council has available for investment.

The Council's level of total principal debt outstanding (long and short-term), (excluding loans of £0.03m which the Council holds for local charities and Bonds worth £0.03m), as at 31 March 2023 was £122m.

Total Borrowing Outstanding			
31/03/22			31/03/23
£'000	Source of loan		£'000
94,177	Public Works Loan Board		93,962
31,000	Market and Other Long-Term Loans		28,000
125,177	Total		121,962

Short-term borrowing of £5m was taken during 2022/23. Short-term borrowing of £8m and £0.215m of PWLB borrowing was repaid during 2022/23. This represents a net decrease of £3.215m of borrowing since 31 March 2022. The Council remains under borrowed by £24.141m (i.e. the Council's actual borrowing is £24.141m less than its borrowing requirement at 31 March 2023).

This means that the borrowing need (CFR) has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is considered prudent whilst internal balances allow for this. Additional long-term borrowing may be taken in 2023/24 and future years to bring levels up to the Council's borrowing requirement, subject to liquidity requirements, if preferential interest rates are available.

Pension Costs

(Note 44)

The Council accounts for retirement benefits when it is committed to give them, even if the actual giving will be many years into the future. This means that:

- The financial statements reflect the liabilities arising from the Council's retirement obligations.

- The costs of providing retirement benefits to employees are recognised in the accounting period in which the benefits are earned by employees, and the related finance costs and any other changes in value of assets and liabilities are recognised in the accounting periods in which they arise.
- The financial statements disclose the cost of providing retirement benefits and related gains, losses, assets and liabilities.

The Balance Sheet shows a reduced Pension Fund Reserve / net liability position when compared to the start of the year - reducing from £80.999m at 1 April 2022 to £7.796m as at 31 March 2023. This decrease in the net liability is mainly a result of changes in financial assumptions following the latest actuarial report. This is recognised as re-measurements on defined benefit obligation, which is shown in Other Comprehensive Income and Expenditure within the Comprehensive Income and Expenditure Statement.

The statutory arrangements for funding the remaining liability of £7.796m means that this deficit will be made good by the increased level of annual employer contributions payable to the Pension Fund over the remaining estimated average working life of our employees in the Pension Scheme. The latest triennial revaluation of the Council's Pension Fund took place on 31 March 2022.

Although the overall funding position has improved, the employer contribution rates are still required to increase in order to improve the funding position further. Because of the guaranteed nature of Local Government Pension Scheme, a stabilisation overlay mechanism is applied, whereby the employer's current contribution rate is capped at an affordable level. Based on the latest tri-annual review, the council is facing an increase in pension contributions of over 6 percentage points, rising from 17.3% of payroll in 2022/23 to 23.4% of payroll for the 3-year period commencing 2023/24. This increase has reduced the need for additional monetary payments to the scheme.



Future Plans

Vision 2025 sets out the Council's vision for the future of the city, strategic priorities and core values. Although the Vision looks ahead for up to 30 years it specifically includes a programme of activity up to 2025, which seeks to not only deal with the most pressing issues in the city, but also details how the Council will work, with others, to further grow Lincoln's economy.

The Council's vision for 2025 remains as;

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

Underpinning this vision are now five strategic priorities, each with a number of supporting aspirations. The aspirations are in turn supported by groups of projects that will be delivered throughout the five-year programme.

The five strategic priorities are:

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

These five strategic priorities are supported by a programme called One Council. One Council is made up of the following pillars:

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

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

A mid-term review of the proposals in the vision was undertaken in 2021/22. This review was an opportunity to review and relaunch Vision 2025, following the Covid19 pandemic, and to ensure that the actions taken to meet the priorities will help tackle the needs of the City's residents and businesses.

As part of this process, a public consultation was undertaken to understand which activities resident and businesses felt were of the greatest priority to them. Following this review, it was agreed there were no changes required to the Vision, the five priorities or the aspirations under each priority - these still remain relevant. However, we will ensure promoting positive health for the city will be a key feature of these goals wherever possible and as a result resources have been refocused towards prevention and addressing those areas, including health inequalities, that will be needed most in the period up to 2025.

The Vision 2025 Interim Review document can be accessed using the following link - <https://www.lincoln.gov.uk/downloads/file/1213/vision-2025-3-year-addendum>



General Fund

The financial challenges that the General Fund faces as a result of the current economic conditions and national cost-of-living crisis come at a time when we are still recovering from the detrimental financial effects of Covid19 and after facing a decade of austerity measures. These unforeseen and unavoidable pressures are though even more severe than the impacts of the pandemic, they are not temporary cost/income pressure spikes that will fall away as the economy stabilises, they represent structural changes in the Council's ongoing net cost base and have required budgets to be reset as part of this Medium-Term Financial Strategy.

Furthermore, there still remains uncertainty around the level of funding for local government beyond the current Spending Review period. There are a number of proposed changes in the funding mechanisms for local government, which have the ability to fundamentally alter the course of the Medium-Term Financial Strategy. Whilst it has now been confirmed that they will not now be implemented until 2025/26 at the earliest, and the latest Local Government Finance Settlement announced some much-needed additional funding for local authorities, all this has done is to have shifted the financial challenges to the period following the next General Election. In addition, the large national deficit that has arisen as a result of the financial measures the Government implemented during the pandemic and more recently in response to the cost-of-living-crisis, will need to be addressed. This is likely to further impact on the funding available to councils in future years with a risk of a new round of austerity measures.

Despite this significant level of uncertainty, based on what is currently known, or can be reasonably assumed, the General Fund continues to face a significant and widening gap between the its spending requirements and the level of resources it estimates to receive, with the underlying need to reduce the net cost base by £1.750m by 2026/27 if the Council is to remain sustainable in the medium term.

The ability to deliver these further, significant, reductions in the net cost base must be set in the context of the Council having already delivered, over the last decade, annual revenue savings of nearly £10m. This is a significant amount in comparison to the net General Fund budget. This has already involved us having to take difficult decisions in terms of which services we can continue to provide, whilst minimising the impact on services most needed by local residents and businesses.

We still believe that our longer-term approach to closing the funding gap is fundamentally through economic growth and investment. This is ever more critical in light of the crippling effect Covid19 and now the current economic factors have on the local economy. Through Vision 2025 we will continue to seek ways to maximise

our tax bases by creating the right conditions for the economy to recover and grow, to increase Business Rates income, and to encourage housebuilding to meet growing demand, generating additional Council Tax. As well as continuing to support this we will also seek through direct interventions, such as through; the Town Deal; the Council House New Build Programme; the UK Shared Prosperity Fund and Western Growth Corridor etc, to enhance the economic prosperity of the City.

The delivery of these benefits from economic development cannot however be realised in the short to medium term and will not directly contribute towards the required reductions in the net cost base in the Medium-Term Financial Strategy. In order to deliver the level of savings required over the period of the Medium-Term Financial Strategy, we will continue to adopt a range of options, but given the scale of the financial challenge we faces, we have little choice but to face some difficult decisions about the size and scope of the essential services we can continue to provide. We will need to review and revisit our investment priorities, beyond Vision 2025, and will be forced to look closely at the services we provide and will inevitably have to stop some of these to balance the books.

Closing a projected budget gap of this size is a challenge for the Council, but we have confidence in our track record of delivering strong financial discipline and that we can continue to rise to the challenge. Our successful financial planning has enabled the protection of core services for the people of Lincoln, whilst at the same time allowing for significant investment in the City, and its economy, and delivery of the Council's Vision. We will continue to adopt this approach, carefully balancing the allocation of resources to Vision 2025 and future investment plans, whilst ensuring we maintain a sustainable financial position and delivers the required reductions in its net cost base.

Housing Revenue Account (HRA)

HRA Self-financing was implemented from 1 April 2012 following a one-off settlement to the Treasury, in order to 'buy out' of the old subsidy system. The new system incentivised landlords to manage their assets well and yield efficiency savings. With this however also came the transfer of significant risks from Central Government to local authorities. The Council now bears the responsibility for the long-term security and viability of council housing in Lincoln and has to fund all activity related to council housing from the income generated from rents, through long term business planning.

It was anticipated that there would be greater certainty about future income as councils were no longer subject to annual funding decisions by Central Government, enabling them to develop long-term plans, and to retain income for reinvestment.

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

- the long-term plans for the Council's housing stock
- the finances to deliver plans
- how the Council will manage the income from its stock, demand for housing and stock condition

- identifies resources for its initial Council House New Build Programme.

Since adoption of the Plan, in 2016, a number of issues e.g., Brexit and the Covid19 pandemic have had a fundamental impact on the way we deliver our housing and landlord services, now and in the future. In addition, the refreshed and repurposed strategic plan, Vision 2025, includes a much greater focus on health outcomes and the environment e.g. net zero carbon target, with implications for the delivery of housing services and investment in the housing stock and new build standards. Furthermore, the tragic fire at Grenfell Tower and the introduction of new measures to improve fire and building safety will create additional requirements on the Council.

A full review of the Business Plan was scheduled for 2022, however, due to the current economic climate and the impact on the assumptions that underpin the HRA and Housing Business Plan it has not been possible to make accurate long-term financial forecasts at this time. As a result, an interim high-level refresh of the Business Plan was undertaken during 2022 with a full update to the Business Plan now scheduled for 2023, with a new a 30-year Business Plan to be in place for the start of 2024/25. This update will take into consideration the key issues that are impacting on the environment in which the Plan will be set with the goal of developing an exciting Business Plan that sets out what we want to achieve over the next 30 years.

Capital Expenditure

Despite the pressures our revenue budgets face, investment in our assets, to maintain income generation, provide new income generating assets, support service delivery and to act as a catalyst in the local economy is still critical. Our capital strategy plans to deliver projects to the value of £205m over the next five years, with £36m estimated to be spent in 2023/24. This includes significant investment in the Council's key strategic projects notably the Western Growth Corridor development, the Lincoln Town Deal Programme, Central Market redevelopment, and the Greyfriars development, all in addition to further investment on Council dwellings and Council buildings, including the construction of new council housing.



Capital resources for the next five years include capital receipts, government grants, contributions from third parties and revenue contributions.

The Housing element of the capital programme represents the largest element of capital expenditure over the next 5 years and is funded through a combination of borrowing and revenue contributions from the Housing Revenue Account (HRA) through both depreciation charges and direct revenue contributions. The HRA Business Plan includes the release of capital resource to fund significant capital investment in new housing stock over the medium term. It is critical that there

continues robust budget management of the HRA to continue to allow the required investment.

Cash flows

The future cash flows will be dependent on the outcome of a number of key assumptions in the Medium-Term Financial Strategy and HRA Business Plan, of which the Council has varying degrees of influence over the outcomes. Some of the key determinants will be:

- Actual Business Rates base in year compared to the assumed levels in the budget, and the ongoing risk of funding the backdated costs of any successful valuation office appeals by businesses within the city as well as potential reductions arising from the current economic conditions and legacy of Covid19.
- Collection rates for Council Tax, Business Rates and Rents, which continue to be detrimentally impacted by Covid19 and the current cost of living crisis.
- Income received compared to income targets (e.g. car parking, planning and building control), income in these areas plummeted during 'lockdown' and whilst they have recovered, the current cost-of-living crisis and current economic factors are now impacting on demand in some key areas.
- Interest rates achieved on investments and secured on new borrowing.
- Timescale for payment of invoices and collection of debts.
- Profile of capital spending and funding over the MTFS.

Summary

Although both the General Fund and Housing Revenue Account have maintained balanced budget positions in 2022/23 this does not mean that the financial issues for the Council are resolved, it simply means that the in-year budget challenges have been addressed. Beyond 2022/23 we are set to face ongoing reductions in resources increased service costs, increased service demands and the ongoing impact of the current economic uncertainty. This will require ongoing reductions in the net cost base in order to live within a significantly reduced resources envelope. The Medium-Term Financial Strategy 2023-2028, approved by Full Council in March 2023 sets out the detail of the financial challenge the Council faces.

Whilst addressing the financial challenges we face in the forthcoming years we will also continue to maintain the correct balance between these challenges and ensuring that our limited resources are directed towards the Council's strategic priorities.

Vision 2025 is supported by a programme of activity, resourced through the Medium Term Financial Strategy, that seeks to not only deal with the most pressing issues in the city, but also how the Council will work, with others, to embrace and encourage Lincoln's economy through schemes such as delivering homes and infrastructure, stimulating jobs and growth, tackling climate change, providing and enhancing support systems for our vulnerable residents, and delivering the Towns Deal Programme. The recovery and growth of the City's economy is now more important than ever.



Group Accounts

The increasing scope and scale of local authorities moving away from traditional ways of providing services makes it increasingly difficult for the Council's own financial statements to present fairly all the aspects of control over service provision and accountability for all resources and exposure to risks that the Council has taken on. A consolidated set of group accounts can make a vital contribution towards giving users a full picture of the Council's sphere of control and influence.

The Council has a collaborative arrangement with North Kesteven and West Lindsey District Councils to provide the Central Lincolnshire Joint Planning Unit. This arrangement is hosted by North Kesteven District Council. The Council contributed £99k to the service which is contained within the Communities and Environment line of the CIES.

The Council also has a collaborative arrangement with North Kesteven to provide a shared Revenues and Benefits Service. This shared service is hosted by the City of Lincoln Council. The Council contributed £1.267m to the service which is contained within the Chief Executive's Directorate line in the CIES.

Both of these arrangements are governed through a Joint Committee representing each of the partner authorities. Under these arrangements the ventures use their own resources to undertake an activity subject to joint control, and as such do not require consolidation into the Council's accounts. The Council's proportion of activity is accounted for separately within the Core Financial Statements.

Further Information

Further information about the accounts is available on request from the Chief Finance Officer, City Hall, Beaumont Fee Lincoln LN1 1DB. In addition, local electors have a statutory right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised on the Council's website.

J Gibson FCCA
Chief Finance Officer
(Section 151 Officer)

COUNCIL APPROVAL

The Statement of Accounts for the year 1 April 2022 to 31 March 2023 has been prepared and I confirm that these Accounts were approved by the City of Lincoln Council, at the meeting held on xxxxx.

Councillor Biff Bean
Chair of Council

Date: xxx

THE STATEMENT OF RESPONSIBILITIES

The Authority's Responsibilities

The Authority is required:

- to make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the Chief Finance Officer.
- to manage its affairs to ensure economic, efficient, and effective use of resources and safeguard its assets.
- to approve the Statement of Accounts.

The Chief Finance Officer Responsibilities

The Chief Finance Officer is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the Code of Practice on Local Authority Accounting in the UK ('the Code').

In preparing this Statement of Accounts, the Chief Finance Officer has:

- selected suitable accounting policies and then applied them consistently.
- made judgements and estimates that were reasonable and prudent.
- complied with the Code of Practice.

The Chief Finance Officer has also:

- kept proper accounting records which were up to date.
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

The Accounts present a true and fair view of the financial position of the Authority at 31 March 2023 and its income and expenditure for the year ended on that date.



J Gibson FCCA
Chief Finance Officer
Date: 31st May 2023

MOVEMENT IN RESERVES

	General Fund Balance £'000	Earmarked Reserves £'000	Housing Revenue Account £'000	Major Repair Reserve £'000	Capital Receipts Reserve £'000	Capital Grants Unapplied £'000	Total Usable Reserves £'000	Unusable Reserves £'000	Total Council Reserves £'000
Balance at 31 March 2021	2,668	26,043	1,074	14,139	4,511	4,026	52,461	174,723	227,184
Movement in reserves during 2021/22									
Surplus or (deficit) on provision of services	(3,207)	0	22,384	0	0	0	19,177	0	19,177
Other Comprehensive Expenditure and Income	0	0	0	0	0	0	0	32,922	32,922
Total Comprehensive Expenditure and Income	(3,207)	0	22,384	0	0	0	19,177	32,922	52,098
Adjustments between accounting basis & funding basis under regulations (note 9)	(4,662)	0	(22,097)	9,790	1,196	(1,929)	(17,702)	17,702	0
Net Increase/Decrease before Transfers to Earmarked Reserves	(7,870)	0	287	9,790	1,196	(1,929)	1,475	50,624	52,098
Transfers (to)/from Earmarked Reserves	7,400	(7,068)	(331)	0	0	0	0	0	0
Increase/Decrease in Year	(470)	(7,068)	(50)	5,948	1,196	(1,929)	(2,368)	50,527	52,098
Balance at 31 March 2022 carried forward	2,197	18,975	1,030	20,088	5,708	2,097	50,094	229,188	279,283

MOVEMENT IN RESERVES

	General Fund Balance £'000	Earmarked Reserves £'000	Housing Revenue Account £'000	Major Repair Reserve £'000	Capital Receipts Reserve £'000	Capital Grants Unapplied £'000	Total Usable Reserves £'000	Unusable Reserves £'000	Total Council Reserves £'000
Balance at 31 March 2022	2,197	18,975	1,030	20,088	5,708	2,097	50,094	229,188	279,283
Movement in reserves during 2022/23									
Surplus or (deficit) on provision of services	2,110	0	23,207	0	0	0	25,317	0	25,317
Other Comprehensive Expenditure and Income	0	0	0	0	0	0	0	76,380	76,380
Total Comprehensive Expenditure and Income	2,110	0	23,207	0	0	0	25,317	76,380	101,696
Adjustments between accounting basis & funding basis under regulations (note 9)	(7,542)	0	(22,298)	2,544	1,239	(390)	(26,447)	26,447	0
Net Increase/Decrease before Transfers (to)/from Reserves	(5,432)	0	909	2,544	1,239	(390)	(1,131)	102,827	101,696
Transfers (to)/from Earmarked Reserves	5,650	(4,902)	(748)	0	0	0	0	0	0
Increase/Decrease in Year	218	(4,902)	161	2,544	1,239	(390)	(1,131)	102,827	101,696
Balance at 31 March 2023 carried forward	2,415	14,073	1,191	22,632	6,947	1,707	48,964	332,015	380,979

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT 2022/23

2021/22			Note	2022/23		
Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000		Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
34,108	(27,382)	6,726		39,582	(32,766)	6,816
3,425	(2,794)	631		3,898	(2,782)	1,116
8,475	(30,080)	(21,605)		7,007	(31,929)	(24,922)
22,643	(12,589)	10,054		21,897	(13,082)	8,816
1,678	(811)	866		5,094	(948)	4,146
936	(454)	482		1,063	(612)	450
71,265	(74,110)	(2,846)	Cost of Services	78,541	(82,119)	(3,578)
	467		Other Operating Expenditure			318
	4,843		Financing and Investment			1,994
	(21,641)		Income and Expenditure			
			Taxation and Non-Specific			(24,051)
			Grant Income			
	(19,177)		(Surplus) or Deficit on Provision of Services			(25,317)
	(2,990)		(Surplus) or deficit on revaluation of non-current assets	14		(980)
	0		Impairment Losses on Non-Current Assets charged to the Revaluation Reserve			0
	(63)		(Surplus) or deficit from investments in equity instruments designated at fair value through other comprehensive income	26e		(8)
	(29,869)		Total re-measurements on defined benefit obligation	44		(75,391)
	(32,922)		Other Comprehensive Income and Expenditure			(76,380)
	(52,098)		Total Comprehensive Income and Expenditure			(101,696)

BALANCE SHEET AS AT 31 MARCH 2023

31 March 2022 £'000		Notes	31 March 2023 £'000
416,478	Property, Plant & Equipment	14,39,41	444,141
2,768	Heritage Assets	15	2,768
36,016	Investment Property	14,16	36,578
207	Intangible Assets	14,17,39	88
816	Long Term Investments	18,47	824
724	Long Term Debtors	18,47	611
457,009	Long Term Assets		485,011
1,500	Assets Held for Sale	22	1,500
49,878	Short Term Investments	18,47	36,932
104	Inventories	19	155
0	Cash at Bank	21	509
24,916	Short Term Debtors	18,20,47	16,545
76,398	Current Assets		55,641
(103)	Cash and Cash Equivalents	18,21,47	0
(14,932)	Short Term Borrowing	18,47	(14,396)
(43,929)	Short Term Creditors	18,23,47	(26,254)
(58,964)	Current Liabilities		(40,649)
0	Long Term Creditors	18,47	0
(2,197)	Provisions	24	(1,985)
(111,962)	Long Term Borrowing	18,47	(109,243)
(80,999)	Other Long-Term Liabilities	44	(7,796)
(195,158)	Long Term Liabilities		(119,024)
279,283	Net Assets		380,979
50,094	Usable reserves	10,25	48,964
229,188	Unusable Reserves	26	332,015
279,283	Total Reserves		380,979

CASH FLOW STATEMENT

2021/22		Notes	2022/23
£'000			£'000
19,177	Net surplus or (deficit) on the provision of services		25,317
2,975	Adjustments to net (surplus) or deficit on the provision of services for non-cash movements	28	(20,700)
(11,108)	Adjustments for items included in the net (surplus) or deficit on the provision of services that are investing and financing activities	29	(13,114)
11,044	Net cash flows from Operating Activities		(8,497)
(24,808)	Investing Activities	30	7,138
13,098	Financing Activities	31	1,971
(666)	Net (increase) or decrease in cash and cash equivalents		612
563	Cash and cash equivalents at the beginning of the reporting period		(103)
(103)	Cash and cash equivalents at the end of the reporting period	21	509

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NOTES TO THE ACCOUNTS

The values held within the proceeding Notes to the Accounts may vary slightly when compared to the main Statements or other Notes, which may also include casting variances. This is due to amounts being rounded. It is not expected that a difference would be in excess of £2,000 in any single case.

Note 1 – Accounting Policies

1. General Principles

The Statement of Accounts summarises the Council's transactions for the 2022/23 financial year and its position at the year-end of 31 March 2023. The Statement of Accounts has been prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code), supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 7 of the Accounts and Audit Regulations 2015.

The accounting convention adopted in the Statement of Accounts is historic cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

2. Accruals of Income and Expenditure

The revenue accounts of the Council are maintained on an accrual's basis meaning that activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from the sale of goods or services is recognised in accordance with the terms and conditions of the contract.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

3. Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature within three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Council's cash management.

4. Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively i.e., in the current and future years affected by the change and do not give rise to prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Council's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

5. Charges to Revenue for Non-Current Assets

Service revenue accounts, central support services and trading accounts are charged with the following amounts to reflect the cost of holding non-current assets during the year:

- depreciation of the assets used by the service.
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which losses can be written off.
- amortisation of intangible assets used by the service.

The Council is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisation. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement equal to an amount calculated on a prudent basis determined by the Council in accordance with statutory guidance. This is referred to as the Minimum Revenue Provision (MRP) and Voluntary Revenue Provision (VRP). The Council's policy on MRP is approved by Council in March each year as part of the Treasury Management Strategy. Depreciation, revaluation and impairment losses and amortisation are

replaced by the MRP and VRP, by way of an adjusting transaction between the Capital Adjustment Account and the General Fund Balance in the Movement in Reserves Statement, for the differences between the two.

6. Council Tax and Non-Domestic Rates

The Council (as the billing authority) acts as an agent, collecting council tax and non-domestic rates (NDR) on behalf of Lincolnshire County Council and Lincolnshire Police (including government for NDR) and, as principals, collecting council tax and NDR for themselves. Billing authorities are required by statute to maintain a separate fund (the Collection Fund) for the collection and distribution of amounts due in respect of council tax and NDR. Under the legislative framework for the Collection Fund, all share proportionately the risks and rewards that the amount of council tax and NDR collected could be less or more than predicted.

Accounting for Council Tax and NDR

The council tax and NDR income included in the Comprehensive Income and Expenditure Statement is the Council's share of accrued income for the year. However, regulations determine the amount of council tax and NDR that must be included in the Council's General Fund. Therefore, the difference between the income included in the Comprehensive Income and Expenditure Statement and the amount required by regulation to be credited to the General Fund is taken to the Collection Fund Adjustment Account and included as a reconciling item in the Movement in Reserves Statement.

The Balance Sheet includes the Council's share of the end of year balances in respect of council tax and NDR relating to arrears, impairment allowances for doubtful debts, overpayments and prepayments and appeals.

Where debtor balances for the above are identified as impaired because of a likelihood arising from a past event that payment due under the statutory arrangements will not be made, the asset is written down and a charge made. The impairment loss is measured as the difference between the carrying amount and the revised future cash flows.

7. Employee Benefits

Benefits payable during employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g., cars) for current employees and are recognised as an expense for services in the year in which employees render service to the Council. An accrual is made for the cost of holiday entitlements or time off in lieu, earned by employees but not taken before the year-end, which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which employees take the benefit. The accrual is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date, or an officer's decision to accept voluntary redundancy, and are charged on an accruals basis to the appropriate service segment or, where applicable, to a corporate service segment for non-distributed costs in the Comprehensive Income and Expenditure Statement at the earlier of when the Council can no longer withdraw the offer of those benefits or when the Council recognises costs of restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to relevant accounting standards. In the Movement in Reserves Statement, transfers are required to and from the Pensions Reserve to remove notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post-Employment Benefits

Employees of the Council are members of the Local Government Pension Scheme, administered by Lincolnshire County Council. This scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Council.

The Local Government Pension Scheme

The Local Government Scheme is accounted for as a defined benefits scheme.

The liabilities of the Lincolnshire County Council pension fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the protected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc., and forecasts of projected earnings for current employees.

Liabilities are discounted to their value at current prices, using a discount rate determined by the pension scheme actuary (based on the yield of UK Government Bonds plus a 'credit spread' allowance to reflect the extra risk involved in using AA corporate bond yields).

The assets of the Lincolnshire County Council pension fund attributable to the Council are included in the Balance Sheet at their fair value:

- Quoted securities – current bid price
- Unquoted securities – professional estimate
- Unitised securities – current bid price
- Property – market value.

The change in the net pension's liability is analysed into the following components:

- Current service cost – the increase in the present value of a defined benefit obligation resulting from employee service in the current period – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
- Past service cost – the change in the present value of the defined benefit obligation for the employee service in prior periods, resulting from a plan amendment or a curtailment and any gain or loss on settlement – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs.
- Net interest cost on the net defined benefit liability (asset), i.e. net interest expense for the Council – the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period – taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.
- Re-measurements comprising:
 - the return on plan assets – excluding amounts included in net interest on the defined benefit liability (asset) – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure,
 - actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure,
- Contributions paid to the Local Government Pension Fund – cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are transfers to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pension Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

8. Events After the Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events.
- Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

9. Financial Instruments

Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument. They are initially measured at fair value and carried at their amortised cost. Annual charges for interest payable are shown in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement and are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowings that the Council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable, with accrued interest due within one year shown under short term borrowings; and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the General Fund Balance to be spread over future years. The Council has a policy of spreading the gain or loss over the unexpired life of the original loan. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Financial Assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cash flow characteristics. There are three main classes of financial assets measured at:

- amortised cost
- fair value through profit or loss (FVPL), and
- fair value through other comprehensive income

The Council's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest (i.e., where the cash flows do not take the form of a basic debt instrument).

Financial Assets Measured at Amortised Cost

Financial assets measured at amortised cost are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument. They are initially measured at fair value and carried at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the financial assets held by the Council, this means that the amount presented in the Balance Sheet is the outstanding principal receivable, with interest receivable within one year shown under short term investments and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement.

However, occasionally the Council may make loans to other parties (e.g., voluntary organisations) at less than market rates (soft loans). When soft loans are made, a loss is recorded in the Comprehensive Income and Expenditure Statement for the present value of the interest that will be foregone over the life of the instrument, resulting in a lower amortised cost than the outstanding principal. Interest is credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement at a marginally higher effective rate of interest than the rate receivable, with the difference serving to increase the amortised cost of the loan in the Balance Sheet. Statutory provisions require that the impact of soft loans on the General Fund Balance is the interest receivable for the financial year – the reconciliation of amounts debited and credited to the Comprehensive Income and Expenditure Statement to the net gain required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in the Reserves Statement.

Any gains and losses that arise on the de-recognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Expected Credit Loss Model

The Council recognises expected credit losses on all of its financial assets held at amortised cost (or where relevant FVOCI), either on a 12-month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables (debtors) held by the Authority.

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

The Council has a number of loans to local organisations. It may not have reasonable and verifiable information to support the measurement of lifetime losses on individual loans without undue cost or effort to support the measurement of lifetime expected losses. It has therefore assessed losses for the portfolio on a collective basis.

The Council has grouped the loans into four groups for assessing loss allowances:

- Group 1 – Commercial investments in line with treasury management policy including counterparties that have external credit ratings of A or better. Loss allowances will be assessed on a group basis using the simplified approach of collective assessment.
- Group 2 – Loans to related parties. Loss allowances for these loans are assessed on an individual basis and / or an individual borrower basis.
- Group 3 – Money Market funds. Loss allowance will be assessed on market value of the investment in the fund.

