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CITY OF Lincoln COUNCIL

EXECUTIVE

Monday, 16 January 2023	6.00 pm	Committee Room 1, City Hall

Membership:	Councillors Ric Metcalfe (Chair), Donald Nannestad (Vice-Chair), Chris Burke, Sue Burke, Bob Bushell and Neil Murray
Officers attending:	Angela Andrews, Democratic Services, Kate Ellis, Jaclyn Gibson, Daren Turner, Simon Walters and Carolyn Wheater

A G E N D A

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Executive **3 January 2023**

Present:	Councillor Ric Metcalfe *(in the Chair)*, Councillor Donald Nannestad, Councillor Chris Burke, Councillor Sue Burke and Councillor Bob Bushell
Apologies for Absence:	Councillor Neil Murray

65. Declarations of Interest

Councillor Chris Burke declared a Pecuniary Interest with regard to the agenda item titled 'St Giles Community Centre'. Reason: He sat on the Board for the YMCA Finance Committee.

He left the room during the consideration of this item and took no part in the discussion and vote on the matter to be determined.

66. Confirmation of Minutes -12 December 2022

RESOLVED that the minutes of the meeting held on 12 December 2022 be confirmed and signed by the Leader as a correct record.

67. Council Tax Base 2023/24

Purpose of Report

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

Decision

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

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

b) The Chief Finance Officer's calculation of the Council Tax Base for the financial year commencing 1 April 2023 and ending 31 March 2024, as set out in Appendix B of this report be approved;

c) In accordance with the Chief Finance Officer's calculation, and pursuant to the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended), that the Council Tax Base for the 2023/24 financial year be 25,249.48.

Alternative Options Considered and Rejected

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

Reasons for the Decision

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

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

68. Localised Council Tax Support Scheme 2023/24

Purpose of Report

1. To provide information regarding the outcome of consultation regarding 2023/24 Council Tax Support Scheme options.

2. To propose options for a Council Tax Support Scheme for the 2023/24 financial year, which must be approved by Council before 31st January 2023.

Decision

(1) That the content of the report, taking into consideration the responses received as part of the consultation be noted.

(2) That it be recommend to the City of Lincoln Council that:

(a) A 'no change' to the core Council Tax Support scheme for 2023/24, as set out in Section 4 of the report, subject to the technical amendments described in paragraph 5.3 be approved.

(b) Provision of an Exceptional Hardship Fund of £25,000, for the financial year 2023/24, be approved.

(c) Approval be given to a further detailed modelling of a Universal Credit banded scheme from 2024/25 to be undertaken with a view to consulting on such a scheme for 2024/25.

Alternative Options Considered and Rejected

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

Reasons for the Decision

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

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

It was the 5,805 working age (including those classified as 'vulnerable' for CTS purposes) claimants, where a local scheme could be determined which could change the level of support provided. The split of the 5,805 working age CTS recipients was 3,110 working age (vulnerable) and 2,695 working age (not vulnerable)

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

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

69. Collection Fund Surplus/Deficit - Council Tax

Purpose of Report

To consider the estimated balance for the council tax element of the collection fund; and to confirm the declaration of the surplus or deficit for 2022/23.

Decision

1) That the Chief Finance Officer's declaration of a council tax deficit of £629,307 for 2022/23, to be distributed in 2023/24, be confirmed.

2) That the spreading adjustment of a £297,589 deficit to be distributed in 2023/24 be noted.

Alternative Options Considered and Rejected