Financial Assets measured at fair Value through Profit and Loss FVPL

Financial assets that are measured at FVPL are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arrive in the Surplus or Deficit on the Provision of Services

The fair value measurements of the financial assets are based on the following techniques:

- Instruments with quoted market prices in active markets for identical assets – the market price
- Other instruments with fixed and determinable payments in active markets for identical assets – discounted cash flow analysis

The inputs to the measurement techniques are categorised in accordance with the following three levels:

- Level 1 inputs – quoted prices (unadjusted) in active markets for identical assets that the Authority can access at the measurement date.
- Level 2 inputs – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.

- Level 3 inputs – unobservable inputs for the asset.

Any gains and losses that arise on de-recognition of the asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

10. Foreign Currency Translation

Where the Council has entered into a transaction denominated in a foreign currency, the transaction is converted into sterling at the exchange rate applicable on the date the transaction was effective. Where material amounts in foreign currency are outstanding at the year-end, they are reconverted at the spot exchange rate at 31 March. Resulting gains or losses, if material, are recognised in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

11. Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and third-party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- The Council will comply with the conditions attached to the payments and
- The grants or contributions will be received.

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

Business Improvement Districts

A Business Improvement District (BID) scheme applies across the whole of the Council. The scheme is funded by BID levy paid by non-domestic ratepayers. The Council acts as a principal under the scheme, and accounts for income received and expenditure incurred (including contributions to the BID project) within the relevant services within the Comprehensive Income and Expenditure Statement.

Community Infrastructure Levy

The Council has elected to charge a Community Infrastructure Levy (CIL). The levy will be charged on new builds (chargeable development for the Authority) with appropriate planning consent. The Council charges for and collects the levy, which is a planning charge. The income from the levy will be used to fund a number of infrastructure projects (these include transport and schools) to support the development of the area.

CIL is received without outstanding conditions; it is therefore recognised at the commencement date of the chargeable development in the Comprehensive Income and Expenditure Statement in accordance with the accounting policy for government grants and contributions set out above. CIL charges will be largely used to fund capital expenditure, however a proportion of the charges may be used to fund revenue expenditure.

12. Intangible Assets

Intangible assets are assets that do not have physical substance but are identifiable and controlled by the Council (e.g., software licences). Expenditure on intangible assets is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Council for a period of more than one year.

Internally generated intangible assets are capitalised where it is demonstrable that the project is technically feasible and is intended to be completed and the Council will be able to generate future economic benefits or deliver service potential by being able to sell or use the asset. Expenditure is capitalised where it can be measured reliably as attributable to the asset and is restricted to that incurred during the development phase (research expenditure cannot be capitalised).

Expenditure on the development of the Council's website is not capitalised as the website is primarily intended to promote or advertise the Council's services.

Intangible assets are measured initially at cost. Amounts are only re-valued where the fair value of the assets can be determined by reference to an active market. In practice, no intangible asset held by the Council meets this criterion, and they are therefore carried at amortised cost.

Intangible assets are amortised over their useful life and charged to the relevant service lines in the Comprehensive Income and Expenditure. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

13. Interests in Companies and other Entities

Councils are required to produce Group Accounts to include services offered to Council Tax payers by organisations other than the Council itself but in which the Council has an interest. There are a number of criteria set out by which the Council must determine whether the value of the company and the Council's interest is significant enough for Group Accounts to be produced. The Council has complied with the Code of Practice on Local Authority Accounting, and while it has identified a company over which it has joint control, it has concluded that the company does not meet the criteria that would require consolidation into the Council's accounts on materiality grounds.

14. Inventories and Long-Term Contracts

Inventories are included in the Balance Sheet at the lower of cost and net realisable value. The cost of inventories is assigned using either the FIFO or weighted average costing formula.

Long term contracts are accounted for on the basis of charging the Surplus and Deficit on the Provision of Services with the value of works and services received under the contract during the financial year.

15. Investment Property

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services.

Investment properties are measured initially at cost and subsequently at fair value, based on the highest and best use value of the asset. Investment properties are not depreciated but are re-valued annually according to market conditions to ensure that they are held at the highest and best use value on the Balance Sheet date. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income and Expenditure line and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

16. Joint Operations

Joint Operations are arrangements where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement. The activities undertaken by the Council in conjunction with other joint operators involve the use of the assets and resources of those joint operators. In relation to its interest in a joint operation, the Council as a joint operator recognises:

- Its assets, including its share of any assets held jointly.
- Its liabilities, including its share of any liabilities incurred jointly.
- Its revenue from the sale of its share of the output arising from the joint operation.
- Its share of the revenue from the sale of the output by the joint operation.
- Its expenses, including its share of any expenses incurred jointly.

17. Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The Council as Lessee

Finance Leases

Property, plant and equipment held under finance leases is recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by a liability for the obligation to pay the lessor. Initial direct costs of the Council are added to the carrying amount of the asset. Premiums paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Lease payments are apportioned between:

- A charge for the acquisition of the interest in the property, plant or equipment – applied to write down the lease liability, and
- A financing charge (debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

Property, Plant and Equipment recognised under finance leases is accounted for using the policies applied generally to such assets, subject to depreciation being charged

over the lease term if this is shorter than the asset's estimated useful life (where ownership of the asset does not transfer to the Council at the end of the lease period).

The Council is not required to raise council tax to cover depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual contribution (Voluntary Revenue Provision - VRP) is made from revenue funds towards the deemed capital investment in accordance with statutory requirements. Depreciation and revaluation and impairment losses are therefore substituted by the VRP in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

Operating Leases

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the service benefiting from use of the leased asset. Charges are made on a straight-line basis over the term of the lease, even if this doesn't match the pattern of payments.

The Council as Lessor

Finance Leases

Where the Council grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain and loss on disposal. A gain, representing the Council's net investment in the lease, is credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e., netted off against the carrying value of the asset at the time of disposal), matched by a long-term lease debtor in the Balance Sheet.

Lease rentals receivable are apportioned between:

- A charge for the acquisition of the interest in the property – applied to write down the lease debtor (together with any premiums received), and
- Finance income (credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

The gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the General Fund Balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund Balance to the Capital Receipt Reserve in the Movement in Reserves Statement. Where the amount due in relation to the leased asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund Balance to the Deferred Capital Receipts Reserve in the Movement in Reserves Statement. When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the Capital Receipts Reserve.

The written-off value of disposals is not a charge against council tax, as the cost of assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserve Statement.

Operating Leases

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease. Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

18. Overheads and Support Services

The cost of overheads and support services are charged to service segments in accordance with the Council's arrangements for accountability and financial performance.

19. Non-Current Assets – Property, Plant and Equipment

Assets that have physical substance and are held for use in the supply of services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant or Equipment is capitalised on an accrual's basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e., Repairs and maintenance) is charged as an expense when it is incurred.

Measurement

Assets are initially measured at cost, comprising:

- The purchase price.
- Any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The Council does not capitalise borrowing costs incurred whilst assets are under construction.

The cost of assets acquired other than by purchase is deemed to be its current value, unless the acquisition does not have commercial substance (i.e., it will not lead to a variation in the cash flows of the Council). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Council.

Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-Specific Grant Income line of the Comprehensive Income and Expenditure Statement, unless the donation has been made conditionally. Until conditions are satisfied, the gain is held in the Donated Assets Account. Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement.

Assets are then carried in the Balance Sheet using the following measurement bases:

- Infrastructure, community assets and assets under construction – depreciated historical cost.
- Dwellings – current value, determined using the basis of existing use value for social housing (EUV-SH)
- Investment properties and surplus assets – the current value measurement base is fair value, estimated at highest and best use from a market participant's perspective.
- All other assets – current value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV).

Where there is no market-based evidence of current value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of current value.

For non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for current value.

Assets included in the Balance Sheet at current value are re-valued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. However, in exceptional circumstances, gains may be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged to services.

When decreases in value are identified, they are accounted for as follows:

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance, up to the amount of the accumulated gains.
- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service lines in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are reviewed at each year-end for evidence of reductions in value i.e., impairment. Where impairment is identified, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

When impairment losses are identified, they are accounted for as follows:

- Where there is a balance in the revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance, up to the amount of the accumulated gains.
- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e., freehold land and certain Community Assets) and assets that are not yet available for use (i.e. assets under construction).

Depreciation is calculated on the following bases:

- Dwellings and Other buildings – straight-line allocation over the useful life of the property as estimated by the Valuer.
- Vehicles, plant, furniture and equipment – straight-line allocation over the useful life of each class of asset

Where an item of property, plant or equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately.

In relation to Council Dwellings, depreciation is based on the Existing Use Social Housing Value (EU-SHV) on the components, deemed to be land and buildings.

Revaluation gains are also depreciated, with an amount equal to the difference between the current value depreciation charge on assets and the depreciation that

would have been charged based on their historical cost, being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

20. Heritage Assets

The Council holds a number of Heritage Assets, which can be grouped into the following categories:

- Civic Insignia
- Art and Sculptures
- Musical Instruments
- Vehicles
- Ancient Monuments and War Memorials
- Miscellaneous

These are not held in a single collection but in a number of appropriate locations, where they are considered to contribute to increasing the knowledge, understanding and appreciation of the Council's history and local area.

Heritage Assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Council's accounting policies on Property, Plant and Equipment. However, some of the measurement rules are relaxed in relation to heritage assets as detailed below.

- **Civic Insignia**

The collection of civic insignia includes the Mayor's and Sheriff's badges and chains of office, mace and ceremonial swords. These items are reported in the Balance Sheet at insurance valuation which is based on market values. These insurance valuations are subject to periodic reviews by a specialist valuer. The civic insignia are deemed to have indeterminate lives and a high residual value; hence the Council does not consider it appropriate to charge depreciation.

- **Art and Sculptures**

This category includes paintings and a number of public art works such as statues and sculptures. Where a valuation is available e.g., an insurance valuation, the asset is reported in the balance sheet at this valuation. However, for a number of public art sculptures and statues, no cost or valuation information is available and consequently, these assets are not recognised in the balance sheet. Where artworks are recognised, they are deemed to have indeterminate lives and the Council does not consider it appropriate to charge depreciation.

- **Musical Instruments**

The Council holds a Steinway grand piano on loan to Lincoln College and a Stradivarius violin, which is on loan to the Halle orchestra. These items are not held on our balance sheet as they are deemed to be controlled by the loanee.

- **Vehicles**

The Council holds one diesel locomotive as a heritage asset. This is reported in the Balance Sheet at insurance valuation which is based on market values. The insurance valuations are subject to periodic reviews by a specialist valuer. The vehicle is deemed to have indeterminate life as it is not in operation but is on display; hence the Council does not consider it appropriate to charge depreciation.

- **Ancient Monuments and War Memorials**

This category includes various roman ruins and ancient structures and four war memorials. The Council does not consider that reliable cost or valuation information can be obtained for the items in this category. This is because of the nature of the assets held and the lack of market values. Consequently, these assets are not recognised in the Balance Sheet.

- **Miscellaneous**

This category includes any other assets which are being held for their contribution to knowledge and culture but do not readily fall into the above categories. One example is the collection of Books of Remembrance held at the City crematorium. These items are reported in the Balance Sheet at either cost or insurance valuation where material. No depreciation is charged on these assets.

Heritage Assets – General

The carrying amounts of heritage assets are reviewed where there is evidence of impairment e.g., where an item has suffered physical deterioration or breakage or where doubts arise as to its authenticity. Any impairment is recognised and measured in accordance with the Council's accounting policies on impairment. The Council may occasionally dispose of heritage assets which are unsuitable for public display or to an appropriate body which will ensure the asset is maintained and displayed within a suitable collection e.g., to a museum or historical trust. The proceeds of such items are accounted for in accordance with the Council's accounting policy on disposal of Property, Plant and Equipment. Disposal proceeds are disclosed separately in the notes to the financial statements and are accounted for in accordance with statutory accounting requirements relating to capital expenditure and capital receipts.

21. Disposals and Non-Current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale.

The asset is re-valued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previously recognised losses in the Surplus and Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale; adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale, and their recoverable amount at the date of the decision not to sell.

Assets that are to be abandoned or scrapped are not reclassified as assets held for sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from the disposal (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e., netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. A proportion of receipts relating to housing disposals (75% for dwellings, 50% for land and other assets, net of statutory deductions and allowances) is payable to the Government. The balance of receipts is required to be credited to the Capital Receipts Reserve and can then only be used for new capital investment or set aside to reduce the Council's underlying need to borrow. Receipts are transferred to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against council tax, as the cost of assets is fully provided under separate arrangements for capital financing. Amounts are transferred to the Capital Adjustment Account in the General Fund Balance in the Movement in Reserves Statement.

22. Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits, and a reliable estimate can be made of the amount of the obligation. For instance, the Council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Council becomes aware of the obligation and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial

year – where it becomes less than probable that a transfer of economic benefits will not now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g., from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that the reimbursement will be received if the Council settles the obligation.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits.

23. Reserves

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by transferring amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, and retirement and employee benefits and do not represent usable resources for the Council – these reserves are explained in the relevant policies.

24. Revenue Expenditure Funded from Capital under Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Where the Council has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in

the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of council tax.

25. VAT

VAT payable is included as an expense only to the extent that it is not recoverable from HM Revenue and Customs. VAT receivable is excluded from income.

26. Fair Value

The Council measures some of its non-financial assets, such as surplus assets and investment properties, and some of its financial instruments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The Council measures the fair value of an asset or liability on the same basis that market participants would use when pricing an asset or liability (assuming they were acting in their economic best interest).

When measuring the fair value of a non-financial asset, the Council takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Council uses appropriate valuation techniques, which takes into account the three levels of inputs to valuations for fair value assets:

- Level 1 – quoted prices in active markets for identical assets or liabilities that the Council can assess at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – unobservable inputs for the asset or liability.

Note 2 – Accounting Standards Issued but Have Not Yet Been Adopted

The Code of Practice requires that the Authority discloses information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted.

The standards introduced by the 2023/24 Code where disclosures are required in the 2022/23 financial statements in accordance with the requirements of paragraph 3.3.4.3 of the Code are:

- a) IFRS 16 Leases (but only for those local authorities that have decided to voluntarily implement IFRS 16 in the 2023/24 year).
- b) Where an authority adopted IFRS 16 in 2022/23 but chose to defer implementation of IFRS 16 to PFI/PPP arrangements until 2023/24 information on that more specific accounting change will be required in its 2022/23 statements of accounts.
- c) Definition of Accounting Estimates (Amendments to IAS 8) issued in February 2021.
- d) Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) issued in February 2021.
- e) Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) issued in May 2021. f) Updating a Reference to the Conceptual Framework (Amendments to IFRS 3) issued in May 2020.

These changes are not expected to have a material impact.

Note 3 – Critical Judgements in Applying Accounting Policies

In applying the accounting policies in Note 1, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events.

The critical judgements made in the Statement of Accounts are:

- **Local Government funding** - There is a high degree of uncertainty about the future levels of funding for local government. However, the Council has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Council might be impaired as a result of a need to close facilities or reduce levels of service provision. The provisions in the Code on the going concern requirements reflect the economic and statutory environment in which local authorities operate.
- **Group Boundaries** - The Council has a collaborative arrangement with Lincolnshire County Council, North Kesteven and West Lindsey District Council to provide the Central Lincolnshire Joint Planning Unit. This arrangement is hosted by North Kesteven District Council. The Council also has a collaborative arrangement with North Kesteven to provide a shared Revenues and Benefits Service. This shared service is hosted by the City of Lincoln Council. Both of these arrangements are governed through a Joint Committee representing each of the partner authorities. These arrangements are considered as a Joint Operation, where ventures use their own resources to undertake an activity subject to joint control, and as such do not require consolidation into the Council's accounts. The Council's proportion of activity is accounted for separately within the Core Financial Statements.
- **Leases** - The Council has examined its leases and classified them as either operational or finance leases. In some cases, the lease transaction is not always conclusive, and the Council uses judgement in determining whether the lease is a finance lease arrangement that transfers substantially all the risks and rewards incidental to ownership. In reassessing the lease, the Council has estimated the implied interest rate within the lease to calculate interest and principal payments.

Note 4 – Assumptions Made about the Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet as at 31 March 2023 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Business Rates (Balance Sheet 31 March 2023 – Provision for Business Rate Appeals £1.852m)	Since the introduction of the Business Rates Retention Scheme effective from April 2013, local authorities are liable for successful appeals against business rates charges to businesses in 2022/23 and earlier financial years in their proportionate share. Therefore, a provision has been recognised for the best estimate of the amount that businesses have been overcharged up to the 31 st March 2023. A third-party independent specialist has been used to estimate the required provision using the latest Valuation Office ratings list of appeals and an analysis of successful appeals to date.	The Council's share (40%) of the balance of business rates appeals as at 31 March 2023 amounted to £1.852m, a decrease of £0.215m (10%) from the previous year. An increase or reduction of 10% of the estimated provision would increase/decrease the Council's share of NNDR appeals provision by £0.185m.
Property, Plant and Equipment (PPE) (Balance Sheet 31 March 2023 – PPE £444m)	Assets are depreciated over useful lives that are dependent on assumptions about the levels of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Council will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to the assets. Operational property assets are valued at the Balance Sheet date in accordance with the Royal Institute of Chartered Surveyors valuation standards and guidance. This involves the use of a number of estimation techniques including various property indices. These estimates can fluctuate as property market values and prices change in response to events.	If the useful lives of the assets reduce, depreciation increases and the carrying amount of the assets falls. It is estimated that the annual depreciation charge for buildings would increase by £0.079m and for council dwellings £0.254m for every year that the useful lives had to be reduced. The Gross Book Value (GBV) of the Council's operational property assets is £471m at 31 March 2023. A 1% change in these asset valuations would result in a £4.71m change in their GBV.
Assets held for sale and investment properties	Assets classified as Held for Sale or as Investment Property are carried at fair value based on a recently observed	A 1% increase / decrease in the value of investment properties and assets held for sale would

<p>(Balance Sheet 31 March 2023</p> <ul style="list-style-type: none"> - assets held for sale £1.5m - Investment properties £36.6m) 	<p>market price. Market prices can fluctuate considerably due to global events. The value of these assets was current at the Balance Sheet date, but it cannot be determined for how long this value will be correct.</p>	<p>result in a gain / charge to the Comprehensive Income & Expenditure Statement of £0.381m.</p>
<p>Arrears</p> <p>Balance Sheet 31 March 2023 - Debtors total of £20.559m includes £4.014m debtors (subject to arrears)</p>	<p>As at 31 March 2023, the Council had a balance on current debtors of £20.559m. A review of significant balances suggested that an impairment of doubtful debts of £4.014m was required.</p>	<p>If collection rates were to deteriorate by 5% the amount of the impairment of doubtful debts would require an additional £0.201m to be set aside as an allowance.</p>
<p>Pension Liability</p> <p>(Balance Sheet 31 March 2023 - pensions liability £7.796m)</p>	<p>Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and the expected return on pension fund assets. A firm of consulting actuaries (Barnett Waddingham) is engaged to provide the Council with expert advice about the assumptions to be applied. For more information on the Defined Benefit Pension Scheme please refer to note 44.</p>	<p>The effects on the net pensions' liability of changes in individual assumptions can be measured. For instance, a 0.5% decrease in the discount rate assumption would result in an increase in the pension liability of £14.257m.</p>
<p>Investments</p> <p>(Balance Sheet 31 March 2023</p> <p>Short Term - £36.932m</p> <p>Long Term - £0.824m)</p>	<p>At 31 March 2023, the Council held £36.932m of short-term investments. These include £14.685m invested in AAA-rated instant access Money Market Funds and £22m invested in A-rated UK institutions, all for periods of up to 1 year.</p>	<p>As most of the investments are either in AAA-rated MMF's or short-term deposits in A-rated UK banks, the risk of impairment is considered to be minimal.</p>
<p>Pension Fund Property Investment Assets</p> <p>Balance Sheet 31 March 2023 – Property Investment Assets £11.653m</p>	<p>The Council's net pension liability disclosed at note 44 includes an estimate of the total value of the Council's share of the Lincolnshire Pension Fund investment assets.</p>	<p>Less certainty and a higher degree of caution should be attached to the Council's share of these pension fund assets. The Council's actuary has estimated that the value of the Council's share of property investment assets as at 31 March 2023 was £11.653m.</p>

Note 5 – Prior Period Adjustment

None

Note 6 – Events after the Balance Sheet Date

The Statement of Accounts was authorised for issue by the Chief Finance Officer on 31 May 2023. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31st March 2023, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

Note 7 – Expenditure and Funding Analysis

2021/22				2022/23				
Net Expenditure Chargeable to General Fund and HRA Balances	Movement of Trading A/C's & Levies etc.	Adjustments Between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement		Net Expenditure Chargeable to General Fund and HRA Balances	Movement of Trading A/C's & Levies etc.	Adjustments Between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000
6,722	(1,032)	1,036	6,726	Chief Executive's Directorate	9,420	(3,113)	509	6,816
397	0	234	631	Housing and Regeneration	1,049	0	67	1,116
(1,600)	0	(20,005)	(21,605)	Housing Revenue Account (HRA)	(9,124)	0	(15,798)	(24,922)
6,556	0	3,498	10,054	Communities and Environment	8,602	0	213	8,815
689	0	178	867	Major Developments	4,037	0	108	4,146
(389)	871	0	482	Corporate Services	(471)	922	0	451
12,374	(161)	(15,058)	(2,845)	Net Cost of Services	13,515	(2,191)	(14,901)	(3,578)
(4,792)	161	(11,700)	(16,331)	Other Income and Expenditure	(8,992)	2,191	(14,938)	(21,739)
7,583	0	(26,759)	(19,176)	(Surplus) or Deficit on Provision of Services	4,522	0	(29,839)	(25,317)
	GF	HRA	Total			GF	HRA	Total
	(28,711)	(1,074)	(29,785)	Opening Balance		(21,172)	(1,030)	(22,202)
	7,539	44	7,583	Less/ Plus Surplus or (Deficit) in Year		4,684	(161)	4,523
	(21,172)	(1,030)	(22,202)	Closing Balance at 31 March		(16,488)	(1,191)	(17,679)

This analysis shows how annual expenditure is used and funded from resources (government grants, council tax and business rates) by Councils in comparison with those resources consumed or earned by Councils in accordance with generally accepted practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the Council's different categories of expenditure and income. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement. Further analysis can be found in Note 8.

Note 7A – Note to the Expenditure and Funding Analysis

This note provides a reconciliation of the main adjustments to Net Expenditure Chargeable to the General Fund and HRA Balances to arrive at the amounts in the Comprehensive income and Expenditure Statement. The relevant transfers between reserves are explained in the Movement in Reserves Statement.

ADJUSTMENTS BETWEEN FUNDING AND ACCOUNTING BASIS								
2021/22				Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	2022/23			
Adjustments for Capital Purposes	Net Change for the Pensions Adjustments	Other Differences	Total Adjustments		Adjustments for Capital Purposes	Net Change for the Pensions Adjustments	Other Differences	Total Adjustments
£'000s	£'000s	£'000s	£'000s		£'000s	£'000s	£'000s	£'000s
278	782	(23)	1,036	Chief Executive's Directorate	272	320	(20)	509
0	240	(6)	234	Housing and Regeneration	0	112	(23)	67
(21,622)	1,654	(37)	(20,005)	Housing Revenue Account (HRA)	(16,568)	923	(29)	(15,798)
2,911	625	(37)	3,498	Communities and Environment	1,941	270	(11)	213
91	84	3	178	Major Developments	91	26	(3)	108
0	0	0	0	Corporate	0	0	0	0
(18,343)	3,385	(101)	(15,058)	Net Cost of Services	(16,198)	1,384	(87)	(14,901)
(5,484)	1,344	(7,560)	(11,700)	Other Income & Expenditure from the Funding Analysis	(11,079)	804	(4,663)	(14,938)
(23,827)	4,729	(7,661)	(26,759)	Difference between General Fund Surplus/ Deficit and CIES Income & Expenditure Statement Surplus/ Deficit	(27,277)	2,188	(4,750)	(29,839)

Note 7B – Segmental Income Analysis

Income received on a segmental basis is analysed below:

	Income from Services	Income from Services
Services	2021/22	2022/23
	£'000s	£'000s
Chief Executive's Directorate	(5,891)	(6,298)
Housing & Regeneration	(1,103)	(1,450)
Housing Revenue Account (HRA)	(29,593)	(31,243)
Communities & Environment	(11,818)	(12,459)
Major Developments	(621)	(596)
Corporate	0	0
Total Income analysed on a Segmental Basis	(49,026)	(52,046)

Note 8 – Expenditure and Income Analysed by Nature

The Authority's expenditure and income is analysed as follows:

	2021/22	2022/23
	£'000s	£'000s
Expenditure/ Income		
Expenditure		
Employee Benefit Expenses	27,188	27,732
Other Services Expenses	65,259	73,159
Depreciation, Amortisation and Impairment	(5,757)	(11,289)
REFCUS	1,677	4,461
Interest Payments	5,875	5,106
Precepts and Levies	871	923
Payments to Housing Capital Receipts Pool	529	0
Total Expenditure	95,642	101,092
Income		
Fees, Charges and other Service Income	(63,412)	(68,663)
Interest and Investment Income	(81)	(1,171)
Income from Council Tax and Non-Domestic Rates	(12,423)	(13,187)
Government Grants and Contributions	(37,969)	(42,783)
Gain/Loss on Disposal	(934)	(604)
Total Income	(114,819)	(126,409)
Surplus or Deficit on the Provision of Services	(19,177)	(25,317)

Note 9 – Adjustment between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Council in year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

The following sets out a description of the reserves that the adjustments are made against.

General Fund Balance

The General Fund is the statutory fund into which all the receipts of an authority are required to be paid and out of which all liabilities of the Authority are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund Balance, which is not necessarily in accordance with proper accounting practice. The General Fund Balance therefore summarises the resources that the Council is statutorily empowered to spend on its services or on capital investment (or the deficit of resources that the Council is required to recover) at the end of the financial year (the balance is not available to be applied to funding HRA services).

Housing Revenue Account Balance

The Housing Revenue Account Balance reflects the statutory obligation to maintain a revenue account for local authority council housing provision in accordance with Part VI of the Local Government and Housing Act 1989. It contains the balance of income and expenditure as defined by the 1989 Act that is available to fund future expenditure in connection with the Council's landlord function or (where in deficit) that is required to be recovered from tenants in future years.

Major Repairs Reserve

The Authority is required to maintain the Major Repairs Reserve, which controls an element of the capital resources limited to being used on capital expenditure on HRA assets or the financing of historical capital expenditure by the HRA. The balance shows the capital resources that have yet to be applied at the year-end.

Capital Receipts Reserve

The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources that have yet to be applied for these purposes at the year-end.

Capital Grants Unapplied

The Capital Grants Unapplied Account (Reserve) holds the grants and contributions received towards capital projects for which the Council has met the conditions that would otherwise require repayment of the monies, but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital

expenditure against which it can be applied and/or the financial year in which this can take place.

2022/23	Usable Reserves					
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Movement In Unusable Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Adjustments to Revenue Resources						
Amounts by which income and expenditure included in the Comprehensive Income Statement are different from revenue for the year calculated in accordance with statutory requirements:						
Pensions costs (transferred to (or from) the Pensions Reserve)	1,389	799	0	0	0	2,188
Financial Instruments (transferred to the Financial Instruments Adjustments Account)	(2)	0	0	0	0	(2)
Council Tax and NNDR transfers to (or from) the Collection Fund Adjustment Account	(4,661)	0	0	0	0	(4,661)
Holiday Pay (transferred to the Accumulated Absences Reserve)	(58)	(29)	0	0	0	(87)
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	(3,323)	(17,748)	0	7,862	9,941	(3,291)
Total Adjustments to Revenue Resources	(6,679)	(16,978)	0	7,862	9,941	(5,853)
Adjustments between Revenue and Capital Resources						
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve		(3,239)	3,239	0	0	0
Admin costs of RTB	0	66	(66)	0	0	0
Payments to the Government Housing Receipts Pool (funded by a transfer from the Capital Receipts Reserve)	0	0	0	0	0	0
Posting of HRA resources to the Major Repairs Reserve	0	(1,459)	0	1,459	0	0
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	(824)	0	0	0	0	(824)
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	(62)	(688)	0	0	0	(750)

2022/23	Usable Reserves					
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Movement In Unusable Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Total Adjustments between Revenue and Capital Resources	(863)	(5,320)	3,173	1,459	0	(1,551)
Adjustments to Capital Resources						
Use of the Capital Receipts Reserve to finance capital expenditure	0	0	(1,934)	0	0	(1,934)
Use of the Major Repairs Reserve to finance capital expenditure	0	0	0	(6,778)	0	(6,778)
Application of Capital grants to finance capital expenditure	0	0	0	0	(10,330)	(10,330)
Total Adjustments to Capital Resources	0	0	(1,934)	(6,778)	(10,330)	(19,042)
Total Adjustments	(7,542)	(22,298)	1,239	2,544	(390)	(26,446)

2021/22	Usable Reserves					
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Movement In Unusable Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Adjustments to Revenue Resources						
Amounts by which income and expenditure included in the Comprehensive Income Statement are different from revenue for the year calculated in accordance with statutory requirements:						
Pensions costs (transferred to (or from) the Pensions Reserve)	3,075	1,654	0	0	0	4,728
Financial Instruments (transferred to the Financial Instruments Adjustments Account)	(2)	0	0	0	0	(2)
Council Tax and NNDR transfers to (or from) the Collection Fund Adjustment Account	(7,558)	0	0	0	0	(7,558)
Holiday Pay (transferred to the Accumulated Absences Reserve)	(64)	(37)	0	0	0	(101)
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	1,026	(18,142)	0	7,425	7,892	(1,799)
Total Adjustments to Revenue Resources	(3,524)	(16,525)	0	7,425	7,892	(4,732)
Adjustments between Revenue and Capital Resources						
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	(30)	(3,257)	3,287	0	0	0
Payments to the Government Housing Receipts Pool (funded by a transfer from the Capital Receipts Reserve)	0	72	(72)	0	0	0
Admin Costs of RTB	529	0	(529)	0	0	0
Posting of HRA resources to the Major Repairs Reserve	0	(2,365)	0	2,365	0	0
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	(1,444)	0	(150)	0	0	(1,594)
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	(194)	(21)	0	0	0	(215)
Total Adjustments between Revenue and Capital Resources	(1,139)	(5,572)	2,537	2,365	0	(1,809)

Adjustments to Capital Resources						
Use of the Capital Receipts Reserve to finance capital expenditure	0	0	(1,340)	0	0	(1,340)
Use of the Major Repairs Reserve to finance capital expenditure	0	0	0	(3,842)	0	(3,842)
Application of Capital grants to finance capital expenditure	0	0	0	0	(9,821)	(9,821)
Total Adjustments to Capital Resources	0	0	(1,340)	(3,842)	(9,821)	(15,003)
Total Adjustments	(4,662)	(22,097)	1,196	5,949	(1,929)	(21,544)

Note 10 – Movements in Earmarked Reserves

These amounts are held to meet expenditure in future financial years. The movements on these Revenue Reserve Accounts during the year have been as follows:

	Balance @ 31.03.21 £'000	Movements	Appropriations		Balance @ 31.03.22 £'000	Movements	Appropriations		Balance @31.03.23 £'000
			Transfers In £'000	Transfers Out £'000			Transfers In £'000	Transfers Out £'000	
General Fund									
Business Rates Volatility	13,376	0	3,856	(11,666)	5,566	0	0	(5,132)	434
Council Tax Hardship Fund	531	0	0	(319)	213	0	0	(213)	0
Budget Carry Forwards	482	0	298	(113)	667	0	219	(369)	518
Grants & Contributions	1,385	0	754	(206)	1,932	0	125	(613)	1,446
Invest to Save (GF)	453	0	60	(414)	100	0	1	(63)	37
Strategic Growth (GF)	17	0	0	(12)	5	0	0	(5)	0
Unused DRF	341	0	45	(182)	204	0	0	(40)	164
Funding for Strategic Priorities	174	0	0	(85)	89	0	0	(89)	0
HiMO CPN Appeals	0	0	47	0	47	0	141	(19)	169
Income Volatility Reserve	0	0	320	0	320	0	0	0	320
Inflation Volatility Reserve	0	0	150	0	150	0	316	0	466
IT Reserve	124	0	167	(72)	219	0	65	0	284
Revenues & Benefits	0	0	25	0	25	0	0	0	25
Tree Risk Assessment	97	0	19	(32)	84	0	50	(31)	102
Vision2025	204	0	809	(312)	701	0	45	(212)	533
Lincoln Lottery Reserve	9	0	0	0	9	0	0	0	9
Mayoral Car	27	0	0	0	27	0	0	(20)	7
Active Nation Bond Reserve	180	0	200	0	380	0	0	(200)	180
AGP Sinking Fund	2	0	50	0	52	0	0	0	52
Private Sector Stock	27	0	12	0	39	0	12	0	51
Corporate Training	60	0	0	0	60	0	0	0	60
Corporate Maintenance	0	0	0	0	0	0	100	0	100
Professional Trainee Scheme	0	0	0	0	0	0	90	0	90
Section 106 Interest	32	0	0	0	32	0	0	0	32
Christmas Decorations	14	0	0	0	14	0	0	0	14
Electric Van Replacement	19	0	4	0	24	0	4	(2)	27

	Balance @ 31.03.21 £'000	Movements	Appropriations		Balance @ 31.03.22 £'000	Movements	Appropriations		Balance @31.03.23 £'000
			Transfers In £'000	Transfers Out £'000			Transfers In £'000	Transfers Out £'000	
Air Quality Initiatives	11	0	6	0	16	0	6	0	22
Commons Parking	20	0	10	(29)	1	0	12	0	13
Tank Memorial	10	0	0	0	10	0	0	0	10
Mercury Abatement	317	0	0	(317)	0	0	0	0	0
City Hall Sinking Fund	60	0	0	0	60	0	0	0	60
City Hall Improvement	0	0	0	0	0	0	50	0	50
Birchwood Leisure Centre	46	0	20	0	66	0	20	0	86
Staff Wellbeing	0	0	0	0	0	0	28	0	28
Covid Recovery Reserve	1,047	0	0	0	1,047	0	0	0	1,048
Covid Response	354	0	0	0	354	0	0	0	354
CX Capacity Reserve	0	0	0	0	0	0	100	0	100
MSCP & Bus Station	60	0	44	0	104	0	45	0	149
Western Growth Corridor Plan	80	0	0	(30)	49	0	0	(49)	0
Total General Fund	19,563	0	6,897	(13,792)	12,668	0	1,430	(7,057)	7,040
Farmarked Reserves									
HRA									
De Wint Court	73	0	0	0	73	0	0	0	73
De Wint Court Sinking Fund	0	0	0	0	0	0	10	0	10
Capital Fees Equalisation	110	0	0	0	110	0	0	0	110
NSAP/RSAP Sinking Fund	0	0	0	0	0	0	9	0	9
HRA Strategic Priority Reserve	722	0	0	(140)	582	0	240	(58)	764
Disrepair Management	0	0	300	0	300	0	0	0	300
HRA Business Plan	0	0	77	0	77	0	100	0	177
Tenant Satisfaction Survey	0	0	0	0	0	0	22	0	22
HRA Survey Works	54	0	0	(54)	0	0	0	0	0
Stock Retention	22	0	0	(22)	0	0	0	0	0
HRA IT Reserve	0	0	0	0	0	0	135	0	135
Strategic Growth Reserve	26	0	0	(21)	5	0	0	0	5
Invest to Save (HRA)	133	0	160	(40)	253	0	240	(77)	416
HRA Repairs Account	1,351	0	0	0	1,351	0	0	0	1,351
Housing Repairs Service	126	0	0	0	126	0	11	0	137

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	Balance @ 31.03.21 £'000	Movements	Appropriations		Balance @ 31.03.22 £'000	Movements	Appropriations		Balance @31.03.23 £'000
			Transfers In £'000	Transfers Out £'000			Transfers In £'000	Transfers Out £'000	
Total HRA Earmarked Reserves	2,617	0	537	(277)	2,877	0	767	(135)	3,509
Total Earmarked Reserves	22,180	0	7,434	(14,069)	15,545	0	2,197	(7,192)	10,549
Insurance Fund	3,862	0	0	(432)	3,431	0	417	(324)	3,523
Total Earmarked Reserves	26,043	0	7,434	(14,501)	18,975	0	2,614	(7,516)	14,073

Insurance Reserve

The insurance fund has been set up to ensure adequate funding for the insurance risk covered by the City of Lincoln Council. In **2022/23** the risk in respect of Public Liability Insurance had an excess of £100,000 (per claim) with no cap ceiling. The movements on the fund are as follows:

2021/22		2022/23
£'000		£'000
3,862	Opening Balance	3,430
(282)	Funding of claims/losses	(324)
(150)	Contributions from revenue	417
3,431	Closing Balance	3,523

Note 11 – Other Operating Expenditure

2021/22		2022/23
£'000		£'000
871	Levies	923
529	Payments to the Government Housing Capital Receipts Pool	0
(934)	(Gains)/losses on the disposal of non-current assets	(604)
467	Total	318

Note 12 – Financing and Investment Income and Expenditure

2021/22		2022/23
£'000		£'000
3,797	Interest payable and similar charges	3,840
2,077	Net interest on the net defined liability	1,266
(1,032)	Interest receivable and similar income	(3,112)
4,842	Total	1,994

Note 13 – Taxation and Non-Specific Grant Income

2021/22		2022/23
£'000		£'000
(7,047)	Council Tax income	(7,261)
(5,351)	Retained Business Rates income and expenditure	(5,927)
(1,328)	Non service related government grants	(899)
(23)	RSG	(24)
(7,892)	Capital grants and contributions	(9,941)
(21,641)	Total	(24,051)

Note 14 – Non-Current Assets including Property, Plant & Equipment, Investment Properties and Intangible Assets

The movement in the Council's Assets during the year was as follows:

Movements in 2022/23										
	Council Dwellings	Land & Buildings	Vehicles Plant & Equip	Community Assets	Surplus Assets	Assets Under Construction	Property Plant & Equip Subtotal	Intangible Assets	Investment Properties	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation										
At 1 April 2022	299,437	79,721	11,157	6,692	21,490	5,705	424,202	2,074	36,016	462,292
Additions	7,762	861	322	808	0	9,645	19,399	0	0	19,399
Revaluation increases/ (decreases) recognised in the Revaluation Reserve	16	1,166	0	0	(252)	0	930	0	0	930
Revaluation increases/ (decreases) recognised in the Surplus/Deficit on the Provision of Services	11,932	(44)	0	0	313	0	12,201	0	562	12,763
De-recognition and disposals	(2,611)	(23)	0	0	0	0	(2,634)	0	0	(2,634)
Other movements in cost or valuation	6,090	(891)	0	0	(402)	(4,797)	0	0	0	0
At 31 March 2023	322,627	80,789	11,479	7,500	21,149	10,553	454,098	2,074	36,578	492,750
Depreciation										
At 1 April 2022	0	(1,824)	(5,780)	(119)	0	0	(7,723)	(1,868)	0	(9,591)
Depreciation/amortisation for year	(7,543)	(1,638)	(762)	0	0	0	(9,943)	(119)	0	(10,062)
Depreciation written out to the Revaluation Reserve	0	50	0	0	0	0	50	0	0	50

Movements in 2022/23										
Depreciation written out to the Surplus/Deficit on the Provision of Services	7,458	137	0	0	0	0	7,594	0	0	7,594
Impairment losses/(reversals) recognised in the Revaluation Reserve	0	0	0	0	0	0	0	0	0	0
De-recognition – disposals	65	0	0	0	0	0	65	0	0	65
De-recognition – other	0	0	0	0	0	0	0	0	0	0
Other movements in cost or valuation	0	0	0	0	0	0	0	0	0	0
At 31 March 2023	(20)	(3,276)	(6,542)	(119)	0	0	(9,956)	(1,986)	0	(11,943)
Net book value of assets at 31.03.23	322,607	77,513	4,937	7,381	21,149	10,553	444,141	88	36,578	480,807
Net book value of assets at 31.03.22	299,437	77,897	5,377	6,573	21,490	5,705	416,478	207	36,016	452,701
Owned	322,607	77,513	4,937	7,381	21,149	10,553	444,141	88	36,578	480,807

Movements in 2021/22										
	Council Dwellings	Land & Buildings	Vehicles Plant & Equip	Community Assets	Surplus Assets	Assets Under Construction	Property Plant & Equip Subtotal	Intangible Assets	Investment Properties	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation										
At 1 April 2021	274,502	81,265	9,169	5,918	20,967	8,241	400,062	1,992	34,203	436,256
Additions	12,398	1,265	1,961	774	0	3,755	20,153	64	0	20,218
Revaluation increases/ (decreases) recognised in the Revaluation Reserve	(36)	(455)	0	0	2,174	0	1,683	0	0	1,683
Revaluation increases/ (decreases) recognised in the Surplus/Deficit on the Provision of Services	9,286	(1,433)	0	0	(286)	0	7,567	0	408	7,974
De-recognition and disposals	(2,340)	0	0	0	0	0	(2,340)	0	0	(2,340)
Other movements in cost or valuation	5,628	(922)	26	0	(1,365)	(6,291)	(2,924)	18	1,406	(1,500)
At 31 March 2022	299,437	79,721	11,157	6,692	21,490	5,705	424,201	2,074	36,016	462,291
Depreciation										
At 1 April 2021	(33)	(1,484)	(5,291)	(119)	(10)	0	(6,938)	(1,801)	0	(8,739)
Depreciation/amortisation for year	(7,159)	(1,604)	(488)	0	0	0	(9,251)	(66)	0	(9,318)
Depreciation written out to the Revaluation Reserve	33	1,271	0	0	3	0	1,307	0	0	1,307
Movements in 2021/22										
Depreciation written out to the Surplus/Deficit on the Provision of Services	7,101	0	0	0	0	0	7,101	0	0	7,101

Impairment losses/(reversals) recognised in the Revaluation Reserve	0	0	0	0	0	0	0	0	0	0
De-recognition – disposals	58	0	0	0	0	0	58	0	0	58
De-recognition – other	0	0	0	0	0	0	0	0	0	0
Other movements in cost or valuation	0	(7)	0	0	7	0	0	0	0	0
At 31 March 2022	0	(1,824)	(5,780)	(119)	0	0	(7,723)	(1,868)	0	(9,590)
Net book value of assets at 31.03.22	299,437	77,897	5,377	6,573	21,490	5,705	416,478	207	36,016	452,701
Net book value of assets at 31.03.21	274,468	79,781	3,877	5,799	20,957	8,241	393,124	191	34,203	427,518
Owned	299,437	77,897	5,377	6,573	21,490	5,705	416,478	207	36,016	452,701

Valuation

The Council carries out a rolling programme that ensures that all Property, Plant and Equipment are to be measured at current value at least every five years.

The valuations of the Council's freehold and leasehold properties have been carried out in accordance with the Statements of Asset Valuation Practice and Guidance Notes of the Royal Institute of Chartered Surveyors. All valuations are either undertaken by Council Officers, by external valuers commissioned to value specific assets or by the District Valuer.

Principal Property Surveyor Mr P Clifton MRICS

The table below shows council owned assets re-valued in each accounting period:

	Council Dwellings	Land & Buildings	Community Assets	Vehicles, Plant & Equip.	Surplus Assets	Assets Under Construction
Valuation at historical cost			7,381	4,937		10,553
Valued at current value as at:						
31/03/2023	321,980	4,161			661	
31/03/2022	627	18,957			10,558	
31/03/2021		36,626			423	
31/03/2020		11,491			1,208	
31/03/2019		6,278			8,300	
Total cost or valuation	322,607	77,513	7,381	4,937	21,149	10,553

Depreciation

Tangible Assets

Depreciation, as stated in the Accounting Policies, is calculated on a straight-line basis. The following useful lives and depreciation rates have been used in the calculation of depreciation:

<u>Category Of Asset</u>	<u>Useful Economic Life</u>
Council Dwellings	60 years for new properties 30 years for properties over 30 years old
Other Land & Buildings	
- Council Buildings	50 years
- Car Parks	60 years
- Cemeteries	50 years
- Crematorium	21 years
- Community Centres	50 years
- Offices	50 years
- Depots & Workshops	50 years
- Public Conveniences	50 years
- Recreation Grounds	50 years
- Sports Centres	50 years
Vehicles, Plant & Equipment	
- Computers	5 years

<u>Category Of Asset</u>	<u>Useful Economic Life</u>
- Equipment	10 years
- Fixtures and Fittings	5 years
- Plant	7/10 years
- Vehicles	5/7 years

Intangible Assets

Intangible assets are amortised to service headings within cost of services as part of the Comprehensive Income and Expenditure Statement on a straight-line basis, as stated in the Accounting Policies. The standard useful life, used for amortisation purposes is:

<u>Category Of Asset</u>	<u>Useful Economic Life</u>
Intangible Asset	
- Software	5 years

Note 15 – Heritage Assets

Reconciliation of the Carrying Value of Heritage Assets Held by the Council

	Heritage Vehicles £'000	Musical Instruments £'000	Civic Insignia £'000	Other £'000	Total Assets £'000
Cost or Valuation					
At 1 April 2021	0	0	2,359	409	2,768
Additions	0	0	0	0	0
De-recognitions	0	0	0	0	0
At 31 March 2022	0	0	2,359	409	2,768
Cost or Valuation					
At 1 April 2022	0	0	2,359	409	2,768
Additions	0	0	0	0	0
De-recognitions	0	0	0	0	0
At 31 March 2023	0	0	2,359	409	2,768

Civic Insignia

The collection of civic insignia includes the Mayor's and Sheriff's badges and chains of office and mace. All items are on display at the Guildhall, Lincoln. It also includes four ceremonial and fighting swords of considerable historical significance, which together are valued at £2.4m. The Council's collection of civic insignia is reported in the Balance Sheet at insurance valuation which is based on market values. These

insurance valuations are reviewed annually and revalued during every ten-year period by an appropriately qualified external valuer. These were revalued at 31st March 2017 by external valuers Bamfords.

Other Heritage Assets

This category includes artwork and paintings and miscellaneous assets recognised in the Balance Sheet, such as the Books of Remembrance kept on display at the City Crematorium. These are reported at insurance valuation which is based on market values and are subject to periodic revaluation by an appropriately external qualified valuer. These were revalued at 31st March 2017 by external valuers Bamfords.

Heritage Assets not recognised in the Balance Sheet

In addition to the assets recognised in the Balance Sheet and disclosed in the above table, the Council holds a number of assets which are by their nature heritage assets but are not recognised in the Balance Sheet. The Council does not consider that reliable cost or valuation information can be obtained for these assets due to the nature of the assets and the lack of market values. Examples of this type of asset are ancient structures and ruins, War memorials and public art. These are listed below.

Scheduled Ancient Monuments

St Paul in the Bail	Walls & Well
Saltergate Roman Wall and Posterngate	Wall & Gate
Mint Wall, West Bight	Wall
Pottergate	Arch
Lower West Gate & Wall, City Hall	Gate & Wall
St Marys Conduit	Conduit
Temple Gardens, Close Wall	Wall
Roman Wall, Mary Sookias House, Cecil Street	Wall

Memorials

High Street	War memorial
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Memorials

Dixon Street	War memorial
Birchwood Avenue	War memorial
Newark Road/Maple Street	War memorial

Public Art

The Chimes, Brayford Wharf North	Artwork
Empowerment, Waterside	Artwork
Exotic Cone I and II	Artwork
Lilies, Altham Terrace	Artwork
Lion, Arboretum	Artwork
Love Seat, The Lawn	Artwork
Dr Charlesworth Statue, The Lawn	Artwork
Mother and Child, The Lawn	Artwork
St Marks Obelisk	Artwork
Light Sculpture, Wigford Bridge	Artwork

Note 16 – Investment Properties and Surplus Assets

Movements in the value of Investment Properties are shown in note 14. The current value measurement base is fair value, estimated at highest and best use from a market participant's perspective.

The following items of income and expenditure have been accounted for in the Comprehensive Income and Expenditure Statement:

2021/22		2022/23
£'000		£'000
1,994	Rental income from investment property	2,191
(19)	Direct operating expenses arising from investment property	(7)
408	Fair value gains/(losses) on investment properties	562
0	Gains/(losses) on disposal of investment properties	0
<u>2,383</u>	Net gain/(loss)	<u>2,746</u>

There are no restrictions on the Council's ability to realise the value inherent in its investment property or on the Council's right to the remittance of income and the proceeds of disposal. The Council has no contractual obligations to purchase, construct or develop investment property or repairs, maintenance or enhancement.

The movements in the value of investment properties are analysed below:

2021/22		2022/23
£'000		£'000
34,203	Balance at 1 April	36,016
0	Additions	0
0	Disposals	0
408	Net gain/loss from Fair Value Adjustment	562
1,406	Transfers (to)/from Other Land and Buildings	0
<u>36,016</u>	Balance at 31 March	<u>36,578</u>

Fair Value Hierarchy

The Council's Investment Properties have been assessed as being Level 2 on the Fair Value Hierarchy (See Note 1 Accounting Policies, point 25 for an explanation of fair value levels).

Valuation Techniques Used to Determine Level 2 Fair Values for Investment Properties

An income-investment approach has been used to determine the fair value of Investment Properties. This technique involves an assessment of potential future net incomes flowing from the property. In the case of the majority of properties that are currently let, this reflects terms of the existing lease including passing rents and any scheduled rent reviews and, if later, ultimate reversion to full market rental value. In the case of properties that are currently vacant, it is assumed that a letting is immediately sought at full market rental value and otherwise on optimum letting terms from the perspective of a market participant. Potential future net income flows are

then capitalised using market all-risks term and reversionary yields to derive a present value, thus representing Market Value.

There has been no change in the valuation techniques used during the year for Investment Properties.

Highest and Best Use of Investment Properties

In estimating the fair value of the Council's investment properties, the highest and best use of the properties is deemed to be their current use.

Valuers

The Investment Properties that were valued at 31 March 2023 were valued in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institute of Chartered Surveyors.

Surplus Assets

Movements in the value of Surplus Assets are shown in note 14.

The current value measurement base for surplus assets is fair value, estimated at highest and best use from a market participant's perspective. There have been no transfers between the levels of the hierarchy during the year. A transfer would occur when more detailed market information becomes available.

The inputs to the measurement techniques are categorised in accordance with the following three levels:

- Level 1 inputs – quoted prices (unadjusted) in active markets for identical assets that the Authority can access at the measurement date.
- Level 2 inputs – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.
- Level 3 inputs – unobservable inputs for the asset.

The Council's surplus assets are all valued using level three inputs due to their latent value or specialist nature.

Note 17 – Intangible Assets

Movements in the value of Intangible Assets are shown in note 14. No internally generated intangible assets are recognised in the Balance Sheet. The carrying amount of intangible assets is amortised on a straight-line basis. Amortisation of £119k (£66k in 21/22) was charged to service headings in the Cost of Services.

Note 18 – Financial Instruments

The Council has the following investments at 31 March 2023:

Investments in Equity Instruments Designated at Fair Value through Other Comprehensive Income

Fair Value of Equity Instruments designated at fair value through other comprehensive income include the following:

	31/03/2022	31/03/2023
	£000	£000
Non-listed securities	504	504
Total	504	504

Reconciliation of Fair Value Measurements for Financial Assets Carried at Fair Value Categorised within Level 3 of the Fair Value Hierarchy for Financial Assets

31 March 2023

	Unquoted Shares	Other	Total
	£000	£000	£000
Opening Balance	312	0	312
Transfers into level 3	0	0	0
Transfers out of Level 3	(312)	0	(312)
Total gains or losses for the period			
- Included in Surplus or Deficit on the Provision of Services	0	0	0
- Included in Other Comprehensive Income and Expenditure	0	0	0
Additions	0	0	0
Disposals	0	0	0
Closing Balance	0	0	0

The borrowings and investments disclosed in the Balance Sheet are made up of the following categories of financial instruments:

Summary of Financial Instruments		31/3/22	31/3/23
		£000s	£000s
Financial Liabilities at amortised cost			
Long Term Borrowing	Level 1	(111,962)	(109,243)
Short Term Borrowing	Level 1	(14,931)	(14,394)
Long Term Creditors	Level 1	0	0
Short Term Creditors	Level 1	(12,408)	(11,481)
Cash and Cash Equivalents	Level 1	0	0
Total Financial Liabilities		(139,302)	(135,118)
Financial Assets at amortised cost			
Short Term Investments	Level 1	49,878	36,932
Long Term Debtors	Level 1	724	611
Short Term Debtors	Level 1	8,891	8,313
Cash and Cash Equivalents	Level 1	(103)	509
Total Financial Assets		59,390	46,365
Financial Assets at FVOCI*			
Long Term Investments	Level 2	816	824
Total Assets at FVOCI		816	824

*Fair Value through Other Comprehensive Income

** See table below for detail

Shares Held in Investors in Lincoln were transferred between levels in the hierarchy during 2022/23, from level 3 to level 2 making use of observable measures to produce a more appropriate valuation.

Under accounting requirements, the carrying value of the financial instrument value is shown in the balance sheet which includes the principal amount borrowed or lent and further adjustments for breakage costs or stepped interest loans (measured by an effective interest rate calculation) including accrued interest. Accrued interest is shown separately in short term debtors/creditors where the payments/receipts are due within one year. The effective interest rate is effectively accrued interest receivable under the instrument, adjusted for the amortisation of any premiums or discounts reflected in the purchase price.

Financial Instrument Gains/Losses

The gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments are made up as follows:

2022/23	Financial Liabilities	Financial Assets		Total
	Amortised Cost		FVOCI	
	£000	£000	£000	£000
Interest Expense	3,840			3,840
Interest Income credited to services		(1,167)		(1,167)
Dividend Income			(40)	(40)
Surplus or deficit arising on revaluation of financial assets			(8)	(8)
Net (gain)/loss for the year	3,840	(1,167)	(48)	2,625

2021/22				
Interest Expense	3,721			3,721
Interest Income credited to services		(77)		(77)
Interest Income			(26)	(26)
Surplus or deficit arising on revaluation of financial assets			(63)	(63)
Net (gain)/loss for the year	3,721	(77)	(89)	3,555

Fair Value of Financial Assets

Some of the Authority's financial assets are measured at fair value on a recurring basis and are described in the following table, including the valuation techniques used to measure them. Assets measured at Fair value through other comprehensive income are classified in this way due to the business model under which they are being held and that they have features which are not usually found in a basic lending agreement.

Financial assets measured at fair value				
Recurring fair value measurements	Input level in fair value hierarchy**	Valuation technique used to measure fair value	As at 31/3/23	As at 31/3/22
			£'000	£'000
Fair Value OCI				
Equity shareholding in Dunham Bridge Company	Level 2	Average price obtained during the last three share sales	504	504
Equity shareholding in Investors in Lincoln	Level 2	Share of Net Assets	320	312
Total			824	816

* The Authority's shareholding in Investors in Lincoln - the shares in this company are not traded in an active market and fair value of £319,882 has been based on the authorities share of net assets of the company.

**See Glossary for the definition of Fair Value Input Levels

Fair Values of Financial Assets and Financial Liabilities that are not measured at Fair Value (but for which Fair Value Disclosures are Required)

Except for the financial assets carried at fair value (described in the table above), all other financial liabilities and financial assets held by the authority are carried in the Balance Sheet at amortised cost:

- For loans from the Public Works Loan Board (PWLB) and other loans payable, premature repayment rates from the PWLB have been applied to provide the fair value under PWLB debt redemption procedures;
- For loans receivable prevailing benchmark market rates have been used to provide the fair value.
- No early repayment or impairment is recognised.
- Where an instrument has a maturity of less than 12 months, or is a trade or other receivable, the fair value is taken to be the carrying amount outstanding or the billed amount.
- The fair value of trade and other receivables is taken to be the invoiced or billed amount.

The fair values calculated are as follows:

Financial Liabilities

31/03/22			Fair Value hierarchy**	31/03/23	
Carrying Amount	Fair Value			Carrying Amount	Fair Value
£'000	£'000			£'000	£'000
95,612	99,356	PWLB Debt	Level 2	95,394	75,156
16,174	25,339	Money Market Debt	Level 2	16,175	16,300
0	0	Bonds/Charity	Level 2	34	34
15,108	14,960	Other	Level 2/3	12,033	11,946
<u>126,894</u>	<u>139,655</u>	Total Debt		<u>123,636</u>	<u>103,435</u>

The fair value is greater than the carrying amount because the Council's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the rates available for similar loans in the market at the Balance Sheet date. This is to be expected given that the current rates of interest are at a historically low level.

**See Glossary for the Definition of Fair Value Input Levels.

Financial Assets

31/03/22			31/03/23	
Carrying Amount	Fair Value		Carrying Amount	Fair Value
£'000	£'000		£'000	£'000
49,878	49,878	Money Market Investments <1 year	36,932	36,932
0	0	Money Market Investments >1 year	0	0
724	724	Long Term Debtors	611	611
<u>50,602</u>	<u>50,602</u>	Total Investments	<u>37,543</u>	<u>37,543</u>

The fair value of Public Works Loan Board (PWLB) loans of £75.156m measures the economic effect of the terms agreed with the PWLB compared with estimates of the terms that would be offered for market transactions undertaken at the Balance Sheet date. The difference between the carrying amount and the fair value measures the additional interest that the Authority will pay over the remaining terms of the loans under the agreements with the PWLB, against what would be paid if the loans were at prevailing market rates.

However, the Council has a continuing ability to borrow at concessionary rates from the PWLB rather than from the markets, termed the PWLB Certainty Interest rates. A

supplementary measure of the fair value as a result of its PWLB commitments for fixed rate loans is to compare the terms of these loans with the new borrowing rates available from the PWLB. If a value is calculated on this basis, the carrying amount of £95.394m would be valued at £75.156m. But, if the Council were to seek to avoid the projected loss by repaying the loans to the PWLB, the PWLB would raise a penalty charge for early redemption in addition to charging a premium for the additional interest that will not now be paid. The exit price for the PWLB loans including the discounts available (due to increase in BOE base rate) would be £75.151m.

Trade debtors and creditors are carried at cost as this is a fair approximation of their value.

Note 19 – Inventories

In undertaking its work the Council holds reserves of inventories together with amounts of uncompleted work (work in progress).

	Consumable Stores	
	2021/22	2022/23
	£'000	£'000
Balance outstanding at the start of the year	138	104
Purchases	11	57
Recognised as an expense in the year	(45)	(6)
Balance outstanding at the year-end	104	155

Note 20 – Debtors

Debtors listed under current assets are monies due which the Council expects to collect within one year of the Balance Sheet date and are analysed as follows:

31/03/22		31/03/23
£'000		£'000
12,713	Central Government Bodies	3,769
5,345	Other Local Authorities	5,563
4	NHS Bodies	4
10,987	Other Entities and Individuals	11,224
29,049	Total Short-Term Debtors	20,559
(4,133)	Less Impairment Loss Allowance	(4,014)
24,916	Net Short-Term Debtors as per Balance Sheet	16,545

Debtors for Local Taxation

The past due but not impaired amount for local taxation (council tax and non-domestic rates) can be analysed by age as follows:

31/03/22		31/03/23
£'000		£'000
115	Less than three months	158
186	Three to six months	296
3,521	Six months to one year	903
5,171	More than one year	7,321
8,993	Total	8,678

Note 21 – Cash and Cash Equivalents

The balance of Cash and Cash Equivalents is made up of the following elements:

31/03/22		31/03/23
£'000		£'000
1	Cash held by the Council	1
(104)	Bank Current accounts	508
(103)		509

The balance at 31/3/2023 shows the financial position which includes creditor payments awaiting clearance through the bank account.

Note 22 – Assets Held for Sale

The Authority had a piece of development land classified as an asset held for sale at the end of the year. The sale of the asset has been approved but was not completed as at 31st March 2023.

Current		Current
2021/22		2022/23
£000		£000
0	Balance at start of the year	1500
0	Additions	0
	Newly classified:	
1,500	- Property Plant & Equipment	0
0	Revaluation gain/(loss)	0
0	Transfers from AHFS	0
0	Disposals	0
1,500	Closing Balance	1,500

Note 23 – Creditors

Creditors shown as current liabilities are amounts payable by the Council within one year of the Balance Sheet date and are analysed as follows:

31/03/22		31/03/23
£'000		£'000
(28,327)	Central Government Bodies	(12,603)
(607)	Other Local Authorities	(2,122)
(14,995)	Other Entities and Individuals	(11,529)
(43,929)	Total	(26,254)

Note 24 – Provisions

These amounts are set aside to provide for potential liabilities relating to specific occurrences and comprise the following balances:

	Business Rates RV Reduction the Think Tank	Compulsory Purchase Order	Business Rates Appeals
	£'000	£'000	£'000
Balance at 1 April 2022	(37)	(94)	(2,067)
Additional Provisions made in 2022/23	0	0	(1,759)
Amounts used in 2022/23	0	0	114
Unused Amounts Reversed in 2022/23	0	0	1,859
Unwinding of Discounting in 2022/23	0	0	0
Interest Applied in 2022/23	0	(2)	
Balance at 31 March 2023	(37)	(96)	(1,852)

The provision for business rate appeals represents the Council's share (40% of £4.630m) of the total provision for appeals against the rateable valuation set by the Valuation Office Agency (VOA) not settled as at 31 March 2023. The total provision is accounted for in the Collection Fund. The amount and timing of outflows against the Business Rates Appeals provision is dependent on the processing and determination of business rates appeals by the Valuation Office.

Note 25 – Usable Reserves

Movements in the Council's usable reserves are detailed in the Movement in Reserves Statement and Note 10.

Note 26 – Unusable Reserves

The Council keeps a number of unusable reserves in the Balance Sheet. Some are required to be held for statutory reasons; some are needed to comply with proper accounting practice.

Reserve	Balance 31/03/22	Net Movemen t in Year	Balance 31/03/23	Purpose of Reserve	Further Details of Movements
	£'000	£'000	£'000		
Revaluation Reserve	31,542	457	32,227	Store of gains on revaluation of assets	a) below
Pensions Reserve	(80,999)	73,203	(7,796)	Balancing account to allow inclusion of Pensions Liability in the Balance Sheet	Note 44 to the financial statements
Capital Adjustment Account	282,571	24,178	306,748	Store of capital resources set aside to meet past expenditure	b) below
Deferred Capital Receipts	57	0	57	Expected future repayments from sales of assets received in instalments	c) below
Financial Instruments Adjustment Account	(48)	2	(46)	Balancing mechanism between the rates at which gains and losses are recognised under the Code of Practice	d) below
Financial Instruments Revaluation Reserve	801	8	809	Store of gains on revaluation of investments not yet realised through sales	e) below

Reserve	Balance 31/03/22	Net Movemen t in Year	Balance 31/03/23	Purpose of Reserve	Further Details of Movements
	£'000	£'000	£'000		
Collection Fund Adjustment Account – Council Tax	(29)	(94)	(123)	Store of Council's share of accumulated surpluses and deficits in relation to Council Tax on the Collection Fund	f) below
Collection Fund Adjustment Account – NNDR	(4,037)	4,754	717	Store of Council's share of accumulated surpluses and deficits in relation to NNDR on the Collection Fund	f) below
Accumulated Absences Account	(669)	91	(578)	Absorbs the differences that would otherwise arise on the General Fund balance from accruing for compensated absences earned but not taken in the year (i.e. annual leave entitlement carried forward at 31 March	g) below
	229,188	102,827	332,015		

a) Revaluation Reserve

The Revaluation Reserve contains the gains made by the Council arising from increases in the value of its Property, Plant and Equipment and Intangible Assets. The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost
- used in the provision of services and the gains are consumed through depreciation, or
- disposed of and the gains are realised.

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created.

2021/22 £'000		2022/23 £'000
(29,350)	Balance 1 April	(31,543)
(3,712)	Upward Revaluation of assets	(3,405)
722	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on Provision of Services	2,425
<hr/> (2,989)	Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services	<hr/> (980)
136	Difference between fair value depreciation and historical cost depreciation	139
661	Amounts written out to the Capital Adjustment Account	157
<hr/> <u>(31,542)</u>	Balance 31 March	<hr/> <u>(32,227)</u>

b) Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties, *gains and losses on Assets held for Sale* and gains recognised on donated assets that have yet to be consumed by the Council.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

Note 9 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

2021/22 £'000		2022/23 £'000
(263,163)	Balance 1 April	(282,571)
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
9,318	Charges for depreciation and amortisation of non-current assets	10,062
0	Other movements of depreciation	0
(14,668)	Revaluation (gains)/losses and impairments on Property, Plant and Equipment	(19,795)
(408)	Fair value movements on Investment Properties	(562)
1,677	Revenue expenditure funded from capital under statute	4,461
2,282	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	2,411
0	Other adjustments	0
(1,799)		(3,423)
(797)	Adjusting amounts written out of the Revaluation Reserve	(139)
	Adjusting amounts written out of the Revaluation Reserve prior period adjustment	
(2,596)	Net written out amount of the cost of non-current assets consumed in the year	(3,562)
	Capital Financing applied in year:	
(1,340)	Use of Capital Receipts to finance new capital expenditure	(1,934)
(150)	Use of Capital Receipts to reduce capital financing requirement	0
(3,842)	Use of the Major Repairs Reserve to finance new capital expenditure	(6,778)
(215)	Capital expenditure charged against the General Fund and HRA balances	(750)
(9,821)	Application of Capital Grants to finance new capital expenditure	(10,330)
(1,444)	Statutory Provision for the financing of capital investment charged against the General Fund and HRA balances (MRP/VRP)	(824)
(16,812)		(20,616)
(282,571)	Balance 31 March	(306,749)

c) Deferred Capital Receipts

This account contains the expected future repayments of capital from sales of assets which will be received in instalments over an agreed period of time. They arise principally from mortgages on sold council houses. When made, these payments are regarded as being of a capital nature and transactions during the year were as follows:

2021/22 £'000		2022/23 £'000
(57)	Balance 1 April	(57)
0	Council's share of (surplus)/deficit for the year	0
(57)	Balance 31 March	(57)

d) Financial Instruments Adjustment Account

The Financial Instruments Adjustment Account provides a balancing mechanism between the rates at which gains and losses (such as premiums on the early repayment of debt) are recognised under the Code of Practice and are required by statute to be met from the General Fund and HRA balances.

2021/22 £'000		2022/23 £'000
51	Balance 1 April	48
0	Proportion of discounts incurred in previous financial years to be credited to the General Fund Balance in accordance with statutory requirements.	0
(2)	Proportion of premiums incurred in previous financial years to be charged against the General Fund Balance in accordance with statutory requirements.	(2)
48	Balance 31 March	46

e) Financial Instruments Revaluation Reserve

The Financial Instruments Revaluation Reserve contains the gains made by the authority arising from increases on the value of its investments measured at Fair Value through Other Comprehensive Income. The balance is reduced when investments with accumulated gains are either revalued downwards or impaired and the gains lost or disposed of and the gains are realised.

2021/22 £'000	Financial Instruments Revaluation Reserve	2022/23 £'000
(738)	Balance 1 April	(801)
0	Transfer from Available for Sale Financial Instruments Reserve	0
(63)	(Gain)/Loss on FVOCI revaluations in year	(8)
(801)	Balance 31 March	(809)

f) Collection Fund Adjustment Account – Council Tax

The Council Tax Adjustment Account was introduced on 1 April 2009 to comply with the new accounting requirements for the Collection Fund contained within the Statement of Recommended Practice 2009/10 (SORP 2009). The difference between accrued income for the year as shown in the Income and Expenditure Account and the amount required to be credited to the General Fund is taken to the Collection Fund Adjustment Account. The balance on the account represents the Council's share of the accumulated surpluses and deficits on the Collection Fund at the Balance Sheet date.

2021/22		2022/23
£'000		£'000
196	Balance 1 April	29
	Amount by which council tax income credited to the	
(167)	Comprehensive Income and Expenditure Statement	94
	is different from council tax income calculated for	
	the year in accordance with statutory requirements	
29	Balance 31 March	123

g) Collection Fund Adjustment Account – NNDR

The NNDR Adjustment Account was introduced on 1 April 2013 to comply with the new regime for the collection of Business Rates and the resulting accounting requirements. The difference between accrued income for the year as shown in the Comprehensive Income and Expenditure Statement and the amount required to be credited to the General Fund is taken to the Collection Fund Adjustment Account. The balance on the account represents the Council's share of the accumulated surpluses and deficits on the Collection Fund at the Balance Sheet date.

2021/22		2022/23
£'000		£'000
11,428	Balance 1 April	4,037
	Amount by which council non-domestic rates	
	credited to the Comprehensive Income and	
(7,391)	Expenditure Statement is different from non-domestic	(4,754)
	rates income calculated for the year in accordance	
	with statutory requirements	
4,037	Balance 31 March	(717)

h) Accumulated Absences Account

The Accumulated Absences Account absorbs differences that would otherwise arise on the General Fund and HRA Balance from accruing for compensated absences earned but not taken in year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on General Fund and HRA Balance is neutralised by transfers to or from this account.

2021/22	2022/23
£'000	£'000

770	Balance 1 April	669
(770)	Settlement or cancellation of accrual made at the end of the preceding year	(669)
669	Amounts accrued at the end of the current year	578
	Amount by which officer remuneration charged in the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(91)
669	Balance 31 March	578

Note 27 – Cash Flow Statement - Operating Activities

The cash flows for operating activities include the following items:

2021/22		2022/23
£'000		£'000
62	Interest received	2,810
(3,786)	Interest paid	(4,129)
26	Dividends Received	40
(3,698)		(1,279)

Note 28 – Cash Flow Statement – Adjustment to surplus or deficit on provision of services for non-cash movements

2021/22		2022/23
£'000		£'000
9,252	Depreciation	10,062
(14,668)	Impairment and downward valuations	(19,916)
66	Amortisation	119
9,863	Increase/(decrease) in creditors	(22,167)
(7,732)	(Increase)/decrease in debtors	7,265
35	(Increase)/decrease in inventories	(46)
4,728	Movement in pension liability	2,188
2,282	Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised	2,569
(851)	Other non-cash items charged to the net surplus or deficit on the provision of services	(774)
2,975		(20,700)

Note 29 – Cash Flow Statement – Adjustment to surplus or deficit on the provision of services for items that are investing & financing activities

2021/22 £'000		2022/23 £'000
(3,216)	Proceeds from sale of PPE, investment property and intangible assets	(3,173)
(7,892)	Any other items for which the cash effects are investing or financing cash flows	(9,941)
<u>(11,108)</u>		<u>(13,114)</u>

Note 30 – Cash Flow Statement - Investing Activities

2021/22 £'000		2022/23 £'000
(19,966)	Purchase of property, plant and equipment, investment property and intangible assets	(19,458)
(150,686)	Purchase of short-term and long-term investments	(249,659)
0	Other payments for investing activities	0
3,216	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	3,173
134,736	Proceeds from short-term and long-term investments	263,028
7,892	Other receipts from investing activities	10,054
<u>(24,808)</u>	Net cash flows from investing activities	<u>7,138</u>

Note 31 – Cash Flow Statement - Financing Activities

2021/22 £'000		2022/23 £'000
0	Cash payments for the reduction of outstanding liabilities relating to finance leases	0
11,381	Cash receipts of short & long-term borrowing	6,640
0	Other receipts from financing activities	0
(9,643)	Repayments of short- and long-term borrowing	(9,895)
11,360	Other payments for financing activities	5,226
<u>13,098</u>	Net cash flows from financing activities	<u>1,971</u>

Note 32 – Trading Operations

The Council operates a Housing Repairs Service (HRS), which carries out day to day maintenance on council housing and other public buildings as well as environmental works, street furniture etc. It also manages a number of industrial estates and commercial properties.

2021/22			2022/23			
Exp. £'000	Inc. £'000	Net £'000		Exp. £'000	Inc. £'000	Net £'000
9,118	(7,760)	1,359	HRS	9,732	(9,139)	594
54	(395)	(341)	Industrial Estates	40	(408)	(368)
67	(2,000)	(1,932)	Lincoln Properties	71	(2,161)	(2,090)
9,240	(10,154)	(914)	Total (Surplus)/Deficit	9,843	(11,708)	(1,865)

Note 33 – Agency Services

In accordance with the Code, the collection and distribution of National Non-Domestic Rates (NNDR) and Council Tax is deemed to be an agency arrangement. The costs of collection of NNDR and the surplus or deficit on the Collection Fund for the year, are shown in the Collection Fund Statement.

Note 34 – Members' Allowances

The Local Authorities (Members' Allowances) (England) Regulations 2003 requires local authorities to publish the amounts paid to members under the members' allowance scheme.

The payments made to the City of Lincoln Council members during 2022/23 totalled £252,312 (£245,456 in 2021/22).

Payments are defined as:

- i. Basic Allowance
- ii. Special Responsibility Allowance
- iii. Other allowances

Note 35 – Officers' Remuneration

The Accounts and Audit Regulations 2015 require the Council to disclose remuneration paid to senior employees.

For the purposes of the regulation senior employees are persons whose salary is in excess of £150,000 per year or whose salary is £50,000 or more and are deemed to have responsibility for the management of the Council to the extent that they have the power to direct or control the major activities. The remuneration paid to the Council's senior employees is as follows:

Officers' Emoluments – Senior Employees

2022/23						
Post Title	Salary	Bonuses	Expense Allowances	Compensation for loss of office	Pension Contributions	Total
	£	£	£	£	£	£
Chief Executive ¹	130,602	0	0	0	22,594	153,196
Strategic Director of Housing & Regeneration	101,101	0	0	0	17,456	118,557
Strategic Director of Communities & Environment	100,904	0	0	0	17,456	118,360
Strategic Director of Major Developments	100,904	0	0	0	17,456	118,360
Total	433,512	0	0	0	74,963	508,473

- 1) The salary costs for the Chief Executive include £3.2k relating to election expenses in 22/23.

2021/22						
Post Title	Salary	Bonuses	Expense Allowances	Compensation for loss of office	Pension Contributions	Total
	£	£	£	£	£	£
Chief Executive ¹	141,540	0	0	0	22,686	164,226
Strategic Director of Housing & Regeneration	100,973	0	0	0	17,123	118,096
Strategic Director of Communities & Environment	98,979	0	0	0	17,123	116,102
Strategic Director of Major Developments	98,979	0	0	0	17,123	116,102

Total	440,470	0	0	0	74,056	514,525
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- 1) The salary costs for the Chief Executive include £16.1k relating to election expenses in 2021/22

The numbers of other Council employees receiving more than £50,000 remuneration for the year (excluding employer's pension contributions) were paid as follows:

Remuneration Band	Number of Employees	
	2022/23	2021/22
£		
50,000 - 54,999	13	6
55,000 - 59,999	4	3
60,000 - 64,999	3	2
65,000 - 69,999	3	5
70,000 - 74,999	3	0
75,000 - 79,999	1	1
80,000 - 84,999	1	1

For employees receiving remuneration of £85,000 or more for the year see previous table 'Officers' Emoluments – Senior Employees'.

The figure above for 2022/23 includes no employees for whom an exit package was agreed.

The numbers of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the following table:

Exit package cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band [b + c]		Total cost of exit packages in each band	
	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23
							£	£
£0 - £20,000	0	0	4	8	4	8	32,934	57,313
£20,001 - £40,000	0	0	4	4	4	4	122,870	111,129
£40,001 - £60,000	0	0	4	1	4	1	176,082	54,569
£60,001 - £80,000	0	0	1	1	1	1	60,530	65,547
£80,001 - £100,000	0	0	0	0	0	0	0	0
£100,000 - £150,000	0	0	0	0	0	0	0	0
Total cost included in bandings							392,416	288,558
Add: Amounts provided for in CIES not							0	0

Exit package cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band [b + c]		Total cost of exit packages in each band	
	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23
							£	£
included in bandings								
Total cost included in CIES							392,416	288,558

None of the exit packages shown in the table above related to senior employees.

Note 36 – External Audit Costs

In 2022/23 the following fees relating to External Audit and Inspection were incurred and paid to Mazars, the Council's external auditors:

2021/22 £'000		2022/23 £'000
	<u>Fees payable for statutory audit services</u>	
60	Fees Payable with regard to external audit services carried out by the appointed auditor	57
60		0
	<u>Fees payable for other audit services</u>	
14	Fees payable for the certification of grant claims and returns	11
75	Total fee payable to external auditors	69

The fees relating to external audit services include the amount of £48,000 for the provision of the annual audit and £9,000 for advice relating to Value for Money and PPE/Pensions.

The fees relating to grant claims can vary from year to year depending on the number of claims to be audited. The figure for 2022/23 is an estimate, as the work will be carried out in the period July to September 2023.

Note 37 – Grant Income

The Council credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2022/23:

	Credited to Taxation and Non-Specific Grant Income	
2021/22 £'000		2022/23 £'000
(23)	Revenue Support Grant	(24)
(213)	New Homes Bonus	(421)
	98	
	STATEMENT OF ACCOUNTS	
	2022/23	

(8)	Transparency Code Setup Grant	(8)
(640)	COVID	0
(266)	Lower Tier Services Grant	(174)
0	Services Grant	(263)
0	Business rates levy surplus distribution	(32)
(201)	Local Council Tax Support Admin Subsidy	0
(1,351)	Total Non-Ring-fenced Grants shown on CIES	(923)
(852)	Disabled Facilities Grants	(852)
(173)	Section 106 agreement	(78)
(1407)	Lincolnshire County Council	0
(256)	Heritage Lottery Fund	(34)
(941)	Historic England	(1,019)
(13)	Department of Transport	0
(3,333)	Homes England	(931)
(498)	Towns Fund	(6,120)
(270)	Police & Crime Commissioner	0
0	Nottingham City Council	(12)
(150)	Other Capital Grants and Contributions	(896)
(7,892)	Total Capital Grants and Contributions shown on CIES	(9,941)
(5,211)	S31 Grants included in Non-Domestic Rates Income on CIES	(3,192)
(5,211)	S31 Grants included in Non-Domestic Rates Income on CIES	(3,192)
(14,455)	Total Non-Ringfenced Grants included in CIES	(14,056)

2021/22	Credited to Services	2022/23
£'000		£'000
(11,590)	Rent Allowances	(11,402)
(10,589)	Rent Rebates	(10,452)
(187)	Discretionary Housing Payments	(132)
(334)	Housing Benefit Administration	(340)
(789)	New Burdens Grant Determination	(446)
(48)	Historic England	(118)
(148)	Local Council Tax Support Admin Subsidy	(144)
(33)	Home Office	(167)

(11)	Towns Fund	(78)
(1,700)	Homeless Specific	(1,213)
0	Council Tax Energy Rebate Grant	(6,121)
(2,612)	COVID Business Support Grants	(494)
0	Homes England	(72)
(602)	Other Grants	(767)
(28,643)	Total Grants and Contributions credited to Services	(31,947)
(43,098)	Total Grants, Contributions and Donated Assets	(46,003)

Note 38 – Related Parties

It is a requirement for the Council to disclose any transactions with a related party, including non-financial transactions. A 'related party' is defined as being an organisation with which the Council has dealings and where Officers or Members of the Council have a controlling interest or influence in the activities of that organisation. The code requires local authorities to disclose material transactions with 'related parties'. The disclosure is required in order that the true and fairness of the accounts can be understood by the reader of the accounts having knowledge of any 'related parties' of the Council.

Members/Officers - For 2022/23 the Council sent a letter, dated 1 April 2023, to all Members, Chief Officers and Assistant Directors, requesting disclosure of any 'related party transactions'. All letters were returned, two Members and two Officers declared pecuniary interests in accordance with section 117 of the Local Government Act 1972.

In addition, the table below details both Member and Officer representation on the boards of levying bodies, assisted organisations with which the Council makes material financial assistance and Joint Ventures.

Name of Organisation	Member Representative	Officer Representative
Upper Witham – Drainage Board	Councillor G Hewson Councillor R Longbottom Councillor P Vaughan Councillor C Burke Councillor D Armiger Councillor C Watt Councillor R Metcalfe Councillor B Bushell Councillor D Nannestad	Chief Executive
Witham First – Drainage Board	Councillor G Hewson Councillor P Vaughan	Chief Executive

Name of Organisation	Member Representative	Officer Representative
Witham Third – Drainage Board	Councillor G Hewson Councillor P Vaughan Councillor D Nannestad Councillor B Bushell Councillor J Kik	Chief Executive
Lincoln Dial-a-Ride	Councillor G Hewson	Chief Executive
Lincoln Citizens Advice Bureau	Councillor S Burke	Chief Executive
Investors in Lincoln	Cllr Metcalfe Cllr Murray	Chief Executive/ Major Developments
Lincoln Business Improvement Group	Councillor C Burke Councillor R Metcalfe	Communities and Environment
Central Lincolnshire Joint Strategic Planning Partnership	Councillor R Metcalfe Councillor C Burke Councillor N Tweddle Councillor G Hewson(Sub)	Communities & Environment
The Shared Revenues & Benefits Joint Committee	Councillor R Metcalfe Councillor Sue Burke Councillor D Nannestad(sub))	Chief Executive

None of the above Members or Officers took part in the decision making of any financial assistance awarded to any of the organisations.

UK Central Government - has significant influence over the general operations of the Council. It is responsible for providing the statutory framework within which the Council operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. housing benefits).

Details of transactions with government departments are set out in note 37.

Other Bodies - transactions with other bodies levying demands on the Council Tax - Levying bodies in 2022/23 were as follows:

2021/22		2022/23
£'000		£'000
464	Upper Witham Drainage Board	493
139	Witham 1 st Drainage Board	148
268	Witham 3 rd Drainage Board	282
871	Total	923

Assisted Organisations - the Council made material financial assistance to the following organisations during the year: -

2021/22		2022/23
£'000		£'000
20	Lincoln Dial-a-Ride	57
28	Citizens Advice Bureau	0
23	Brayford Trust	25

Collaborative Agreements – The Council holds 6.3% (£12,350) of the ordinary share capital of £196,000 of Investors in Lincoln Ltd (ILL).

The principal activity of the company is the promotion of economic regeneration and the development and expansion of industry, commerce and enterprise of all forms for the benefit of the community in and around the City of Lincoln.

The company's accounting year-end is 31st March and the latest (audited) accounts are for the year ended 31st March 2022, showing net assets of £4.478m and a loss of £4,875. The accounts of the company may be obtained from The Company Secretary, c/o The Managed Workspace, Greetwell Place, 2 Lime Kiln Way, Lincoln LN2 4US.

The previous funding and management agreement that existed between ILL and the Council ended in January 2022 and a new lease agreement is now in operation until 2036 with break clauses within it. The lease continues the operation of Greetwell Place as a managed office workspace with the Council's staff operating the facility in the same way as previously, so there are no material changes to the businesses or operational approach. The annual rent payable to ILL is 50% of the rents collected, which is paid at £9,000 per month with an end of year reconciliation with payments or repayments made accordingly. The Council use the remaining 50% of the rent to cover operational and maintenance costs retaining any surpluses or funding any deficit accordingly.

Collaborative Agreements - The Council has a collaborative arrangement with North Kesteven and West Lindsey District Councils to provide the Central Lincolnshire Joint Planning Unit. This arrangement is hosted by North Kesteven District Council. The Council also has a collaborative arrangement with North Kesteven to provide a shared Revenues and Benefits Service. This shared service is hosted by the City of Lincoln Council. Both of these arrangements are governed through a Joint Committee representing each of the partner authorities. These arrangements are considered as Jointly Controlled Operations, where ventures use their own resources to undertake an activity subject to joint control, and as such do not require consolidation into the Council's accounts. The Council's proportion of activity is accounted for separately within the Core Financial Statements.

Note 39 – Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Council, the expenditure results in an increase in the Capital Financing Requirement (CFR). The CFR is a measure of the capital expenditure incurred historically that has yet to be financed. The CFR is analysed in the second part of this note.

Total Capital expenditure and financing during the year:

2021/22		2022/23
£'000		£'000
	Capital investment	
20,154	Property, Plant and Equipment	19,399
0	Investment Properties	0
64	Intangible Assets	0
1,677	Revenue Expenditure Funded from Capital under Statute	4,461
21,895		23,860
2021/22		2022/23
£'000		£'000
	Sources of finance	
(1,340)	Capital Receipts	(1,934)
(9,821)	Government grants and other contributions	(10,330)
(215)	Revenue Contributions	(62)
(3,842)	Major Repairs Reserve	(7,465)
(15,218)	Total sources of financing	(19,791)
(6,677)	Capital Financing Requirement	(4,069)
	Capital Financing Requirement - Funded by:	
(6,677)	Unsupported Borrowing	(4,069)
(6,677)		(4,069)
137,776	Opening CFR	142,859
6,677	Unsupported borrowing	4,069
0	Adjustments in respect of leases disposed under finance lease	0
(1,444)	Minimum Revenue Provision/Voluntary Revenue Provision	(824)
(150)	Application of capital receipts to reduce CFR	0
142,859	Closing CFR	146,104

The Council has a five-year Housing Investment programme, of which £2.254m is contractually committed for delivery in 2023/24. This relates to a partnership arrangement to ensure all our properties continue to meet Decent Homes Standard and move towards achieving The Lincoln Standard. In addition to this the Council also has a five-year General Investment Programme, of which £1m is contractually committed in 2023/24 to complete the Central Market refurbishment.

Note 40 – Leases

Council as Lessee

Finance Leases

The Council does not have any finance leases as Lessee.

Operating leases

The Council has acquired the use of a number of assets, such as vehicles, under operating leases.

The future minimum lease payments due under non-cancellable leases in future years are:

31/03/2022		31/03/2023
£'000		£'000
170	Not later than one year	260
22	Later than one year and not later than five years	1,460
0	Later than five years	101
192		1,820

The expenditure charged to the Comprehensive Income and Expenditure Statement during the year in relation to these leases was:

2021/22		2022/23
£'000		£'000
193	Vehicles Plant & Equipment	234
193	Minimum lease payments	234

Council as Lessor

Finance Leases

The Council has granted a long-term lease to Lincolnshire County Council for the use of The Collection (City and County Museum) accounted for as a finance lease. Rental is at a peppercorn, meaning no rentals are receivable. There was no net investment in this asset in 2022/23.

Operating Leases

The Council leases out property under operating leases for the following purposes:

- for the provision of community services, such as sports facilities and community centres

- for economic development purposes to provide suitable affordable accommodation for local businesses

The future minimum lease payments receivable under non-cancellable leases in future years are:

2021/22		2022/23
£'000		£'000
2,746	Not later than one year	2,727
9,860	Later than one year and not later than five years	9,312
20,650	Later than five years	18,974
33,257		31,013

The minimum lease payments do not include rents that are contingent on events taking place after the lease was entered in to, such as rent reviews. In 2022/23, (£391k) contingent rents were foregone by the Authority (2021/22 £386k received).

Note 41 – Impairment Losses

There were no impairment losses during 2022/23.

Note 42 – Capitalisation of Borrowing Costs

As permitted by the code, the Council has adopted a policy of accounting for borrowing costs in the Comprehensive Income and Expenditure Statement as they arise. No borrowing costs are capitalised.

Note 43 – Termination Benefits

The Council terminated the contracts of a number of employees in 2022/23, incurring liabilities of £0.289m (£0.392m in 2021/22) – see note 35 for the number of exit packages and total cost per band. These costs exclude any ill health retirements or departures as they are not termination benefits in accordance with the requirements of the code.

Note 44 – Defined Benefit Pension Scheme

Participation in Pension Schemes

As part of the terms and conditions of employment of its officers, the Council makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments (for those benefits) and to disclose them at the time that employees earn their future entitlement.

The Council participates in the Local Government Pension Scheme, administered by Lincolnshire County Council. This is a funded scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pension's liability with investment assets.

The pension scheme is operated under the regulatory framework for the Local Government Pension Scheme and the governance of the scheme is the responsibility of the pensions committee of Lincolnshire County Council. Policy is determined in accordance with the Pensions Fund Regulations.

The principal risks to the Council of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme, changes to inflation, bond yields and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund and Housing Revenue Account the amounts required by statute as described in the accounting policies note.

Transactions Relating to Retirement Benefits

The Council recognises the cost of retirement benefits in the Net Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge that is required to go against Council Tax is based on the cash payable in the year, so the real cost of retirement benefits is reversed out in the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income & Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

2021/22 £'000		2022/23 £'000
	<u>Comprehensive Income & Expenditure Statement</u>	
	Net Cost of Services:	
7,203	Current Service Cost	5,960
114	Administration Expenses	127
223	Past Service Costs (including curtailments)	122
	Financing and Investment Income and Expenditure:	
2,077	Net Interest Expense	1,266
9,617	Total Post-Employment Benefits charged to the Surplus or Deficit on the Provision of Services	7,475

2021/22 £'000		2022/23 £'000
	Re-measurement of the net defined benefit liability comprising:	
(14,956)	Return on plan assets (excluding the amount included in the net interest expense)	9,476
(11,625)	Actuarial gains and losses arising on changes in demographic assumptions	0
(7,348)	Actuarial gains and losses arising on changes in financial assumptions	(104,550)

2,925	Other Actuarial gains / losses on assets	2,851
1,135	Other	19,683
(29,869)	Total re-measurements recognised in Other Comprehensive Income and Expenditure	(75,391)
(20,252)	Total Post-employment Benefits charged to the Comprehensive Income and Expenditure Statement	(67,916)

**2021/22
£'000**

**2022/23
£'000**

Movement in Reserves Statement

(9,617)	Reversal of net charges made to the Surplus or Deficit on the Provision of Services for post-employment benefits in accordance with the Code	(7,475)
4,888	Actual amount charged against the General Fund Balance for pensions in the year:	5,287

Pension Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Council's obligation in respect of its defined benefit plan is as follows:

2021/22 £'000		2022/23 £'000
(252,895)	Present value of the defined obligations	(174,264)
171,896	Fair value of plan assets	166,468
(80,999)	Net liability arising from defined benefit obligation	(7,796)

Reconciliation of Movements in the fair value of the scheme assets:

2021/22 £'000		2022/23 £'000
158,769	Opening fair value of scheme assets	171,896
3,156	Interest Income	5,375
14,956	The return on plan assets, excluding the amount included in the net interest expense	(9,476)
(2,925)	Other actuarial gains / (losses)	0
4,888	Contributions from employer	5,287
1,017	Contributions from employees into the scheme	1,095
(7,851)	Benefits Paid	(7,582)
(114)	Administration Expenses	(127)
0	Settlement Prices received/(paid)	0
171,896	Closing Fair value of scheme assets	166,468

Reconciliation of Present Value of the scheme liabilities:

**2021/22
£'000**

**2022/23
£'000**

264,908	Opening balance at 1 April	252,895
7,203	Current Service Cost	5,960
5,233	Interest Cost	6,641
1,017	Contributions from scheme participants	1,095
	Re-measurement (gains) and losses:	
(11,625)	Actuarial gains/losses arising from changes in demographic assumptions	0
(7,348)	Actuarial gains/losses arising from changes in financial assumptions	(104,550)
1,135	Other	19,683
223	Past Service Cost	122
0	Liabilities assumed/(extinguished) on settlements	0
(7,662)	Benefits Paid	(7,394)
(189)	Unfunded pensions Payments	(188)
252,895	Closing Balance at 31 March	174,264

Local Government Pension Scheme assets comprised:

Quoted in Active Markets	Unquoted in Active Markets	Total		Quoted in Active Markets	Unquoted in Active Markets	Total
2021/22	2021/22	2021/22		2022/23	2022/23	2022/23
£'000	£'000	£'000		£'000	£'000	£'000
			Fixed Interest Government Securities:			
1,719	0	1,719	UK	1,665	0	1,665
0	0	0	Overseas	0	0	0
1,719	0	1,719	Sub-total Fixed Interest Government Securities	1,665	0	1,665
			Index Linked Government Securities:			
2,578	0	2,578	UK	1,665	0	1,665
0	0	0	Overseas	0	0	0
2,578	0	2,578	Sub-total Index Linked Government Securities	1,665	0	1,665
			Corporate Bonds:			
15,814	0	15,814	UK	14,982	0	14,982
0	0	0	Overseas	0	0	0
15,814	0	15,814	Sub-total corporate bonds	14,982	0	14,982
			Equities:			
26,988	0	26,998	UK	24,970	0	24,970
67,899	0	67,899	Overseas	68,251	0	68,251
94,887	0	94,887	Sub-Total equities	93,221	0	93,221
			Property:			
11,689	688	12,377	All	9,988	1,665	11,653
11,689	688	12,377	Sub-Total Property	9,988	1,665	11,653

			Others:			
344	4,813	5,157	Hedge Fund	0	6,659	6,659
516	12,033	12,548	Private Equity	0	11,653	11,653
1,031	5,844	6,876	Infrastructure	0	6,659	6,659
1,031	0	1,031	Commodities	0	0	0
0	0	0	Bonds	0	0	0
7,735	0	7,735	Credit – Diversified Income	8,323	0	8,323
0	1,719	1,719	Private Debt	0	3,329	3,329
2,407	172	2,578	Other Diversified Alternatives	0	1,665	1,665
0	172	172	Forward Current Contracts	0	0	0
6,532	0	6,532	Cash/Temporary Investments	4,994	0	4,994
19,596	24,753	44,349	Sub-Total Others	13,320	29,965	43,285
			Net Current Assets:			
172	0	172	Debtors	0	0	0
0	0	0	Creditors	0	0	0
172	0	172	Sub-Total Net Current Assets	0	0	0
146,455	25,441	171,896	Total assets	134,838	31,630	166,468

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc.

The Local Government Pension Scheme has been assessed by Barnett Waddington, an independent firm of actuaries; estimates for the Lincolnshire Pension Fund are based on the latest full valuation of the scheme as at 31 March 2022.

The significant assumptions used by the actuary have been:

2021/22		2022/23
	Mortality assumptions:	
	<u>Longevity (in years) at 65 for current pensioners:</u>	
19.8	Men	19.8
22.9	Women	22.9
	<u>Longevity (in years) at 65 for future pensioners:</u>	
22.1	Men	21.1
24.3	Women	24.4
4.25%	Rate of increase in salaries	3.90%
3.25%	Rate of increase in pensions	2.90%
2.60%	Rate for discounting scheme liabilities	4.80%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been

determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

Sensitivity Analysis:	Increase in Assumptions £'000s	Decrease in Assumptions £'000s
Adjustment to Discount Rate (increase or decrease by 1%)		
Present Value of Total Obligation	(2,623)	(5,375)
Projected Service Cost	(106)	109
Adjustment to Long Term Salary (increase or decrease by 1%)		
Present Value of Total Obligation	254	(251)
Projected Service Cost	2	(2)
Adjustment to Pension/Revaluation (increase or decrease by 1%)		
Present Value of Total Obligation	2,486	(2,422)
Projected Service Cost	111	(107)
Adjustment to Life Expectancy (increase or decrease by 1 year)		
Present Value of Total Obligation	7,300	(6,972)
Projected Service Cost	114	(112)

Impact on the Council's Cash Flow

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. The County Council has agreed a strategy with the scheme's actuary to achieve a funding level of 100% over the next 20 years. Funding levels are monitored on an annual basis. The next triennial valuation is due to be completed on 31 March 2025.

The scheme will need to take account of the national changes to the scheme under the Public Pensions Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales and the other main public service schemes may not provide benefits in relation to service after 31 March 2014. The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits to certain public servants.

Employer contributions payable to the scheme in 2023/24 are estimated to be £4.792m.

Note 45 – Contingent Liabilities

A contingent liability is a possible liability arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Council's control. Where a material loss can be estimated with reasonable accuracy a provision is accrued within the financial statements. If, however, a loss cannot be accurately estimated or the event is not considered sufficiently certain, a contingent liability will be disclosed in a note to the Balance Sheet. There is one contingent liability as at 31 March 2023.

As with other councils across the country a potential VAT liability exists in relation to an HMRC review of VAT treatment of market fees and the Council is liaising with their VAT advisor on this matter.

Note 46 – Contingent Assets

The Council has no Contingent Assets as at 31st March 2023.

Note 47 – Nature and Extent of Risks Arising from Financial Instruments

The Council's activities expose it to a variety of financial risks. The key risks are:

- ✓ Credit risk – the possibility that other parties might fail to pay amounts due to the Council.
- ✓ Liquidity risk – the possibility that the Council might not have funds available to meet its commitments to make payments.
- ✓ Market risk - the possibility that financial loss might arise for the Council as a result of changes in such measures as interest rates movements.

Overall Procedures for Managing Risk

The Council's overall risk management procedures focus on the unpredictability of financial markets and implementing restrictions to minimise these risks. The procedures for risk management are set out through a legal framework set out in the Local Government Act 2003 and the associated regulations. These require the Council to comply with the CIPFA Prudential Code, the CIPFA Treasury Management in the Public Services Code of Practice and Investment Guidance issued through the Act. Overall, these procedures require the Council to manage risk in the following ways:

- ✓ by formally adopting the requirements of the Code of Practice;
- ✓ by the adoption of a Treasury Management Policy Statement and treasury management clauses within its standing orders;
- ✓ by approving, annually in advance, prudential indicators for the following three years limiting:
 - The Council's overall borrowing.
 - Its maximum and minimum exposures to fixed and variable rates.

- Its maximum and minimum limits on the maturity structure of its debt.
 - Its maximum annual exposures to investments maturing beyond a year.
- ✓ by approving an investment strategy for the forthcoming year setting out its criteria for both investing and selecting investment counterparties in compliance with the Government Guidance.

These are required to be reported and approved at or before the Council's annual Council Tax setting budget. These items are reported with the annual Treasury Management Strategy, which outlines the detailed approach to managing risk in relation to the Council's financial instrument exposure. Actual performance is also reported semi-annually to Members.

The annual Treasury Management Strategy, which incorporates the prudential indicators was approved by Council on 1st March 2022. The strategy is updated at the mid-year point and revised estimates calculated as below. It is available on the Council's website (www.lincoln.gov.uk). The key issues during 2022/23 were:

- The Authorised Limit for 2022/23 was forecast to be £158m (revised to £137m). This is the maximum limit of external borrowings or other long-term liabilities during the year.
- The original Operational Boundary was expected to be £149m (revised to £133m). This is the expected level of debt and other long-term liabilities during the year. The maximum amounts of fixed and variable interest rate exposure were set at £134m and £55.4m (mid year update) based on the Council's net debt.
- The maximum and minimum exposures to the maturity structure of debt are shown within this note.

These policies are implemented by the Treasury team in Financial Services. The Council maintains written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk, and the investment of surplus cash through Treasury Management Practices (TMPs). These TMPs are a requirement of the Code of Practice and are reviewed regularly.

Credit risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers. This risk is minimised through the Annual Investment Strategy, which requires that deposits are not made with financial institutions unless they meet identified minimum credit criteria, in accordance with the Fitch, Moody's and Standard & Poors Ratings Services. The Annual Investment Strategy also imposes maximum amounts and time limits in respect of each financial institution. Deposits are not made with banks and financial institutions unless they meet the minimum requirements of the investment criteria outlined above. Details of the Investment Strategy are contained within the Treasury Management Strategy and can be found on the Council's website (www.lincoln.gov.uk).

The Investment Strategy is based on the creditworthiness service provided by Link Asset Services (treasury management advisors to the Council). This uses a wide range of market information to produce a list of investment counterparties with recommended maximum investment durations. Link uses credit ratings, support ratings and credit default swap prices to arrive at a recommended counterparty list.

The criteria used as a minimum within the Capita methodology are as follows:

- Short Term credit ratings of F1, Long Term A, Support 3 and viability rating BBB (Fitch or equivalent rating), using the lowest common denominator principle.
- Inclusion of part Government owned UK banks based on support assumptions.

The full Investment Strategy for 2022/23 was approved by full Council on 1st March 2022.

The following analysis summarises the Council's potential maximum exposure to credit risk, based on experience of default assessed by the Fitch credit rating agency and the Council's experience of its customer collection levels over the last five financial years, adjusted to reflect current market conditions:

	Carrying Values at 31/03/23 £'000 a	Historical experience of default % b	Adjusted for market conditions at 31/03/23 % c	Estimated maximum exposure to default £'000 (a * c)
Deposits with banks and financial institutions				
• AAA* rated counterparties (investments up to 1 year)	14,685	0.0000%	0.0000%	0
• AA-* rated counterparties (investments up to 1 year)	3,000	0.0110%	0.0110%	0
• A* rated counterparties (investments up to 1 year)	9,000	0.0105%	0.0105%	1
• A+* rated counterparties (investments up to 1 year)	8,000	0.0130%	0.0130%	1
• A- rated counterparties (investments up to 1 year)	2,000	0.0040%	0.0040%	0
Debtors	8,313	7.17%	7.17%	596
	44,998			598

*See Glossary for a definition of ratings

**based on historical experience – this may change in future years due to the effect of Covid 19.

No breaches of the Council's counterparty criteria occurred during the reporting period and the Council does not expect any losses from non-performance by any of its counterparties in relation to deposits and bonds.

Whilst the current credit crisis in international markets has raised the overall possibility of default, the Council maintains strict credit criteria for investment counterparties. As a result of these high credit criteria, historical default rates have been used as a good indicator under these current conditions.

Analysis of Investments by country of origin

		Short term		Long term	
	Principal invested	Fixed rate	Variable rate	Fixed rate	Variable rate
	£'000	£'000	£'000	£'000	£'000

<u>UK Local Authorities</u>					
London Borough of Barking and Dagenham	3,000	3,000	0	0	0
<u>UK Banks & Building Societies</u>					
Lloyds Bank plc	7,000	7,000	0	0	0
Goldman Sachs	3,000	3,000	0	0	0
National Westminster Bank Plc (RFB)	2,000	2,000	0	0	0
SMBC	2,000	2,000	0	0	0
Standard Chartered Bank	5,000	5,000	0	0	0
<u>UK Money Market Funds</u>					
Aberdeen Standard MMF	5,410	0	5,410	0	0
BlackRock MMF	4,600	0	4,600	0	0
BNP Paribas MMF	1,750	0	1,750	0	0
Federated Investors (UK) MMF	255	0	255	0	0
Goldman Sachs MMF	0	0	0	0	0
Morgan Stanley MMF	2,670	0	2,670	0	0
Total Investments	36,685	22,000	14,685	0	0

The Council allows credit for its trade debtors, such that £818,802 of the £3,014,903 balance is not past its due date for payment. The past due but not impaired amount can be analysed by age as follows:

31/03/22		31/03/23
£'000		£'000
269	Less than three months	425
399	Three to six months	251
521	Six months to one year	312
1,321	More than one year	1,208
2,510	Total	2,196

Collateral – During the reporting period the Council held no collateral as security.

Liquidity risk

The Council manages its liquidity position through the risk management procedures above (the setting and approval of prudential indicators and the approval of the Treasury Management and Investment Strategy reports), as well as through a comprehensive cash flow management system, as required by the Code of Practice. This seeks to ensure that cash is available when it is needed.

The Council has ready access to borrowings from the Money Markets to cover any day to day cash flow need, and whilst the PWLB provides access to longer term funds, it also acts as a lender of last resort to councils (although it will not provide funding to a council whose actions are unlawful). The Council is also required to provide a balanced budget through the Local Government Finance Act 1992, which ensures sufficient monies are raised to cover annual expenditure. There is therefore no

significant risk that it will be unable to raise finance to meet its commitments under financial instruments.

The maturity analysis of financial liabilities is as follows: -

31/03/22 £'000		31/03/23 £'000	
14,931	Less than one year	14,394	
2,720	Between one and two years	2,225	
3,588	Between two and five years	4,104	
105,654	More than five years	102,913	
126,893	Total	123,636	

Market risk

Interest rate risk - The Council is exposed to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council, depending on how variable and fixed interest rates move across differing financial instrument periods. For instance, a rise in variable and fixed interest rates would have the following effects:

- ✓ borrowings at variable rates – the interest expense charged to the Comprehensive Income and Expenditure Statement will rise;
- ✓ borrowings at fixed rates – the fair value of the borrowing liability will fall;
- ✓ investments at variable rates – the interest income credited to the Comprehensive Income and Expenditure Statement will rise; and
- ✓ investments at fixed rates – the fair value of the assets will fall.

Borrowings are not carried at fair value in the Balance Sheet, so nominal gains and losses on fixed rate borrowings would not impact on the Comprehensive Income and Expenditure Statement. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Comprehensive Income and Expenditure Statement and affect the General Fund Balance, subject to influences from government grants. Movements in the fair value of fixed rate investments will be reflected in Other Comprehensive Income and Expenditure, unless the investments have been designated as Fair Value through the Comprehensive Income and Expenditure Statement, in which case gains and losses will be posted to the Surplus/Deficit on Provision of Services.

The Council has a number of strategies for managing interest rate risk. The Annual Treasury Management Strategy draws together the Council's prudential indicators and its expected treasury operations, including an expectation of interest rate movements. From this Strategy a prudential indicator is set which provides maximum and minimum limits for fixed and variable interest rate exposure. The central treasury team will monitor market and forecast interest rates within the year to adjust exposures appropriately. For instance, during periods of falling interest rates, and where economic circumstances make it favourable, fixed rate investments may be taken for longer periods to secure better long-term returns, similarly the drawing of longer term fixed rate borrowing would be postponed.

If all interest rates had been 1% higher with all other variables held constant the financial effect would be:

2021/22		2022/23
£'000		£'000
(255)	Increase in interest receivable on variable rate investments	(671)
(255)	Impact on Income and Expenditure Account	(671)
(81)	Share of overall impact credited to the HRA	(342)
(174)	Share of overall impact credited to the General Fund	(329)
(255)	Total	(671)

The approximate impact of a 1% fall in interest rates would be as above but with the movements being reversed. These assumptions are based on the same methodology as used for Fair Value of Assets and Liabilities carried at Amortised Cost.

Price risk - The Council does not generally invest in equity shares but does have shareholdings to the value of £0.82m in a number of joint ventures and in local industry. Whilst these holdings are generally liquid, the Council is exposed to losses arising from movements in the prices of the shares.

As the shareholdings have arisen in the acquisition of specific interests, the Council is not in a position to limit its exposure to price movements by diversifying its portfolio. The majority of the shareholdings are in the Dunham Bridge Company (£0.504m) and Investors in Lincoln (£0.312m). A representative of the Council sits on the Investors in Lincoln Board, enabling the Council to monitor factors that might cause a fall in the value of specific shareholdings.

The shares are all held at Fair Value through Other Comprehensive Income, meaning that all movements in price will impact on gains and losses recognised in Other Comprehensive Income and Expenditure.

Foreign exchange risk - The Council has no financial assets or liabilities denominated in foreign currencies. It therefore has no exposure to loss arising from movements in exchange rates.

HRA INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDING 31 MARCH 2023

2021/22		Notes	2022/23	2022/23
£'000			£'000	£'000
	Expenditure			
(8,436)	Repairs and Maintenance	5	(8,982)	
(7,786)	Supervision and Management		(8,746)	
(615)	Rents, rates, taxes and other charges		(905)	
8,648	Depreciation, impairment and other adjustments for non-current assets		11,936	
(1)	Debt management costs		(9)	
(284)	Movement in the allowance for bad debts		(300)	
(8,474)	Total Expenditure			(7,007)
	Income			
28,700	Dwelling rents		30,089	
352	Non-dwelling rents		405	
766	Other Income		892	
262	Charges for services and facilities		544	
30,080	Total Income			31,929
21,606	Net Cost of HRA Services as included in the Comprehensive Income and Expenditure Statement			24,922
(1,348)	Transfer from HRS			(558)
20,258	Net Cost for HRA Services			24,364
	HRA share of the operating income and expenditure included in the Comprehensive Income and Expenditure Statement			
904	Gain or (loss) on the sale of HRA assets			627
(2,425)	Interest payable and similar charges			(2,432)
24	Interest and investment income			614
(729)	Pensions interest income on plan assets and interest cost on defined benefit obligation	9		(462)
4,353	Capital grants and contributions receivable			496
22,384	Surplus or (deficit) for the year on HRA services			23,207

MOVEMENT ON THE HOUSING REVENUE ACCOUNT STATEMENT

2021/22 £'000		2022/23 £'000
1,075	Balance on the HRA at the end of the previous year	1,030
22,384	Surplus or (deficit) for year on the HRA Income and Expenditure Statement	23,207
(22,097)	Adjustments between accounting basis and funding basis under statute	(22,321)
287	Net increase or (decrease) before transfers to or from reserves	886
(331)	Transfers (to) or from reserves	(748)
(44)	Increase or (decrease) in year on the HRA	138
1,030	Balance on the HRA at the end of the current year	1,168

NOTES TO THE HOUSING REVENUE ACCOUNT

Note 1 – Assets

The number of dwellings in the Council's housing stock, as at 31 March 2023, totalled 7,795 properties. The type of properties and the period in which they were built, were as follows:

Property Type	<1945 No.	1945-64 No.	1965-74 No.	>1974 No.	TOTAL No.
Low Rise Flats (Blocks up to 2 Storeys)					
1 Bed	43	888	561	541	2,033
2 Bed	5	118	82	105	310
3 Bed	0	0	12	1	13
Sub-Total	48	1,006	655	647	2,356
Medium Rise Flats (Blocks of 3 up to 5 Storeys)					
1 Bed	0	50	235	268	553
2 Bed	0	215	110	148	473
3 Bed	0	15	4	1	20
4 Bed	0	0	0	0	0
Sub-Total	0	280	349	417	1,046
High Rise Flats (Blocks of 6 Storeys or more)					
1 Bed	0	56	138	0	194
2 Bed	0	30	70	0	100
Sub-Total	0	86	208	0	294
Houses / Bungalows					
1 Bed	156	142	32	25	355
2 Bed	708	751	97	343	1,899
3 Bed	780	529	68	308	1,685
4 or more Beds	96	24	1	30	151
Sub-Total	1740	1,446	198	706	4,090
Total Dwellings 31 March 2023	1,788	2,818	1,410	1,770	7,795

Note 2 – Housing Revenue Account Assets Valuation

The Council's in-house Valuation Officers, and the District Valuer, have valued the HRA dwellings, land, and other property in accordance with Royal Institute of Chartered Surveyor guidelines.

The Balance Sheet value of council dwellings is calculated by applying a Social Housing discount factor. This represents the market value for the Council's total housing stock adjusted to reflect the fact that the property is socially rented (this adjustment is currently 42%). The discount factor is then applied to the open market or vacant possession value as determined by the District Valuer, as shown below:

	£ 000
Vacant possession value of council dwellings at 31 March 2023	766,580
Balance sheet valuation applying the Social Housing discount factor	321,964

The Balance Sheet value of HRA Assets is as follows:

2021/22		2022/23
£'000		£'000
298,791	Council Dwellings	321,964
4,494	Other Operational Assets	4,432
18,015	Non-Operational Assets	16,750
321,300	Total at 31 March	342,966

Note 3 – Depreciation

The Depreciation of HRA Assets is as follows:

Depreciation:		
2021/23		2022/23
£'000	Operational Assets:	£'000
7,145	Council Dwellings	7,523
278	Other Operational Assets	339
7,423	Total at 31 March	7,862

Note 4 – Major Repairs Reserve

The Major Repairs Reserve is an earmarked reserve to which the Council transfers an amount annually to finance capital expenditure on council dwellings. This amount includes annual depreciation, which is charged to the Housing Revenue Account and then transferred to the Major Repairs Reserve. This may be supplemented by additional revenue contributions from the HRA to support the HRA capital programme. The balance on the Major Repairs Reserve shows the amounts that have yet to be applied to financing.

2021/22		2022/23
£'000		£'000
(14,139)	Balance on 1 April	(20,088)
	Amount transferred from the HRA	
	- Depreciation	
(7,145)	Dwellings	(7,523)
(280)	Other Assets	(339)
(2,365)	- Other revenue contributions	(2,147)
(23,929)		(30,097)
	Used in Financing	
3,842	- HRA Capital Expenditure	6,778
	-DRF	688
(20,088)		(22,631)

Note 5 – Housing Repairs Account

The Housing Repairs Account was set up on 1 April 2001 in order to assist with the longer-term planning of repairs and maintenance expenditure. The following analysis details the movement on the Housing Repairs Account during the year.

2021/22 £'000		2022/23 £'000
(1,351)	Balance on 1 April	(1,351)
	Expenditure in year	
3,702	Tenant Notified Repairs	3,991
1,949	Void Repairs	1,938
1,762	Servicing Contracts	1,792
24	Painting Programme	0
107	Asbestos Removal/Surveys	190
3	Specialist Property Surveys	1
392	Aids & adaptations	617
17	Aids & adaptations (Non HRS)	16
89	Cleansing	80
0	Minor Works	0
58	Decoration Grants	68
0	Tenants Compensation	6
64	COVID Charges	0
99	Skip Recharges	143
27	Control Centre Recharge	36
0	Estate Shops	0
137	Other Expenditure	105
8,428		8,983
	Income in year	
(8,326)	Contribution from HRA	(8,909)
0	Contribution to HRA	0
(101)	Repairs Account Income	(74)
0	Contribution from Leaseholders	0
0	Interest Received in year	0
(8,428)		(8,983)
(1,351)	Surplus Balance on 31 March	(1,351)

Note 6 – Capital Expenditure in the year

The Housing Revenue Account capital expenditure and sources of funding during the financial year are detailed in the following table:

2021/22 £'000		2022/23 £'000
	Capital investment	
15,263	Property, Plant and Equipment – HRA	12,647
1	Property, Plant and equipment – GF used as council housing	0
0	Non-Current Assets held for sale	0
0	Intangible Assets	0
0	Revenue Expenditure funded from Capital under Statute	0
15,264		12,647
	Sources of funding	
(867)	Capital Receipts	(1,917)
(21)	Revenue Contributions	0
(3,842)	Major Repairs Reserve	(7,465)
(4,178)	Prudential Borrowing	(2,770)
(6,356)	Government grants and other contributions	(495)
(15,264)		(12,647)
0	Balance unfunded at 31 March	0

* REFCUS is created when expenditure has been incurred on items that are not capitalised as assets but have been financed from capital resources. It is written down to the Housing Revenue Account over an appropriate period, usually in the same year in which the expenditure has been incurred. The total amount of REFCUS is £0.000m for 2022/23 (£0.000m in 2021/22).

Prior to the implementation of HRA Self-financing on 1 April 2012, supported borrowing levels had been issued annually by Central Government, authorising the Council to borrow monies, which were funded by Central Government to cover capital expenditure. Additionally, the Council was able to take out unsupported or prudential borrowing, which must be financed from its own resources. Post self-financing implementation and the end of the housing subsidy system, all borrowing will be prudential borrowing. In 2022/23, there was £2,770m of prudential borrowing undertaken to fund the HRA capital investment.

Note 7 - Capital Receipts

The cash receipts from the disposal of land, houses and other property within the HRA in the year are summarised as follows:

2021/22 £'000		2022/23 £'000
	Council dwellings	
(3,156)	- Right to Buy	(3,239)
(102)	- Discounts repaid	0
	Other Receipts	
0	- Land Sales reimbursements	0
0	- Reimbursement of expenditure on	0
0	General Fund property on sale	0
	Land receipts	
(3,256)		(3,239)
529	Less Pooled (Paid to Central Government)	0
(2,727)	Total	(3,239)

Note 8 - Rent Arrears

During the year 2022/23 total rent arrears increased by £40k equal to 1.86%, to £2.165m. A summary of rent arrears and prepayments is shown in the following table:

2021/22 £'000		2022/23 £'000
1,165	Current Tenant Arrears @ 31 March	1,158
960	Former Tenant Arrears @ 31 March	1,007
2,125	Total Rent Arrears	2,165
(242)	Prepayments @ 31 March	(280)
1,883	Net Rent Arrears	1,885

A provision for doubtful debts of £300,400 has been made in this year's accounts in respect of potentially non-collectable rent arrears, as detailed above, and associated miscellaneous debts. The value of the bad debt provision held in the Balance Sheet at 31 March 2023 is £2,160,656 (£2,016m at 31 March 2022).

Note 9 - Pension Costs

In line with the full adoption of IAS 19 'Employee Benefits' the Net Cost of Services includes the cost of retirement benefits when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge that is required when determining the movement on the HRA Balance for the year is based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the HRA in the Movement on the Housing Revenue Account Statement. The following transactions have been made in the HRA during the year:

2021/22		2022/23
£'000		£'000
	HRA Income & Expenditure Statement	
2,605	Current Service Cost	2,268
0	Past Service Costs	0
729	Net interest expense	462
3,503	Total	2,730
(1,720)	Amount to be met from HRA	(1,931)
1,614	Movement on Pension Reserve	799

THE COLLECTION FUND STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

2021/22 £'000 Total		2022/23 £'000 Council Tax	2022/23 £'000 NNDR	2022/23 £'000 Total	Note
INCOME					
(47,853)	Council Tax Payers	(50,192)	0	(50,192)	2
(115)	Income from Ministry of Defence	(124)	0	(124)	
(33,168)	Income from Business Ratepayers	0	(40,286)	(40,286)	3
(81,136)		(50,316)	(40,286)	(90,602)	
EXPENDITURE					
Precepts:					
6,956	- City of Lincoln Council	7,360	0	7,360	
33,248	- Lincolnshire County Council	36,248	0	36,248	
6,491	- Police & Crime Comm. Lincolnshire	6,993	0	6,993	
Business Rates:					
21,641	- Payments to Government	0	19,382	19,382	3
17,164	- Payments to City of Lincoln Council	0	15,501	15,501	3
4,291	- Payments to Lincs County Council	0	3,875	3,875	3
144	- Cost of Collection	0	142	142	
Bad and Doubtful Debts					
342	- Provisions	242	112	354	
385	- Write Offs	149	26	175	
(952)	- Provision for appeals	0	(536)	(536)	
(28,175)	Transfer of Collection Fund Surplus	(37)	(10,110)	(10,147)	4
61,535		50,955	28,392	79,347	
(19,601)	Deficit / (Surplus) for the year	639	(11,894)	(11,255)	
COLLECTION FUND BALANCE					
29,887	Balance brought forward at 1 st April	192	10,093	10,285	
(19,601)	Deficit/(Surplus) for the year (as above)	639	(11,894)	(11,255)	
10,286	Balance carried forward at 31st March	831	(1,801)	(970)	
Allocated to:					
4,066	- City of Lincoln Council	122	(720)	(598)	
1,145	- Lincolnshire County Council	595	(180)	415	
27	- Police & Crime Comm. Lincolnshire	114	0	114	
5,048	- Government	0	(900)	(900)	
10,286		831	(1,801)	(970)	

NOTES TO THE COLLECTION FUND

Note 1 - General

The Collection Fund is an agent's statement that reflects the statutory obligation of billing authorities to maintain a separate Collection Fund. The statement shows the transactions of the billing authority in relation to the collection from taxpayers of Council Tax and National Non-Domestic Rates (NNDR) and its distribution to local government bodies and the Government.

The Council has a statutory requirement to operate a Collection Fund as a separate account to the General Fund. The purpose of the Collection Fund therefore, is to isolate the income and expenditure relating to Council Tax and National Non-Domestic Business Rates. The administrative costs associated with the collection process are charged to the General Fund.

Collection Fund surpluses declared by the billing authority in relation to Council Tax are apportioned to the relevant precepting bodies in the subsequent financial year. Deficits likewise are proportionately charged to the relevant precepting bodies in the following year. For the City of Lincoln, the Council Tax precepting bodies are Lincolnshire County Council (LCC) and the Police and Crime Commissioner for Lincolnshire (PCCL).

In 2013/14, the local government finance regime was revised with the introduction of the retained business rates scheme. The main aim of the scheme is to give councils a greater incentive to grow businesses in the City. It does, however, also increase the financial risk due to non-collection and the volatility of the NNDR tax base.

The scheme allows the Council to retain a proportion of the total NNDR received. For 2022/23, the City of Lincoln's proportionate share remained consistent with that of 2021/22, as follows:

	2022/23 'Pool'
City of Lincoln	40%
Lincolnshire County Council	10%
Central Government	50%

NNDR surpluses declared by the billing authority in relation to the Collection Fund are apportioned to the relevant precepting bodies in the subsequent financial year in their respective proportions. Deficits likewise are proportionately charged to the relevant precepting bodies in the following year.

The national code of practice followed by local authorities in England stipulates that a Collection Fund Income and Expenditure account is included in the Council's accounts. The Collection Fund Balance Sheet meanwhile is incorporated into the Council's Balance Sheet.

Note 2 - Council Tax Base

Council Tax derives from charges raised according to the value of residential properties, which have been classified into 9 valuation bands (A-H) for this specific purpose. Individual charges are calculated by estimating the amount of income required to be taken from the Collection Fund by the Council for the forthcoming year and dividing this by the Council Tax base (i.e. the equivalent numbers of Band D dwellings).

The Council Tax base for 2022/23 was 25,310.01 (24,372.38 in 2021/22). The increase between financial years is as a result of a combination of new builds and a reduction in the level of Council Tax Discounts and Exemptions. The tax base for 2022/23 was approved at the Executive on 21st February 2022 and was calculated as follows:

Band	Ratio	Dwellings	Equivalent Dwellings after discounts, exemptions and reliefs	Equivalent Band D Dwellings
A Reduced	5/9	48	42	23
A	6/9	28,070	23,360	15,573
B	7/9	9,053	7,961	6,192
C	8/9	4,893	4,382	3,895
D	9/9	2,539	2,299	2,299
E	11/9	1,384	1,124	1,373
F	13/9	442	366	528
G	15/9	141	135	225
H	18/9	38	12	24
Total		46,608	39,680	30,132
Deduction for Non-Collection				(527)
Crown Properties Adjustment				60
Adjusted to Band D Equivalent				29,665
Council Tax Relief Scheme				(4,400)
Tax Base for the Calculation of Council Tax				25,310

Dwellings for residents entitled to 'disabled relief reduction' are reduced to the next lowest band for the calculation of Council Tax. As band 'A' is the lowest band, 'A reduced' has been introduced to give effect to this reduction for those who reside in Band 'A' properties.

Income received from Council Taxpayers in 2022/23 was £50,192m (£47.853m in 2021/22).

Note 3 - Income from Business Ratepayers

The Council collects National Non-Domestic Rates (NNDR) for its area based on local rateable values provided by the Valuation Office Agency (VOA) multiplied by a uniform business rate set nationally by Central Government. Historically the total amount due, less certain allowances, was paid to a central pool (the NNDR pool) administered by Central Government, which, in turn, paid to local authorities their share of the pool, such shares being based on a standard amount per head of the local adult population.

In 2013/14, the administration of NNDR changed following the introduction of a business rates retention scheme which aims to give councils a greater incentive to grow businesses but also increases the financial risk due to volatility and non-collection of rates. Instead of paying NNDR to the central pool, local authorities retain a proportion of the total collectable rates due. For 2022/23, the City of Lincoln's retained share remained consistent with that of the previous year as follows:

	2021/22 'Pool'	2022/23 'Pool'
City of Lincoln	40%	40%
Lincolnshire County Council	10%	10%
Central Government	50%	50%

The business rates shares payable for 2022/23 were estimated before the start of the financial year as **£19.376m** (£21.455m in 2021/22) to Central Government, **£3.875m** (£4.291m in 2021/22) to LCC and **£15.501m** (£17.164m in 2021/22) to the City of Lincoln Council. These sums have been paid in 2022/23 and charged to the Collection Fund in year.

When the scheme was introduced, Central Government set a baseline level for each authority identifying the expected level of retained business rates and a top up or tariff amount to ensure that all authorities receive their baseline amount. Tariffs due from authorities payable to Central Government or to Top-up authorities within an NNDR Pooling arrangement are used to finance the top ups to those authorities who do not achieve their targeted baseline funding. In 2022/23 the City of Lincoln made a tariff payment from the General Fund to the County Council to the value of **£13.094m** (£13.094m in 2021/22).

The total income from business rate payers collected in 2022/23 was **£40.286m** (£33.168m in 2021/22).

In addition to the top up/tariff, a 'safety net' figure is calculated at 92.5% of baseline amount which ensures that authorities are protected to this level of Business Rates income (either through support from Central Government if they are not in a NNDR Pool/Pilot or as first call on gains from pooling/pilot if authorities are members of an NNDR Pool/Pilot). For the City of Lincoln the value of the safety net figure (net of tariff) is **£3.528m** (£3.528m in 2021/22). The comparison of business rate income to the safety net uses the total income collected from business rate payers and adjusts for losses in collection, losses on appeal, transitional protection payments, the cost of collection and the revision to Small Business Rate Relief and other reliefs not allowed for when the safety net was set. The Council does not qualify for a safety net payment for 2022/23.

In addition to the local management of business rates, authorities are expected to finance appeals made in respect of rateable values as defined by VOA and hence business rates outstanding as at 31st March 2023. As such, authorities are required to make a provision for these amounts. Appeals are charged and provided for in proportion of the precepting shares. **The total provision withdrawn from the collection fund for 2022/23 has been calculated at £0.536m (£0.952m was withdrawn in 2021/22).**

For 2022/23, the total non-domestic rateable value at the year-end is **£111.7m** (£111.3m in 2021/22). The national multipliers for 2022/23 were **49.9p** for qualifying Small Businesses, and the standard multiplier being **51.2p** for all other businesses (49.9p and 51.2p respectively in 2021/22).

Note 4 - Contributions to Collection Fund Surpluses and Deficits

The Council has a statutory requirement to prepare an estimate each January of the surplus or deficit expected to arise at the end of the financial year. In January 2022 it was estimated that the Collection Fund would have a Council Tax deficit of **£37m** (£1.106m deficit in January 2021) and a Business Rates deficit of **£10.110m** (£27,665m deficit in January 2021), a combined Collection Fund deficit of **£10,147m** (£28.771m deficit in January 2021) and so the following amounts were due to or from the preceptors in 2022/23:

2021/22 £'000		2022/23 £'000
11,232	City of Lincoln Council	4,050
3,558	Lincolnshire County Council	1,038
149	Police & Crime Comm. Lincolnshire	4
13,833	Central Government	5,055
28,772	Total	10,147

**INDEPENDENT AUDITORS' REPORT TO MEMBERS OF CITY OF LINCOLN
COUNCIL**

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**STATEMENT OF ACCOUNTS
2022/23**

1 The council's responsibility for sound governance

1.1 Scope of responsibility

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. The Council also has a duty under the Local Government Act 1999 to secure continuous improvement in the way its functions are exercised.

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. In discharging this overall responsibility, we must put in place proper governance arrangements to manage our affairs. The Council must ensure that there is a sound system of governance (incorporating the system of internal control) based on the principles of CIPFA's "Delivering Good Governance in Local Government Framework 2016"

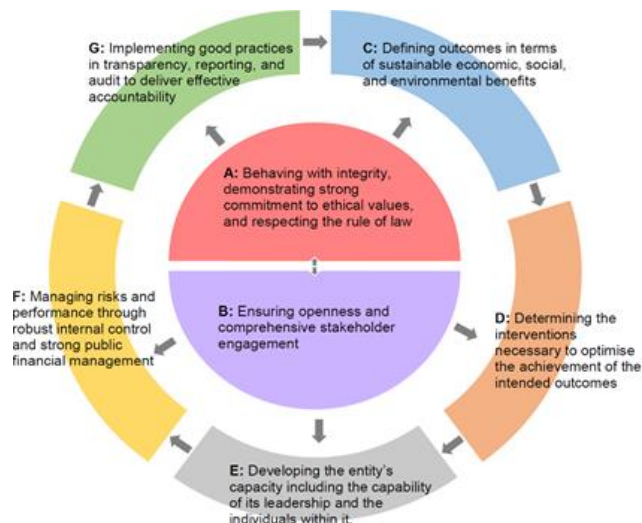
How we are meeting these defined responsibilities is detailed in the City of Lincoln's Code of Corporate Governance, which is available on our website at <https://www.lincoln.gov.uk/policies-publications/financial-policies-publications>.

The Council's Code of Corporate Governance was comprehensively reviewed in 2021, to account for the impact of the Covid-19 pandemic. Further minor changes have since been made, with the Code most recently updated in May 2023.

This Annual Governance Statement details how the City Council has complied with its own Code of Corporate Governance over the past year. The Statement meets all relevant statutory requirements, and continues to incorporate actions taken in response to the COVID-19 pandemic.

1.2 The Code of Corporate Governance sets out the documentation, systems and processes by which the authority transparently controls its activities and defines its cultures and values. It enables us to monitor achievement of our strategic objectives and to consider whether these have led to the delivery of appropriate value for money services.

The code is based on a set of seven core principles:



1.3 Responsibility rests within a range of areas – the key ones are detailed in the table below:

KEY ELEMENTS OF COUNCIL'S GOVERNANCE FRAMEWORK Key elements of the governance framework at City of Lincoln Council are summarised below:		
Council, Executive, Leader <ul style="list-style-type: none"> ❖ Provide leadership; set, develop and implement policy ❖ Ensure the Vision 2025 strategies are taken forward ❖ Develop, adopt and implement the budget framework ❖ Support the city's diverse communities and neighbourhoods to thrive 	Leadership and decision making <ul style="list-style-type: none"> ❖ All decision meetings held in public (except those identified as 'part B') ❖ Decisions recorded on the Council's public website ❖ Resources directed according to priorities as set out in Vision 2025 	Risk management <ul style="list-style-type: none"> ❖ Risk registers identify both operational and strategic risks ❖ Strategic risks are considered by CMT and Executive every quarter ❖ Internal audit provides independent objective assurance ❖ Council's arrangements comply with the requirements of the CIPFA Statement on the Role of the Head of Internal Audit
Scrutiny and review <ul style="list-style-type: none"> ❖ Scrutiny committees review council policy and can challenge decisions to hold Executive to account ❖ Audit and Performance committees review governance, costs vs budget, risk, internal control and delivery of agreed plans ❖ Ethics and Engagement Committee and/or Monitoring Officer deals with complaints about, or suspected breaches of member conduct ❖ Any two members can hold the Executive to account outside of scrutiny and review by requesting Call-In and reconsideration of an Executive decision 	Corporate Management Team (CMT) <ul style="list-style-type: none"> ❖ The CX is the Head of Paid Service and is responsible for all council staff and for leading an effective Corporate Management Team (CMT) ❖ CMT ensures there is clear accountability for the use of resources in achieving desired outcomes for service users and the community ❖ The Chief Finance Officer (CFO) is the council's Section 151 Officer and is responsible for safeguarding the council's financial position and securing value for money. The council's financial management arrangements comply with the governance requirements of the CIPFA Statement on the role of Chief Financial Officer in Local Government ❖ The City Solicitor is the council's Monitoring Officer and is responsible for ensuring legality, good governance and promoting high standards of conduct 	

- 1.4** In the following sections, the AGS considers whether the Code has been applied effectively and provides commentary on how the framework itself has operated over the last 12 months. The first of these sections covers how the Council has continued to maintain good governance as it adapts to longer term impacts from the COVID-19 pandemic. Some of the activities mentioned in this first section are also mentioned under the 'Core Principles' sections that follow.

1.5 Impact of COVID-19 on maintaining good governance

The COVID-19 pandemic caused major disruption to the day-to-day work of the Council, and has had a lasting impact on how we continue to deliver services to our residents and local businesses. We have now taken steps to fully embed the enhanced business continuity procedures and renewed governance arrangements initiated during the pandemic, for the benefit of our residents, businesses and visitors.

Actions taken to address the impact of the COVID-19 pandemic in 2022/23:

- Reviewed business continuity plans following the Covid-19 pandemic.
- Developed a new IT Disaster Recovery Plan, including coverage of all risks highlighted throughout the pandemic
- Undertaken an initial review of the longer-term effects of Covid-19 within the City (including health) via the Lincoln City Profile.

Proposed activity for the coming year 2023/24:

- Undertake a further review of all business continuity plans, in order that they may be aligned with the new IT Disaster Recovery Plan.

1.6 CORE PRINCIPLE A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Ethical values, standards and formal codes of conduct are defined in the Council's Constitution and form the basis for developing our policies, procedures, and the behaviour of our Members and employees. We have appropriate processes in place to ensure that Members and employees are not influenced by prejudice, bias or conflicts of interest when engaging and making decisions with stakeholders, as well as effective systems to protect the rights of employees. All Council decisions consider legal and equality implications with support from our Legal Services team.

Our Audit Committee includes an independent Member, and provides assurance on the adequacy of our internal control environment by ensuring high standards of conduct are embedded within the Council's culture. The Committee also monitors all governance issues raised, and oversees our internal and external audit arrangements.

Activity within Principle A in 2022/23:

- Undertook an annual update of the Code of Corporate Governance
- Reviewed the requirement to update our Members' Code of Conduct, which remains legally compliant
- Ensured we are compliant with the proposed Subsidy Control Bill

- Ensured we are compliant with the Electoral Integrity Bill
- Completed a successful Adults Safeguarding Audit (LAAF)
- Reviewed our Modern Slavery Charter and Statement
- Reviewed proposals contained within the new Planning Bill
- Reviewed our Money Laundering Policy
- Reviewed our Whistleblowing Policy and Guidance

Proposed activity for the coming year:

- Undertake scheduled annual update of our Code of Corporate Governance
- Continue to monitor our compliance with the Subsidy Control Act 2022 as projects commence
- Continue to review our compliance with the Elections Act 2022 as the commencement orders come into place
- Review updated CIPFA guidance for Audit Committees, including a review of the Terms of Reference of the Audit Committee to ensure they remain compliant with best practice

1.7 CORE PRINCIPLE B: Ensuring openness and comprehensive stakeholder engagement

The Council makes sure our partners, in the private, public and voluntary sector as well individual citizens and service users, are engaged in and have full access to information relating to decision making. We expect reports to decision makers to be open, to provide all the necessary material to ensure informed decisions in the best interests of the city and communities, and to have engaged stakeholders and service users in arriving at proposals under consideration.

Activity within Principle B in 2022/23:

- Commenced a review of the Lincoln Citizens' Panel
- Explored more effective forms of stakeholder engagement for budget consultations
- Commenced a review of Consultation and Engagement staff guidance
- Undertook consultations with service users relating to climate change

Proposed activity for the coming year:

- Finalise the review of our Consultation and Engagement staff guidance
- Complete a review of the Citizens Panel, and recruit new Panel members in a way that reflects the current makeup of the City
- Create a 'Community Development Toolkit' for local Ward Councillors to provide additional help and support within their community
- Explore further options for engaging with stakeholders on budget consultations
- Continue to develop more permanent and usable feedback systems for services.

1.8 CORE PRINCIPLE C: Defining outcomes in terms of sustainable economic, social, and environmental benefits

Vision 2025 is the Council's vision for the five years to 2025 and forms the second phase of our Vision from 2017 to 2030. As with previous strategic plans, Vision 2025 was developed using a robust evidence base including information

gained through consultation with local residents and businesses, and evidence from the Lincoln City Profile. The current priorities in Vision 2025 are:

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

The next corporate planning cycle to develop our 'Vision 2030' will commence towards the end of the current year.

Since the Covid-19 pandemic, progress has been made towards reinstating the five current Strategic Priority Boards. Meanwhile key strategic projects, including redevelopment of Central market/City Square and commencement of Western Growth Corridor, continue to be monitored through their respective MEGA Boards. All projects are also reported into the Portfolio Holders' annual reporting process.

A full mid-term evidence based review of the Vision 2025 was completed in 2022, and continues to be implemented.

Activity within Principle C in 2022/23:

- Re-energised implementation of the place strategy for Park Ward/Sincil Bank, highlighted as a priority area for regeneration following the Covid-19 pandemic, through progression of multiple contributing regeneration projects
- Progressed several projects set out in the Vision 2025 three year action plan including Central market/City Square, delivery of new homes at Rookery Lane, progression of our Climate Action Plan, and a range of projects within the High Street Heritage Action Zone
- Undertook promotion of the next phase of the three year Vision 2025 Delivery Plan
- Commenced a feasibility study for a 30-year Housing Business Plan, which will focus on regenerating our housing estates
- Advanced a detailed analysis of 2021 Census data, that will be incorporated into future Lincoln City Profile publications and used to support robust decision making

Proposed activity for the coming year:

- Further progress implementation of Phases 1a and 1b of Western Growth Corridor
- Progress further the implementation of the place strategy for Park Ward/Sincil Bank
- Finalise our 30-year Housing Business Plan for the period 2023 – 2053
- Complete our detailed analysis of 2021 Census data to support robust, evidence-based decision making

1.9 CORE PRINCIPLE D: Determining the interventions necessary to optimise the achievement of the intended outcomes

The Council clearly defines its priorities and plans to ensure delivery of their

intended outcomes. Service plans were completed for 2022/23, and plans for the coming year are currently underway. Work has continued to ensure robust management of the Council's services, and projects continue to utilise the Lincoln Project Management Model (LPMM), through which we continuously assess the risks of not fully delivering plans and ensure that there are mitigating actions in place to support the achievement of intended outcomes.

The Council's financial management arrangements ensure that there is adequate resource available to deliver our plans. The Council reviews progress against delivering those outcomes through its performance management framework.

Activity within Principle D in 2022/23:

- Commenced work on delivering a five year ICT Strategy
- Prepared and audited a new IT Disaster Recovery Plan
- Procured and delivered a replacement online, self service Council Tax and NNDR system
- Progressed improving customers' experience by continuing to move them away from our Customer Contact Centre towards online forms

Proposed activity for the coming year:

- Complete delivery of a five year ICT Strategy
- Formally adopt a new IT Disaster Recovery Plan
- Undertake a further review of our business continuity plans, in order that they may be aligned with the new IT Disaster Recovery Plan.
- Establish micro-sites for key services including Building Control, Visitor services and Lincoln Central Market.
- Identify further high volume interactions with customers in our Customer Contact Centre and move them to online forms where possible to take pressure off contact centre
- Review the Council's Risk Management Strategy and provide refresher training to Members and officers

1.10 CORE PRINCIPLE E: Developing the entity's capacity, including the capability of its leadership and the individuals within it

The Council ensures a management structure that provides leadership and creates the opportunity for staff to work effectively and efficiently to achieve our objectives. Under our One Council approach, we have in place an organisational development pillar that aims to ensure our workforce has the necessary skills and behaviours to deliver our Vision for the city, and is effectively engaged to champion the Council's corporate priorities. Partnership working extends capacity for key projects to be delivered beyond the Council's own resources and is embedded within our Vision 2025 objectives.

Activity within Principle E in 2022/23:

- Commenced a review of the Council's building assets including City Hall, Hamilton House and community centres etc
- Supported the relocation of Citizens' Advice into City Hall, to further strengthen City Hall's identity as a public service hub
- Reviewed our One Council organisational pillar, concluding that we have adapted new ways of working in response to all known issues arising from the Covid-19 pandemic

- Provided leadership development training to all service managers and team leaders

Proposed activity for the coming year:

- Continue to build on employee retention and professional training opportunities for our employees
- Review the Council's Our People Strategy
- Continue implementing our Organisational Development Action Plan, including a needs and skills gap analysis

1.11 CORE PRINCIPLE F: Managing risks and performance through robust internal control and strong public financial management

The Council recognises the need to implement an effective performance management system that will allow us to deliver services effectively and efficiently. We understand that risk management, internal control and strong financial management are essential for us to achieve our objectives and we have put appropriate arrangements in place.

Activity within Principle F in 2022/23:

- Reviewed our Financial Procedure Rules
- Implemented revised reporting requirements as required by the revised Prudential Code and Treasury Management Code
- Reinstated our monthly Vision priority meetings
- Reviewed our Contaminated Land Inspection Strategy
- Reported a new agreed action plan to ensure compliance with the CIPFA Financial Management Code
- Introduced a revised process for following up actions identified in Internal Audit reports, significantly improving internal controls for monitoring actions and reducing the time taken to address them.

Proposed activity for the coming year:

- Review Contract Procedure Rules upon enactment of the Procurement Act
- Undertake a benchmarking exercise to review our treasury management strategy and prudential indicators reporting against best practice
- Introduce quarterly reporting of our treasury management activities
Fully implement all actions within our agreed action plan to ensure compliance with the CIPFA Financial Management Code
- Provide training to all officers with budget responsibility on revised Financial Procedure Rules and continue to develop a business partnering approach to financial management

1.12 CORE PRINCIPLE G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability

The Council recognises that effective accountability is concerned not only with reporting on actions completed, but also ensuring stakeholders are able to understand and respond as the Council plans and carries out its activities in an open, transparent and proportionate manner. Performance is managed under the principles of the Performance Management Framework

Activity within Principle G in 2021/22:

- Commenced a review of the Lincoln Performance Management Framework
- Undertook an internal audit of our Performance Management function
- Reviewed a range of control measures associated with the Council's key performance indicators, including renewing control sheets and performance reporting

Proposed activity for the coming year:

- Complete a detailed review of the Lincoln Performance Management Framework and how this can best support Vision 2030
- Further develop our internal performance management system

2. Review of effectiveness of the governance framework

We undertook an assessment of the Council's governance framework during 2022/23, by reviewing our Code of Corporate Governance and the review process used to develop the AGS. Included in this review, we assessed how we identify and rate significant issues and other areas that may require monitoring. We also considered how all of the following governance information influenced the effectiveness of our overall governance framework:

- Internal and external audits
- Third party assurances and combined assurance
- Committee reports
- Risk management practices
- Performance management observations and issues
- Management of projects
- Partnership governance
- Financial management
- Feedback from our senior management team and statutory officers.

The Head of Internal Audit is required annually to provide an opinion on the overall effectiveness of the Council's governance, risk and control framework and the extent to which these can be relied upon. In 2022/23 the Council was noted as performing well across three areas (Governance, Risk and Financial Control) and performing adequately against Internal Control. The audit plan was again reduced due to a temporary shortfall in staffing resource. Two posts are currently going through the recruitment process.

Internal audits completed in 2022/23 include:

- Performance management
- Stores
- ICT Programme and Project Management
- Medium Term Financial Strategy
- Housing Benefit Subsidy
- Organisational Development
- Key Controls – General Ledger
- Key Controls – Bank
- Climate Change
- De Wint Court
- Key Controls – Property, Plant and Equipment

Of these internal audits, both Performance Management and Stores were rated as having 'limited assurance'. Significant progress has been made

against the action plan introduced in response to the Performance Management audit findings, with the remaining actions listed in Core Principle G of this AGS. Actions identified from the Stores audit will be monitored on a quarterly basis, with progress reported to the Audit Committee. Of the actions applicable to the areas rated 'limited assurance' none were considered significant enough to highlight as potential AGS significant governance issues.

The following internal audits remain in progress and are at draft report stage:-

- Staff Wellbeing
- IT Disaster Recovery
- IT Asset Management
- Follow-up of audit recommendations

As at April 2023 there were no high priority audit actions which were overdue.

3. Introduction of the CIPFA Financial Management Code 2019 (FM Code)

In December 2019, the Chartered Institute of Public Finance and Accountancy (CIPFA) published its Financial Management code (the FM Code), providing guidance for good and sustainable financial management in local authorities. The FM Code aims to assist local authorities to demonstrate their financial sustainability through a set of seventeen financial management standards. CIPFA guidance issued in February 2021 requires Annual Governance Statements to now include an overall conclusion of the assessment of the organisation's compliance with these standards. An assessment against the FM Code was most recently undertaken and reported to the Audit Committee in March 2023, confirming an overall substantial level of compliance (65%), with six identified areas for improvement (35%).

It is not expected that there will be full compliance across all standards as continual improvement, routine revisions to policies and procedures, and assessment against best practice necessitate a need for new actions to be implemented following each annual assessment. The Council can be assured that it has achieved this level of substantial and reasonable assurance and that there are no areas of minimum compliance and no significant areas for improvement.

4. Level of assurance provided

We can provide a high level of assurance that the governance arrangements operating at City of Lincoln Council, in line with our Code of Corporate Governance are appropriate, fit for purpose and working well in practice.

5. Status of significant governance issues monitored from 2022/23

The Council has regularly monitored its 2021/22 significant governance issues through senior management and the Audit Committee during 2022/23.

The Disaster Recovery plan in place for IT arrangements: Substantial progress has been made over the last twelve months to put this plan in place. The final IT Disaster Recovery Plan is complete and is expected to be adopted in early 2023/24.

This is therefore no longer considered to be a significant governance issue.

6. Significant governance issues identified from 2022/23

No new significant governance issues have been identified during 2022/23.

7. Conclusion

The Council's governance arrangements are under continual review. No significant governance issues have been identified during 2022/23, however the Council will continue to monitor the effectiveness of its governance arrangements to enable the identification of new and emerging issues throughout the coming year.

Signed



Cllr R Metcalfe, Leader:

Date: 31/05/2023



Angela Andrews, Chief Executive:

Date: 31/05/2023

AGS - GLOSSARY OF TERMS USED

AGS	Annual Governance Statement
AD	Assistant Director
CPG	Capital Programme Group
CFO	Chief Finance Officer
CLT	Corporate Leadership Team
CMT	Corporate Management Team
CPR	Contract Procedure Rules
CS	City Solicitor
CX	Chief Executive
DCLG	Department for Communities and Local Government
DfT	Department for Transport
DR	Disaster Recovery
FPR	Financial Procedure Rules
GDPR	General Data Protection Regulation
GLLEP	Greater Lincolnshire Local Enterprise Partnership
H&S	Health & Safety
HB	Housing Benefit
HPS	High Performing Services
HR	Human Resources
ICT	Information, Communication Technology
PIMS	Performance & Management Information System
LGA	Local Government Authority
LPMM	Lincoln Project Management Model
MTFS	Medium Term Financial Strategy
PIR	Post Implementation Review
PVP	Protecting Vulnerable People (group)
RO	Responsible Officer
RSG	Revenue Support Grant
TFS	Towards Financial Sustainability
SM	Service Manager
VFM	Value for Money

GLOSSARY

AAA FITCH RATING

Highest credit quality - 'AAA' ratings denote the lowest expectation of credit risk. They are assigned only in case of exceptionally strong capacity for timely payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

AA FITCH RATING

Very high credit quality - 'AA' ratings denote a very low expectation of credit risk. They indicate very strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events. The modifier "+" or "-", may be appended to the rating to denote relative status within the category.

A FITCH RATING

High credit quality - 'A' ratings denote a low expectation of credit risk. The capacity for timely payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings. The modifier "+" or "-", may be appended to the rating to denote relative status within the category.

ACCOUNTING PERIOD

The period of time covered by the accounts, normally a period of twelve months commencing on 1 April. The end of the accounting period is the Balance Sheet date.

ACCRUALS

Sums included in the final accounts to recognise revenue and capital income and expenditure earned or incurred in the financial year, but for which actual payment had not been received or made as at 31 March.

ACTUARIAL GAINS AND LOSSES

For a defined benefit pension scheme, the changes in actuarial surpluses or deficits that arise because:

- Events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses); or
- The actuarial assumptions have changed

ASSET

An item having value to the Council in monetary terms. Assets are categorised as either current or fixed:

- A current asset will be consumed or cease to have material value within the next financial year (e.g. cash and stock);
- A fixed asset provides benefits to the Council and to the services it provides for a period of more than one year and may be tangible e.g. a community centre, or intangible, e.g. computer software licences.

AUDIT OF ACCOUNTS

An independent examination of the Council's financial affairs.

BALANCE SHEET

A statement of the recorded assets, liabilities and other balances at the end of the accounting period.

BORROWING

Government support for capital investment is described as either Supported Capital Expenditure (Revenue) known as SCE(R) or Supported Capital Expenditure (Capital Grant) known as SCE(C). SCE can be further classified as either Single Capital Pot (SCP) or ring-fenced.

BUDGET

The forecast of net revenue and capital expenditure over the accounting period.

CAPITAL EXPENDITURE

Expenditure on the acquisition of a fixed asset, which will be used in providing services beyond the current accounting period, or expenditure which adds to and not merely maintains the value of an existing fixed asset.

CAPITAL FINANCING

Funds raised to pay for capital expenditure. There are various methods of financing capital expenditure including borrowing, leasing, direct revenue financing, usable capital receipts, capital grants, capital contributions, revenue reserves and earmarked reserves.

CAPITAL PROGRAMME

The capital schemes the Council intends to carry out over a specific period of time.

CAPITAL RECEIPT

The proceeds from the disposal of land or other assets. Proportions of capital receipts can be used to finance new capital expenditure, within rules set down by the Government but they cannot be used to finance revenue expenditure.

CIPFA

The Chartered Institute of Public Finance and Accountancy.

CLAW-BACK

Where average council house rents are set higher than the Government's prescribed average limit rent, used in the calculation of rent rebates, the percentage difference reduces the amount of rent rebate subsidy due to the Council, i.e. it is "clawed-back" by the Government.

COLLECTION FUND

A separate fund that records the income and expenditure relating to Council Tax and non-domestic rates.

COMMUNITY ASSETS

Assets that the Council intends to hold in perpetuity, that have no determinable useful life and that may have restrictions on their disposal. Examples of community assets are parks and historical buildings.

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

The statement that shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount funded from taxation. The Council raises taxation to cover the cost of expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

CONSISTENCY

The concept that the accounting treatment of like items within an accounting period and from one period to the next are the same.

CONTINGENT ASSET

A contingent asset is a possible asset arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Council's control.

CONTINGENT LIABILITY

A contingent liability is either:

- A possible obligation arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Council's control; or
- A present obligation arising from past events where it is not probable that a transfer of economic benefits will be required, or the amount of the obligation cannot be measured with sufficient reliability.

CORPORATE AND DEMOCRATIC CORE

The corporate and democratic core comprises all activities that local authorities engage in specifically because they are elected, multi-purpose authorities. The costs of these activities are thus over and above those which would be incurred by a series of independent single purpose, nominated bodies managing the same services. There is therefore no logical basis for apportioning these costs to services.

CREDITOR

Amount owed by the Council for work done, goods received or services rendered within the accounting period, but for which payment has not been made by the end of that accounting period.

CURRENT SERVICE COST (PENSIONS)

The increase in the present value of a defined benefits pension scheme's liabilities, expected to arise from employee service in the current period.

DEBTOR

Amount owed to the Council for works done, goods received or services rendered within the accounting period, but for which payment has not been received by the end of that accounting period.

DEFERRED CHARGES

Expenditure which can be properly deferred (i.e. treated as capital in nature), but which does not result in, or remain matched with, a tangible asset. Examples of deferred charges are grants of a capital nature to voluntary organisations.

DEFINED BENEFIT PENSION SCHEME

Pension schemes in which the benefits received by the participants are independent of the contributions paid and are not directly related to the investments of the scheme.

DEPRECIATION

The measure of the cost of wearing out, consumption or other reduction in the useful economic life of the Council's assets during the accounting period, whether from use, the passage of time or obsolescence through technical or other changes.

DISCRETIONARY BENEFITS (PENSIONS)

Retirement benefits, which the employer has no legal, contractual or constructive obligation to award and are awarded under the Council's discretionary powers such as the Local Government (Discretionary Payments) Regulations 1996.

EQUITY

The Council's value of total assets less total liabilities.

EVENTS AFTER THE BALANCE SHEET DATE

Events after the Balance Sheet date are those events, favourable or unfavourable, that occur between the Balance Sheet date and the date when the Statement of Accounts is authorised for issue.

EXCEPTIONAL ITEMS

Material items which derive from events or transactions that fall within the ordinary activities of the Council and which need to be disclosed separately by virtue of their size or incidence to give fair presentation of the accounts.

EXPECTED RETURN ON PENSION ASSETS

For a funded defined benefit scheme, this is the average rate of return, including both income and changes in fair value but net of scheme expenses, which is expected over the remaining life of the related obligation on the actual assets held by the scheme.

EXTRAORDINARY ITEMS

Material items, possessing a high degree of abnormality, which derive from events or transactions that fall outside the ordinary activities of the Council and which are not expected to recur. They do not include exceptional items, nor do they include prior period items merely because they relate to a prior period.

FAIR VALUE

The fair value of an asset is the price at which it could be exchanged in an arm's length transaction less, where applicable, any grants receivable towards the purchase or use of the asset.

FAIR VALUE INPUT LEVELS

Basis for recurring fair value measurements:

- Level 1 Inputs - quoted prices (unadjusted) in active markets for identical assets or liabilities that the authority can access at the measurement date. Level 2 Inputs - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Inputs - unobservable inputs for the asset or liability.

FINANCE LEASE

A lease that transfers substantially all of the risks and rewards of ownership of a fixed asset to the lessee.

GOING CONCERN

The concept that the Statement of Accounts is prepared on the assumption that the Council will continue in operational existence for the foreseeable future.

GOVERNMENT GRANTS

Grants made by the Government towards either revenue or capital expenditure in return for past or future compliance with certain conditions relating to the activities of the Council. These grants may be specific to a particular scheme or may support the revenue spend of the Council in general.

HOUSING BENEFITS

A system of financial assistance to individuals towards certain housing costs administered by authorities and subsidised by Central Government.

HOUSING REVENUE ACCOUNT (HRA)

A separate account to the General Fund, which includes the income and expenditure arising from the provision of housing accommodation by the Council.

IMPAIRMENT

A reduction in the value of a fixed asset to below its carrying amount in the Balance Sheet.

INCOME AND EXPENDITURE ACCOUNT

The revenue account of the Council that reports the net cost for the year of the functions for which it is responsible and demonstrates how that cost has been financed from precepts, grants and other income.

INTANGIBLE ASSETS

An intangible (non-physical) item may be defined as an asset when access to the future economic benefits it represents is controlled by the reporting entity. This Council's intangible assets comprise computer software licences.

INTEREST COST (PENSIONS)

For a defined benefit scheme, the expected increase during the period of the present value of the scheme liabilities because the benefits are one period closer to settlement.

INVESTMENTS (PENSION FUND)

The investments of the Pension Fund will be accounted for in the statements of that fund. However, authorities are also required to disclose, as part of the disclosure requirements relating to retirement benefits, the attributable share of the pension scheme assets associated with their underlying obligations.

LIABILITY

A liability is where the Council owes payment to an individual or another organisation.

- A current liability is an amount which will become payable or could be called in within the next accounting period, e.g. creditors or cash overdrawn.
- A deferred liability is an amount which by arrangement is payable beyond the next year at some point in the future or to be paid off by an annual sum over a period of time.

LIQUID RESOURCES

Current asset investments that are readily disposable by the Council without disrupting its business and are either:

- Readily convertible to known amounts of cash at or close to the carrying amount; or
- Traded in an active market

LONG-TERM CONTRACT

A contract entered into for the design, manufacture or construction of a single substantial asset or the provision of a service (or a combination of assets or services which together constitute a single project), where the time taken to substantially complete the contract is such that the contract activity falls into more than one accounting period.

MATERIALITY

The concept that the Statement of Accounts should include all amounts which, if omitted or mis-stated, could be expected to lead to a distortion of the financial statements and ultimately mislead a user of the accounts.

MINIMUM REVENUE PROVISION (MRP)

The minimum amount which must be charged to the revenue account each year in order to provide for the repayment of loans and other amounts borrowed by the Council.

NATIONAL NON-DOMESTIC RATES (NNDR)

The National Non-Domestic Rate is a levy on businesses, based on a national rate in the pound set by the Government and multiplied by the assessed rateable value of the premises they occupy. It is collected by the Council on behalf of Central Government and then redistributed back to support the cost of services.

NET BOOK VALUE

The amount at which assets are included in the Balance Sheet, i.e. their historical costs or current value less the cumulative amounts provided for depreciation.

NET DEBT

The Council's borrowings less cash and liquid resources.

NON-DISTRIBUTED COSTS

These are overheads for which no user now benefits and as such are not apportioned to services

NON-OPERATIONAL ASSETS

Assets held by the Council but not directly occupied, used or consumed in the delivery of services. Examples are investment properties, assets under construction or assets surplus to requirements pending sale or redevelopment.

OPERATING LEASE

A lease where the ownership of the fixed asset remains with the lessor.

OPERATIONAL ASSETS

Assets held and occupied, used or consumed by the Council in the pursuit of its strategy and in the direct delivery of those services for which it has either a statutory or discretionary responsibility.

PAST SERVICE COST (PENSIONS)

For a defined benefit pension scheme, the increase in the present value of the scheme liabilities related to employee service in prior periods arising in the current period as a result of the introduction of, or improvement to retirement benefits.

PENSION SCHEME LIABILITIES

The liabilities of a defined benefit pension scheme for outgoings due after the valuation date. Scheme liabilities measured during the projected unit method reflect the benefits that the employer is committed to provide for service up to the valuation date.

PRECEPT

The levy made by precepting authorities on billing authorities, requiring the latter to collect income from Council Tax on their behalf.

PRIOR YEAR ADJUSTMENT

Material adjustments applicable to previous years arising from changes in accounting policies or from the correction of fundamental errors. This does not include normal recurring corrections or adjustments of accounting estimates made in prior years.

PROVISION

An amount put aside in the accounts for future liabilities or losses which are certain or very likely to occur but the amounts or dates of when they will arise are uncertain.

PUBLIC WORKS LOAN BOARD (PWLb)

A Central Government Agency, which provides loans for one year and above to authorities at interest rates only slightly higher than those at which the Government can borrow itself.

RATEABLE VALUE

The annual assumed rental of a hereditament, which is used for NNDR purposes.

RELATED PARTIES

There is a detailed definition of related parties in FRS 8. For the Council's purposes related parties are deemed to include the Council's members, the Chief Executive, its Directors and their close family and household members.

RELATED PARTY TRANSACTIONS

The Code requires the disclosure of any material transactions between the Council and related parties to ensure that stakeholders are aware when these transactions occur and the amount and implications of such.

REMUNERATION

All sums paid to or receivable by an employee and sums due by way of expenses allowances (as far as those sums are chargeable to UK income tax) and the money value of any other benefits received other than in cash. Pension contributions payable by the employer are excluded.

RESERVES

The accumulation of surpluses, deficits and appropriations over past years. Reserves of a revenue nature are available and can be spent or earmarked at the discretion of the Council. Some capital reserves such as the fixed asset restatement account cannot be used to meet current expenditure.

RESIDUAL VALUE

The net realisable value of an asset at the end of its useful life.

RETIREMENT BENEFITS

All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment.

REVENUE EXPENDITURE

The day-to-day expenses of providing services.

REVENUE SUPPORT GRANT

A grant paid by Central Government to authorities, contributing towards the general cost of their services.

STOCKS

Items of raw materials and stores a Council has procured and holds in expectation of future use. Examples are consumable stores, raw materials and products and services in intermediate stages of completion.

TEMPORARY BORROWING

Money borrowed for a period of less than one year.

TRUST FUNDS

Funds administered by the Council for such purposes as prizes, charities, specific projects and on behalf of minors.

USEFUL ECONOMIC LIFE (UEL)

The period over which the Council will derive benefits from the use of a fixed asset.

WORK IN PROGRESS (WIP)

The cost of work performed on an uncompleted project at the Balance Sheet date, which should be accounted for.

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SUBJECT:	INDEPENDENT REMUNERATION PANEL – COMPREHENSIVE REVIEW OF THE MEMBERS' ALLOWANCES SCHEME
REPORT BY:	INDEPENDENT REMUNERATION PANEL
LEAD OFFICER:	CHERYL EVANS – DEMOCRATIC SERVICES AND ELECTIONS MANAGER

1. Purpose of Report

- 1.1 To advise on the recommendations of the Independent Remuneration Panel for Members' Allowances for the financial year commencing on 1 April 2023.
- 1.2 To decide whether to adopt the recommendations made by the Independent Remuneration Panel for Members' Allowances the financial year commencing on 1 April 2023.

2. Background

- 2.1 Each local authority is required to adopt a remuneration scheme for its elected members and is also required to appoint an Independent Remuneration Panel, which has a responsibility to make recommendations to the Council meeting of each local authority on the level of allowances to be paid to members of the Council. Each local authority's scheme must be subject to regular review by the Independent Remuneration Panel. Before making any changes to its scheme a local authority must have regard to recommendations made by its Independent Remuneration Panel.
- 2.2 The recognised principles for each Independent Remuneration Panel when considering a scheme are that the scheme should:
 - be justifiable and defensible, based on logical construction;
 - be transparent and simple to understand and administer; and
 - neither discourage nor encourage candidates for elected office on the basis of financial considerations.
- 2.3 The City of Lincoln Council's Independent Remuneration Panel consists of three people, who are completely independent from the Council. The Panel is chaired by an experienced independent person, who has previously served on the Council's Independent Remuneration Panel. This report, which reflects the findings and recommendations of the Panel, has been prepared in accordance with current legislation and guidance.
- 2.4 The last review of the Members' Allowances Scheme recommended a flat rate increase of £250 per annum to the basic allowance to assist in reducing the disparity between the level of the City of Lincoln's basic allowance and the average basic allowance paid by district councils in Lincolnshire. This

recommendation was not supported by Council, which instead resolved to apply an increase of £88 per annum to the basic allowance with effect from 1 April 2022, which represented an increase of 1.75% in-line with the anticipated staff pay award. It was also recommended and resolved by Council that the levels of Special Responsibility Allowances remained the same for 2022/23 and be subject to a comprehensive review by the Panel in readiness for implementation from 1 April 2023.

3. Comprehensive Review of the Members' Allowances Scheme

- 3.1 The Independent Remuneration Panel has carried out a comprehensive review of the City of Lincoln Council's Members' Allowances Scheme and compared the rates of the Basic Allowance and Special Responsibility Allowances with the Council's statistical neighbours (Cambridge, Ipswich, Welwyn Garden City and Oxford).
- 3.2 This analysis showed that the City of Lincoln Council's Special Responsibility Allowances are lower than those paid by its statistical neighbours and the Panel is concerned that if adjustments are not implemented, the position will deteriorate.
- 3.3 The Panel invited all holders of special responsibility allowances to meet with it either in person or remotely; send comments via email to any or all of the Panel; or telephone the Chair of the Panel directly; to submit any comments to the Democratic Services and Elections Manager; or to complete an online survey in order that the views of councillors on the current Members' Allowances Scheme could assist the Panel in reaching any recommendations in respect of special responsibility allowances paid under the Scheme.
- 3.4 The Panel would like to place on record its thanks to those members who participated in the review, which enabled the Panel to gain a thorough understanding of the role of each post holder. The Panel was pleased with the level of engagement from the holders of special responsibility allowances.
- 3.5 Of the comments received, there were concerns regarding the disparity of some Special Responsibility Allowances, which it was suggested did not necessarily reflect the responsibility, time commitment and workload associated with the respective roles. This related specifically to the rate paid for the scrutiny committee chairs, which are currently the same for all scrutiny committees, and that of the Chair of the Audit Committee.
- 3.6 The Panel also considered the basic allowance paid to all councillors. In previous years this has increased in-line with the 'Green Book' employees pay award in percentage terms. As a flat rate of £1,925 had been awarded to 'Green Book' employees irrespective of their position or existing salary, it was not possible to consider replicating a percentage increase to the basic allowance paid to all councillors. Therefore, the Panel is recommending an increase of 4.04% to the basic allowance from 1 April 2023, which mirrors the percentage increase applied to certain staff allowances as part of the 2022/23 pay staff award.
- 3.7 The Panel, as a minimum, is also recommending an increase of 4.04% applied to all special responsibility allowances from 1 April 2023. However, to address the significant disparity between the levels paid by the Council and that of its statistical

neighbours, the Panel is also recommending the adoption of one of three options, as detailed in Appendix A. The existing figure is also detailed in Appendix A.

- 3.8 Option One consists of increases made up of the averages paid by the statistical neighbours or a flat percentage increase of 4.04%, whichever is the greater figure.

Option Two consists of the average recommended between Options One and Three or a flat percentage increase of 4.04%, whichever is the greater figure.

Option Three consists of the lowest paid by the statistical neighbours or a flat percentage increase of 4.04%, whichever is the greater figure.

The Panel's preferred option is Option One. If Council decide not to adopt any of the recommended options in Appendix A, the Panel expects to see an across-the-board increase applied to the basic allowance and special responsibility allowances of 4.04% from 1 April 2023.

Furthermore, if none of the options in Appendix A are adopted for implementation for 1 April 2023 onwards, the Panel will revisit these options in future reviews and use them as a recommended baseline for their future calculations.

4. Conclusion

- 4.1 The Panel is recommending an increase of 4.04% to the basic allowance and special responsibility allowances from 1 April 2023. In addition, the Panel is recommending the adoption of one of the three options, as detailed in Appendix A, to address the significant disparity in special responsibility allowances. Option One in Appendix A is the preferred option of the Panel. In the event of any one of the options detailed in Appendix A being approved, the 4.04% increase in 6.1 above would not be applied, as this has already been factored into the recommended allowances in Appendix A.

5. Organisational Impacts

5.1 Financial Implications

The cost of each of the three options, along with the impact of an across the board increase to the basic allowance and special responsibility allowances of 4.04%, in comparison to the 2023/24 budget is as set out below:

	Option One £	Option Two £	Option Three £	Alternative £
Basic Allowances	179,124	179,124	179,124	179,124
Special Responsibility Allowances	96,775	90,440	85,210	76,735
Total	275,899	269,564	264,334	255,859
2023/24 Budget	267,360	267,360	267,360	267,360
Budget Surplus/(Shortfall)	8,539	2,204	(3,026)	(11,501)

Options one and two would result in an annual cost in excess of the 2023/24 budget provision, this would need to be funded from existing cash limited budgets. Option three and an across the board increase of 4.04% would result in an underspend against the 2023/24 budget provision.

5.2 Legal Implications

- 5.3 The Council has a duty to appoint an Independent Remuneration Panel who must make recommendations to the Council in accordance with the Local Authorities (Members Allowances) (England) Regulations 2003. The Council is required to have regard to the recommendations of the Panel but is not required to follow them. However, if the Council were to make any decision which was not in accordance with recommendations from the Panel, it should put forward and record its reasons for deviating from the Panel's recommendations. It is not possible for Council to exceed in monetary terms the recommendations of the Panel.

6. Recommendations

The Independent Remuneration Panel recommends:

- 6.1 That an increase of 4.04% be applied to the existing basic allowance and special responsibility allowances from 1 April 2023.
- 6.2 That one of the three options, as detailed in Appendix A, be adopted to address the significant disparity in special responsibility allowances compared to statistical neighbours. In the event of any one of the options detailed in Appendix A being approved, the 4.04% increase in 6.1 above would not be applied, as this has already been factored into the recommended allowances in Appendix A.
- 6.3 That Schedule 3 – Travelling and Subsistence Allowances as detailed in the Members' Allowances Scheme, be updated to reflect HMRCs rates to 45p the first 10,000 miles and 25p above 10,000 miles as detailed in Appendix B.
- 6.4 That the Members' Allowances Scheme, as detailed in the Council's Constitution, be amended accordingly to reflect what is resolved by Council in respect of the basic allowance and special responsibility allowances.

Key Decision	No
Do the Exempt Information Categories Apply?	No
Call in and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
Does the report contain Appendices?	Two Appendix A – Special Responsibility Allowance – Options by the Panel (<i>including existing allowances</i>) Appendix B– Existing Members’ Allowances Scheme
List of Background Papers:	None
Lead Officer:	Cheryl Evans, Democratic Services and Elections Manager Telephone (01522) 873439

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APPENDIX A

Special Responsibility Allowances Options of the Independent Remuneration Panel

		<i>Panel's Preferred Option</i>		
	Existing Allowance	Option 1	Option 2	Option 3
Leader of the Council	£10,905	£14,903	£13,508	£12,114
Deputy Leader of the Council	£7,053	£9,804	£8,592	£8,480
Portfolio Holders	£5,772	£7,868	£6,936	£6,005
Scrutiny Chair / Chair of Audit	£4,491 £1,281	£4,672	£4,672	£4,672
Chair of Planning	£4,491	£5,877	£5,877	£5,877
Chair of Hackney Carriage and Private Hire	£4,491	£4,672	£4,672	£4,672
Chair of Licensing	£2,565	£3,670	£3,670	£3,670
Chair of Ethics and Engagement Chair of Personnel Appeals Panel Chair of Housing Appeals Panel	£1,281	£1,333	£1,333	£1,333
Leader of Opposition	£2,565	£3,690	£3,690	£3,690

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Members Allowance Options

	Current Allowance	Option 1	Option 2	Option 3	No.	Option One	Option Two	Option Three	Alternative
Basic Allowance	5,217	5,428	5,428	5,428	33	179,124	179,124	179,124	179,124
Leader of the Council	10,905	14,903	13,508	12,114	1	14,903	13,508	12,114	11,346
Deputy Leader of the Council	7,053	9,804	8,592	8,480	1	9,804	8,592	8,480	7,338
Portfolio Holders	5,772	7,868	6,936	6,005	4	31,472	27,744	24,020	24,020
Chair of Policy Scrutiny	4,491	4,672	4,672	4,672	1	4,672	4,672	4,672	4,672
Chair of Community Leadership	4,491	4,672	4,672	4,672	1	4,672	4,672	4,672	4,672
Chair of Performance	4,491	4,672	4,672	4,672	1	4,672	4,672	4,672	4,672
Chair of Audit	1,281	4,672	4,672	4,672	1	4,672	4,672	4,672	1,333
Chair of Planning	4,491	5,877	5,877	5,877	1	5,877	5,877	5,877	4,672
Chair of Hackney Carriage and Private Hire Licensing Sub	4,491	4,672	4,672	4,672	1	4,672	4,672	4,672	4,672
Chair of Licensing	2,565	3,670	3,670	3,670	1	3,670	3,670	3,670	2,669
Chair of Ethics and Engagement	1,281	1,333	1,333	1,333	1	1,333	1,333	1,333	1,333
Chair of Personnel Appeals Panel	1,281	1,333	1,333	1,333	1	1,333	1,333	1,333	1,333
Chair of Housing Appeals Panel	1,281	1,333	1,333	1,333	1	1,333	1,333	1,333	1,333
Leader of the Opposition	2,565	3,690	3,690	3,690	1	3,690	3,690	3,690	2,669
						275,899	269,564	264,334	255,858
Budget						267,360	267,360	267,360	267,360
Difference						8,539	2,204	(3,026)	(11,502)

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Part 6: Members' Allowance Scheme

MEMBERS' ALLOWANCES

(with effect from 1 April 2023)

- **Introduction**
- **Who to Contact**
- **Income Tax & National Insurance**
- **Register of Allowances Paid to Members**
- **Local Government Pension Scheme**
- **The Scheme**

ALLOWANCES TO MEMBERS

1. Introduction

Allowances available to Members fall into two categories:-

- (a) Basic Allowance and Special Responsibility Allowance (where appropriate), both of which are paid automatically by monthly instalments, directly into Members' bank accounts.
- (b) Travel and Subsistence together with Childcare and Dependant Carers' Allowances have to be claimed on the claim form via iTrent and assistance can be provided by the Democratic Services Team. You should submit claim forms on the 15th day of each month (or within three days for inclusion with the payment of the following month's basic allowance). Claims must be made within two months of the date of the duty for which allowances are claimed.

You will receive a payslip detailing the amount of any Income Tax and National Insurance deductions made and the amount which has been paid into your bank account.

2. Who to Contact

The Payroll Section within the City Solicitor's Department will give councillors help on any matters in connection with Members' Allowances and councillors should feel completely free to contact that office at any time. Payroll deal with Members' Allowances and will be only too happy to help with any enquiries.

3. Income Tax & National Insurance

- (a) Basic Allowance and Special Responsibility Allowances are liable for Income Tax and National Insurance
- (b) Travel allowances for Members will be subject to tax and National Insurance contributions as appropriate.
- (c) Day subsistence allowances are not taxable if paid for a period of attendance at a meeting or conference which had been deemed an approved duty.
- (d) Payroll receive a personal tax code for each Member from HM Inspector of Taxes. In some cases, it will be necessary for newly elected councillors to complete various forms for the City Council and the Tax Office.

- (e) Councillors who suffer tax deductions on their allowances may be eligible to claim tax relief in respect of expenses incurred. A series of “Agreed Expenses Allowances” are negotiated with the Inland Revenue each year.

Details, once agreed, will be provided by the Payroll Section.

Other expenses may attract tax relief but no Standard Rate has been agreed with the Inspector who should be consulted in this respect.

Members wishing to claim tax relief should consult Inland Revenue.

Political expenses do not attract tax relief.

- (f) National Insurance deductions will arise when the payment in any month exceeds the thresholds set by the relevant Government Department.
- (g) Certain married women and widows may have already elected to pay the reduced rate of contribution. Any female Member who has so elected and holds a reduced rate certificate should forward it to the Payroll Section immediately. Members who have reached retirement age (65 for men and 60 for women) and have retired should be eligible for the status of non-liability, thereby being exempt from deductions. Exemption certificates are obtainable from the local office of the Benefits Agency appropriate to the Member’s home address and should be forwarded to the Payroll Section immediately.
- (h) For National Insurance purposes it is necessary for a record to be held of each Member’s date of birth and National Insurance number. Please supply this information to the City Treasurer.
- (i) The pensions of Members who are retired may be affected by the payment of allowances, as a result of the earnings rule. Members who are pensioners are advised to obtain information on their personal position at their local Benefits Agency office.

4. Local Government Pension Scheme

Councillors are no longer able to join the Local Government Pension Scheme. Any historic benefits are available to previous contributors in accordance with relevant legislative and contractual rights.

5. Register of Allowances Paid to Members

This statutory register is maintained by the Payroll Section and is open to inspection by members of the public (including the press and other media) who are local government electors in Lincoln.

The 2003 Regulations require annual publication, at the financial year end, of certain allowances paid to each Member.

Members' Allowances and Travel and Subsistence Scheme

1. General

- 1.1 The Members' Allowance Scheme for the City of Lincoln Council has been prepared in accordance with the Local Authorities (Members' Allowances) (Amendment) Regulations 1995, the Local Authorities (Members Allowances) (England) Regulations 2003 and other appropriate legislation.
- 1.2 This scheme is effective from 1 April 2023 until 31 March 2024. It is applicable to all elected members of the City of Lincoln Council.
- 1.3 Within the scheme "year" refers to the financial year ending on 31 March and "day" or "daily" refers to a 24-hour period beginning at 3am as specified in Regulations.

2. Allowances

There are three types of allowance which are outlined below. The power to pay attendance allowance was abolished from 28 July 2001.

- 2.1 Basic Allowance – Payable to all Elected Members. The amount for each year is shown in Schedule 1 to this scheme.
- 2.2 Special Responsibility Allowance – For each year, a Special Responsibility Allowance shall be paid to those Members who hold posts in Schedule 1. The amount for each post is also shown in Schedule 1.

In the event of one Member holding more than one specified post, only one Special Responsibility Allowance, whichever is the greater or greatest, shall be paid.

- 2.3 Basic and Special Responsibility Allowances are paid in respect of each year or part year.
- 2.4 Childcare and Dependant Carers' Allowance – An amount of £5 per hour may be claimed for each child or dependant who requires cover whilst a Member undertakes their duties. Payment will be made following submission of receipted invoices.

3. Renunciation

- 3.1 A Councillor may, by notice in writing given to the Payroll Section, elect to forego any part of his/her entitlement to an allowance under this scheme.

4. Travel and Subsistence

- 4.1 All duties for which travel and subsistence expenses can be claimed are outlined in Schedule 4 and the payment rates and procedures are reproduced in Schedule 3.
- 4.2 Any claim for travel and subsistence must be made on the claim form which is available from Democratic Services. The claim form must be supported by relevant receipts.

SCHEDULE 1 – Allowances

Basic Allowance

The Basic Allowance is £5,217 per member.

Special Responsibility Allowance

The table below shows the posts for which a Special Responsibility Allowance is paid together with the amount of payment per year. These allowances apply from 1 April 2022.

Special Responsibility	Allowance
Leader's Allowance	£10,905
Deputy Leader's Allowance	£7,053
Portfolio Holders	£5,772
Scrutiny Chairs	£4,491
Chair of Planning	£4,491
Chair of Hackney Carriage and Private Hire	£4,491
Chair of Housing Appeals	£1,281
Chair of Personnel Appeals	£1,281
Chair of Licensing	£2,565
Chair of Ethics and Engagement	£1,281
Chair of Audit	£1,281
Leader of the Opposition	£2,565

SCHEDULE 2 – Duties Eligible for Childcare and Dependant Carer's Allowance

- A meeting of the Executive.
- A meeting of a Committee of the Executive.
- A meeting of the Authority.
- A meeting of a Committee, Sub-Committee or Panel of the Authority.

CONDITIONS

Elected Members are limited to claiming £5 per hour per dependant on production of receipted invoices.

SCHEDULE 3 – Travelling and Subsistence Allowances

TRAVEL ALLOWANCES

Public Transport

1. The cost of a standard fare for public transport will be reimbursed for approved duties, subject to the submission of a receipt or proof of purchase.

Private Cars

2. The rate for travel by a Member's own private motor car, or otherwise provided for the Member's use, shall be per mile (as at November 2022):-

	First 10,000 miles	Above 10,000 miles
Cars and vans	45p	25p

3. The rate specified in paragraph 2 may be increased by the amount of any expenditure incurred on tolls, ferries or parking fees, including overnight parking.

Taxi Cab

4. In case of urgency, or where no public transport is reasonably available:-
 - (a) the amount of the actual fare and any reasonable gratuity paid; and
 - (b) in any other case, the amount of the fare for travel by appropriate public transport.

Subsistence Allowances

5. The rate of subsistence allowance shall be:-
 - (a) In the case of an absence, not involving an absence overnight, from the usual place of residence of more than four hours for each meal claimed:-

(i)	Breakfast	£4.92
(ii)	Lunch	£6.77
(iii)	Tea	£2.67
(iv)	Evening Meal	£8.38

- (b) In the case of an absence overnight from the usual place of residence - £79.82, provided that for such an absence overnight

in London, or for the purpose of attendance at an annual conference including an annual meeting of the Local Government Association or such other association of bodies, as the Secretaries of State may for the time being approved for the purpose - £91.04.

Any rate determined under this sub-paragraph shall be deemed to cover a continuous period of absence of twenty four hours.

7. The rates specified above shall be reduced by an appropriate amount in respect of any meal provided free of charge by an Authority or body during the period to which the allowance relates.
8. When main meals (i.e. full breakfast, lunch or dinner) are taken on trains during a period for which there is an entitlement to day subsistence, the reasonable cost of the meals (including VAT), may be reimbursed in full. However, in such circumstances, reimbursement for the reasonable cost of a meal would replace the entitlement to the day subsistence allowance for the appropriate meal period.

SCHEDULE 4 – Duties for which Travel and Subsistence may be claimed

Any attendance at a meeting or seminar outside of the City of Lincoln which has been deemed an approved duty.

SUBJECT:	REVIEW OF POLLING DISTRICTS AND POLLING PLACES 2023
DIRECTORATE:	CHIEF EXECUTIVE AND TOWN CLERK
REPORT AUTHOR:	CHERYL EVANS, DEMOCRATIC SERVICES AND ELECTIONS MANAGER

1. Purpose of Report

- 1.1 To report the outcome of the consultation carried out in respect of the Polling District and Polling Place Review and recommend to Council a schedule to Polling Districts and Polling Places for approval.

2. Review of Polling Districts and Polling Places

- 2.1 Under the Representation of the People Act 1983, the Council has a duty to divide its area into polling districts and to designate a polling place for each polling district.

- 2.2 The following definitions may be helpful when reading the report and appendices:

- “Polling districts” are geographical electoral areas into which wards and constituencies may be sub-divided.
- “Polling places” are the buildings or areas designated by the council where electors in a polling district go to vote in person.
- “Polling stations” are the number of issuing desks in the building or area that is the designated polling place.

- 2.3 The Electoral Administration Act 2006, as amended, introduced a duty on all local authorities in Great Britain to review their polling districts and polling places at least once every five years.

- 2.4 Under section 18C of the Representation of the People Act 1983, the next compulsory review must be undertaken within a 16-month window between 1 October 2023 and 31 January 2025. The Council commenced its statutory consultation on polling places on Monday, 2 October 2023.

- 2.5 The intention of the legislation was for reviews to be completed by the January before a UK parliamentary general election. However, since the repeal of the Fixed Term Parliaments Act 2011, there is no longer any certainty as to when the next general election will be.

- 2.6 The Dissolution and Calling of Parliament Act 2022 means:

- the UK Parliament can be dissolved by the King on request of the Prime

Minister, at any time within the five years of the life of the Parliament;

- the next general election must take place before Tuesday 28 January 2025, but it could happen at any point before then;
- there is no longer a link between the timing of the compulsory polling district and places review falling in a 16-month period ending 3 months before a scheduled general election.

2.7 In addition, the Boundary Commission for England is currently undertaking a review of parliamentary constituency boundaries. The Commission has now published its final recommendations, and Orders for the new parliamentary constituency boundaries will be made by 1 November 2023. Once the Orders for new parliamentary constituencies have been made, the new boundaries will be used for the next general election. If a parliamentary by election is called in the meantime, it would be run on existing boundaries.

2.8 These issues mean it is important that the polling district and places review is carried out as early as possible, so that Council has agreed polling districts and places to be used for the next parliamentary election, in addition to the scheduled local elections and the Police and Crime Commissioner elections in May 2024, and has a polling scheme in place which reflects the new constituencies.

2.9 When undertaking a review the authority must:

- publish a notice of the holding of a review
- consult the (Acting) Returning Officer ((A)RO) for every parliamentary constituency which is wholly or partly in its area
- publish all representations made by an (A)RO within 30 days of receipt by posting a copy of them at the local authority's office and in at least one conspicuous place in their area and, if the authority maintains a website, by placing a copy on the authority's website
- seek representations from such persons as it thinks have particular expertise in relation to access to premises or facilities for persons who have different forms of disability. Such persons must have an opportunity to make representations and to comment on the representations made by the (A)RO(s).

2.10 The review formally commenced on 2 October 2023 and interested parties were able to submit comments as part of a public consultation up to 30 October 2023. The following individuals and organisations were consulted:

- electors via the City Council's website and social media;
- political parties;
- all City Council elected members;
- the Member of Parliament for Lincoln;
- representatives of people with disabilities via the Voluntary Centre Services.

2.11 A schedule of current Polling Districts and Polling Places was made available to all parties who were consulted, together with those Polling Stations used at the last local elections held in May 2023. The schedule also provided details of any

proposed changes to Polling Districts and Polling Places. The (A)RO, as part of the consultation, confirmed that she did not intend to make any changes to the proposals outlined.

- 2.12 **Appendix A** attached to this report outlines the responses received to the consultation in respect of certain Polling Districts and Polling Places, together with comments in respect of those responses.

- 2.13 Councillor Calum Watt submitted a response supporting the proposed change in the FA Polling District, with the use of the University of Lincoln being reintroduced.

Councillor Watt also submitted a response relating to the KC Polling District, suggesting alternatives to the currently used Birchwood Leisure Centre, on the grounds that the venue was not currently in polling district and located within a different ward, which included: the use of Woodlands School or the Barrel Pub, which was also located outside the polling district, albeit closer than the leisure centre.

Councillors Thomas Dyer, Bill Mara and Hilton Spratt, as Witham Ward councillors, submitted the following responses:

HA, HB, HE and HF Polling Districts - strongly welcome these proposals. St Columba's Church Centre has proven to be an effective location with good parking and is centrally located.

HC and HD Polling Districts - concerns were raised around the frequency that polling stations have been changed within these districts. Whilst there are no major objections to the use of Swallowbeck Methodist Church or St Christopher's School new outbuilding, concerns were raised around the availability of parking and the accessibility of the location via foot. Ruston's Sports Centre was suggested as a suitable alternative, with ample parking and good footpath links.

- 2.14 The list of Polling Districts and Polling Places proposed by officers to be used from 1 December 2023, taking into account the comments received as part of the consultation, is attached at **Appendix B** to the report.

3. Strategic Priorities

3.1 Let's reduce inequality

The review of Polling Districts and Polling Places seeks to ensure that Polling Stations in the City of Lincoln are reasonably accessible to all electors.

4. Organisational Impacts

4.1 Finance

There are no financial implications arising from this report.

4.2 Legal Implications including Procurement Rules

There are no legal implications arising from this report.

4.3 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

Each Polling Place proposed as part of this report has been considered in line with Electoral Commission guidance on a range of issues in respect accessibility and disabled access. All proposed Polling Places and associated Polling Stations meet the relevant criteria and regulations enabling them to be used for further elections. It has not been necessary to carry out an Equality Impact Assessment.

5. Risk Implications

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

6. Recommendation

6.1 That the proposals for Polling Districts and Polling Places for future elections, as detailed in Appendix B to the report, be approved.

6.2 That the Chief Executive and Town Clerk, as (Acting) Returning Officer, be authorised to make alternative arrangements should any of the proposed Polling Places become unavailable for any future election.

Is this a key decision?

No

Do the exempt information categories apply?

No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?

No

How many appendices does the report contain?

Two

List of Background Papers:

None

Lead Officer:

Cheryl Evans, Democratic Services and Elections
Manager
Telephone (01522) 873439

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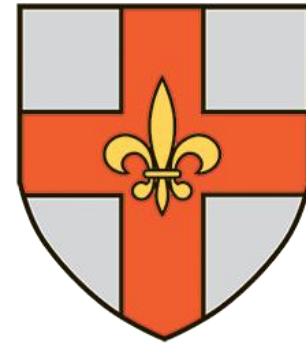
APPENDIX A

Polling District	Current/Proposed Polling Place	Comment Received	Response	Recommendations
FA	<p>Current: Royal Naval Club, Coulson Road, Lincoln, LN6 7BG</p> <p>Proposed: University of Lincoln, Brayford Pool, Lincoln, LN6 7TS</p>	An elected member supported the proposed change.	Thank you for your response.	That the proposed Polling Place be used.
KC	Current and Proposed: Birchwood Leisure Centre	<p>An elected member, who had acted as an election agent for a recent election was surprised to find the polling station for KC was not actually in the polling district but a distance away, on the other side of a major road (Birchwood Avenue) and in a different ward (Hartsholme).</p> <p>The Woodlands School or the Barrel Pub (which is also outside of the polling district) were suggested as alternatives.</p>	<p>The two suggestions have been explored by the authority, as a result of the feedback.</p> <p>The authority is continuing to avoid the use of schools as polling stations, owing to the significant disruption caused when a school has to close for a day. A number of safeguarding concerns are also raised from schools, should they try and remain open. Therefore alternatives are utilised.</p> <p>Unfortunately access to the Barrel Pub would not meet requirements for disabled access.</p> <p>The Birchwood Leisure Centre, whilst falling outside of the polling district, remains a central location for residents in the area and is</p>	That the existing Polling Place be retained.

Polling District	Current/Proposed Polling Place	Comment Received	Response	Recommendations
			close to local amenities. The venue meets all accessibility requirements, has a sizeable car park and there are safe crossing points across Birchwood Avenue.	
HA, HB and HE	Current and Proposed: St Columba's Church Centre, Brant Road, Lincoln, LN5 8RX	The three elected members for Witham Ward were supportive of the proposal to retain the existing polling place.	Thank you for your response.	That the existing Polling Place be retained.
HC	Current: The Lincoln Green Public House Proposed: Swallowbeck Methodist Church	The three elected members for Witham Ward had concerns around the frequency that polling stations have been changed within this district. Whilst we have no major objections to the use of Swallowbeck Methodist Church we raise a concern around the availability of parking and the accessibility of the location via foot. Could COLC please consider the use of Ruston's Sports Centre? Whilst this site is not centrally located, it has ample parking and good footpath links.	The suggestion has been explored as a result of the feedback. Ruston Sports and Social Club has been found to better meet accessibility requirements and car parking.	That the polling place be moved to: Ruston Sports & Social Club, Newark Road, Lincoln, LN6 8RN

Polling District	Current/Proposed Polling Place	Comment Received	Response	Recommendations
HD	<p>Current: The Lincoln Green Public House</p> <p>Proposed: St Christopher's School (new out building), Hykeham Road, Lincoln, LN6 8AR</p>	<p>The three elected members for Witham Ward had concerns around the frequency that polling stations have been changed within this district. Whilst we have no major objections to the use of St Christopher's School we raise a concern around the availability of parking and as the building hasn't been constructed yet, we also have concerns with respect to it not being familiar with residents. Along with HC, could COLC please consider the use of Ruston's Sports Centre? Whilst this site is not centrally located, it has ample parking and good footpath links.</p>	<p>The suggestion has been explored as a result of the feedback.</p> <p>Ruston Sports and Social Club has been found to better meet accessibility requirements and car parking. It also supports the authorities stance of avoiding the use of schools.</p>	<p>That the polling place be moved to: Ruston Sports & Social Club, Newark Road, Lincoln, LN6 8RN</p>
HF	<p>Current: Namron Healthcare Training Room</p> <p>Proposed: St Columba's Church Centre, Brant Road, Lincoln, LN5 8RX</p> <p><i>(Polling district HF to join with HA at St Columba's Church Centre)</i></p>	<p>The three elected members for Witham Ward were supportive of the proposal.</p>	<p>Thank you for your response.</p>	<p>That the proposed Polling Place be used.</p>

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CITY OF
Lincoln
COUNCIL

REVIEW OF POLLING DISTRICTS AND POLLING PLACES 2023

CURRENT AND PROPOSED POLLING ARRANGEMENTS

LINCOLN BOROUGH CONSTITUENCY

(Electorate as at September 2023)

*Where no change is proposed, the existing polling place meets accessibility requirements.

Lincoln Borough Constituency

Glebe Ward

Polling Station Number	Polling District(s)	County Division	Current Polling Place	Total Electorate	Number of Postal Voters	Polling Station Electorate	Proposed Change / Comments
1	AA	St Giles	St Giles Community Centre, Swift Gardens, Lincoln, LN2 4ND	1134	133	1001	No proposed change
2	AB	St Giles	St Giles Community Centre, Swift Gardens, Lincoln, LN2 4ND	896	84	812	No proposed change
3	AC	St Giles	St Giles Methodist Church, Addison Drive, Lincoln, LN2 4LQ	558	51	507	No proposed change
	AG	St Giles		840	72	768	
4	AD	St Giles	Lincolnshire Poacher, Bunker's Hill, Lincoln, LN2 4QT	393	63	330	No proposed change
	AE	St Giles		1674	312	1362	
5	AF	St Giles	Portacabin, Nettleham Road Shopping Centre, off Wolsey Way, Lincoln	825	104	721	No proposed change

Castle Ward

Polling Station Number	Polling District(s)	County Division	Current Polling Place	Total Electorate	Number of Postal Voters	Polling Station Electorate	Proposed Change / Comments
6	BA	Ermine and Cathedral	Portacabin, Grassed Area, Trelawney Crescent, Lincoln, LN1 3PA	1418	155	1263	No proposed change
	BB	Ermine and Cathedral		390	49	341	
7	BC	Ermine and Cathedral	Sobraon Barracks, Burton Road, Lincoln, LN1 3PY	1212	177	1035	No proposed change
	BF	Ermine and Cathedral		257	50	207	
8	BD	Carholme	Burton Road Methodist Church, Burton Road, Lincoln, LN1 3LW	1486	208	1278	No proposed change
9	BE	Carholme	The Bronze Pig Restaurant, 4 Burton Road, Lincoln, LN1 3LB	522	78	444	Bailgate Methodist Church, Bailgate, Lincoln, LN1 3AR The proposed change is more accessible for the electorate. The venue meets accessibility requirements.

Abbey Ward

Polling Station Number	Polling District(s)	County Division	Current Polling Place	Total Electorate	Number of Postal Voters	Polling Station Electorate	Proposed Change / Comments
10	CA	Park	St Swithins Community Centre, Croft Street, Lincoln, LN2 5AX	246	18	228	No proposed change
	CB	Park		356	38	318	
	CC	Park		505	50	455	
	CD	Park		452	71	381	
11	CE	Park	Mini Monks Nursery, Access from Monks Road, Lincoln, LN2 5PF	472	45	427	No proposed change
	CF	Park		564	76	488	
	CG	Park		322	41	281	
12	CH	Park	Portacabin, Grassed Area, Tower Crescent, Lincoln, LN2 5QE	1004	148	856	Green Synergy, 49 Roman Pavement, Lincoln, LN2 5RD The proposed change is more accessible for the electorate. The venue meets accessibility requirements.
13	CI	St Giles	Lincoln Hospital Sports and Social Club, St Anne's Road, Lincoln, LN2 5RA	753	166	587	No proposed change
14	CJ	Park	Trinity United Reformed Church, Garmston Street, Lincoln, LN2 1HZ	109	16	93	No proposed change
15	CK	St Giles	Lincoln Carlton Academy Community Building, Carlton Boulevard, Lincoln, LN2 4AG	806	144	622	No proposed change
	CL	St Giles		602	74	528	

Carholme Ward

Polling Station Number	Polling District(s)	County Division	Current Polling Place	Total Electorate	Number of Postal Voters	Polling Station Electorate	Proposed Change / Comments
16	DA	Carholme	Portacabin, Grassed Area, Albion Crescent, Lincoln	1151	185	966	No proposed change
17	DB	Carholme	St Faith's and St Martin's Church Hall, West Parade, Lincoln, LN1 1QL	775	85	690	No proposed change
	DC	Carholme		660	83	577	
18	DD	Carholme	St Faith's and St Martin's Church Hall, West Parade, Lincoln, LN1 1QL	478	39	439	No proposed change
	DE	Carholme		805	109	696	
19	DF	Carholme	Trinity United Reformed Church, Garmston Street, Lincoln, LN2 1HZ	794	90	704	No proposed change
20	DG	Carholme	Burton Road Methodist Church, Burton Road, Lincoln, LN1 3LW	693	111	582	No proposed change

Park Ward

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Polling Station Number	Polling District(s)	County Division	Current Polling Place	Total Electorate	Number of Postal Voters	Polling Station Electorate	Proposed Change / Comments
21	EA	Boultham	SouthSide, Colegrave Street, Lincoln, LN5 8DW	308	18	290	No proposed change
	EF	Boultham		650	96	554	
22	EB	Park	Salvation Army Church, 106 High Street, Lincoln, LN5 7PY	480	49	431	No proposed change
23	EC	Park	Lincoln City Football Club, Sincil Bank, Lincoln, LN5 8LD	1114	104	1010	No proposed change
24	ED	Park	Lincoln City Football Club, Sincil Bank, Lincoln, LN5 8LD	665	78	587	No proposed change
25	EE	Boultham	Bud Robinson Community Centre, Maple Street, Lincoln, LN5 8QT	553	54	499	No proposed change
	EG	Boultham		665	70	595	
26	EH	Boultham	SouthSide, Colegrave Street, Lincoln, LN5 8DW	880	114	766	No proposed change
27	EI	Park	Thomas Cooper Memorial Church, High Street, Lincoln, LN5 7RN	831	80	751	No proposed change

Boultham Ward

Polling Station Number	Polling District(s)	County Division	Current Polling Place	Total Electorate	Number of Postal Voters	Polling Station Electorate	Proposed Change / Comments
28	FA	Park	Royal Naval Club, Coulson Road, Lincoln, LN6 7BG	550	39	511	University of Lincoln, Brayford Pool, Lincoln, LN6 7TS The proposed change is more accessible for the electorate. The venue meets accessibility requirements. This proposal was supported by consultation feedback.
29	FB	Park	Salvation Army Church, 106 High Street, Lincoln, LN5 7PY	1009	109	900	No proposed change
30	FC FBA	Boultham Boultham	Ian Shammon Car Showroom, 73 Boultham Park Road, Lincoln, LN6 7SB	1679 322	328 48	1351 274	Royal Naval Club, Coulson Road, Lincoln, LN6 7BG Polling District FBA to join FC at Royal Naval Club so the county division aligns. The proposed change meets accessibility requirements.
31	FD	Boultham	Holy Cross Church, Skellingthorpe Road, Lincoln, LN6 7RB	1025	185	840	No proposed change
32	FE	Boultham	Lincoln Evangelical Church, Uffington Close, Lincoln, LN6 0AE	518	106	412	Risby Green, Lincoln, LN6 0DJ The proposed change is more accessible for the electorate. The venue meets accessibility requirements.

Moorland Ward

Polling Station Number	Polling District(s)	County Division	Current Polling Place	Total Electorate	Number of Postal Voters	Polling Station Electorate	Proposed Change / Comments
33	GA GG	Hartsholme Boultham	Boultham Library, Boultham Park Road, Lincoln, LN6 7ST	561 59	73 9	488 50	No proposed change
34	GB	Hartsholme	Moorland Avenue Community Centre, Moorland Avenue, Lincoln, LN6 7JJ	620	68	552	No proposed change
35	GC	Hartsholme	Lincoln Moorland Railway and Sports and Social Club, Newark Road, Lincoln, LN6 8RT	1103	134	969	No proposed change
36	GD GE	Swallow Beck and Witham Swallow Beck and Witham	Swallowbeck Methodist Church, 472 Newark Road, Lincoln, LN6 8RZ	1333 673	344 141	989 532	St George's Church, Eastbrook Road, Swallow Beck, Lincoln, LN6 7EP The proposed change meets accessibility requirements.

37	GF	Hartsholme	Holy Cross Church, Skellingthorpe Road, Lincoln, LN6 7RB	1214	134	1080	No proposed change
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Witham Ward

Polling Station Number	Polling District(s)	County Division	Current Polling Place	Total Electorate	Number of Postal Voters	Polling Station Electorate	Proposed Change / Comments
38	HA	Swallow Beck and Witham	St Columba’s Church Centre, Brant Road, Lincoln, LN5 8RX	1515	238	1277	No proposed change This proposal was supported by consultation feedback.
39	HB	Swallow Beck and Witham	St Columba’s Church Centre, Brant Road, Lincoln, LN5 8RX	782	122	660	No proposed change
	HE	Swallow Beck and Witham		1040	155	885	This proposal was supported by consultation feedback.
40	HC	Swallow Beck and Witham	The Lincoln Green Public House, Lincoln Road, North Hykeham, LN6 8DL	1174	231	943	Ruston Sports and Social Club, Newark Road, Lincoln, LN6 8RN This proposal derives from consultation feedback and better meets accessibility requirements and has more suitable car parking arrangements.
41	HD	Swallow Beck and Witham	The Lincoln Green Public House, Lincoln Road, North Hykeham, LN6 8DL	989	176	813	Ruston Sports and Social Club, Newark Road, Lincoln, LN6 8RN This proposal derives from consultation feedback and better meets accessibility requirements and has more suitable car parking arrangements.
42	HF	Swallow Beck and Witham	Namron Healthcare Training Room, 1 Holly Street, Lincoln, LN5 8RS	438	51	587	St Columba’s Church Centre, Brant Road, Lincoln, LN5 8RX Polling District HF to join HA at St Columba’s Church Centre. The proposed location meets accessibility requirements. This proposal was supported by consultation feedback.

Minster Ward

Polling Station Number	Polling District(s)	County Division	Current Polling Place	Total Electorate	Number of Postal Voters	Polling Station Electorate	Proposed Change / Comments
43	IA	Ermine and Cathedral	Sudbrooke Drive Community Centre, Sudbrooke Drive, Lincoln, LN2 2EF	852	159	693	No proposed change
	IB	Ermine and Cathedral		903	71	832	
44	IC	Ermine and Cathedral	Ermine United Reformed Church, Sudbrooke Drive, Lincoln, LN2 2EF	1529	241	1288	The Parish Church of John the Baptist Church Hall, Sudbrooke Drive, Lincoln, LN2 2EF. This change is required following the closure of the current polling place. The proposed change meets accessibility requirements.
45	ID	Ermine and Cathedral	Bailgate Methodist Church, Bailgate, Lincoln, LN1 3AR	1139	273	866	No proposed change
46	IE	Ermine and Cathedral	St Peter in Eastgate Church, Greetwellgate, Lincoln, LN2 4AA	503	131	372	No proposed change
	IF	Ermine and Cathedral		341	56	285	

Hartsholme Ward

Polling Station Number	Polling District(s)	County Division	Current Polling Place	Total Electorate	Number of Postal Voters	Polling Station Electorate	Proposed Change / Comments
47	JA	Birchwood	Church of Jesus Christ of Latter Day Saints, Skellingthorpe Road, Lincoln, LN6 0PB	112	32	80	No proposed change
	JB	Birchwood		544	161	383	
48	JC	Birchwood	Life Church, 127-129 Birchwood Avenue, Lincoln, LN6 0JE	1156	178	978	No proposed change
49	JD	Hartsholme	Portacabin, Grassed Area, Abingdon Avenue, Lincoln	1388	267	1121	The Swan Holme, Doddington Road, Lincoln, LN6 3RX This change brings improved accessibility for voters, better working environment for polling staff and additional space.
50	JE	Hartsholme	Life Church, 127-129 Birchwood Avenue, Lincoln, LN6 0JE	1489	286	1775	No proposed change

51	JF	Hartsholme	Lincoln Evangelical Church, Uffington Close, Lincoln, LN6 0AE	1522	227	1295	Risby Green, Lincoln, LN6 0DJ The proposed change is more accessible for the electorate. The venue meets accessibility requirements.
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Birchwood Ward

Polling Station Number	Polling District(s)	County Division	Current Polling Place	Total Electorate	Number of Postal Voters	Polling Station Electorate	Proposed Change / Comments
52	KA	Birchwood	Church of Jesus Christ of Latter Day Saints, Skellingthorpe Road, Lincoln, LN6 0PB	478	109	369	No proposed change
	KB	Birchwood		796	191	605	
53	KC	Birchwood	Birchwood Leisure Centre, Birchwood Avenue, Lincoln, LN6 0JE	876	93	783	No proposed change Consultation feedback from elected member suggested alternatives to this proposal, including the use of a local school or the Barrel Pub. The existing place better meets accessibility requirements so it is therefore proposed we retain the existing polling place.
54	KD	Birchwood	Birchwood Breakthrough Centre, Larchwood Crescent, Lincoln, LN6 0NA	967	109	858	No proposed change
	KE	Birchwood		741	104	637	
55	KF	Birchwood	Birchwood Boiler House, 278 Woodfield Avenue, Lincoln, LN6 0LT	1832	283	1549	No proposed change
	KG	Hartsholme		203	34	169	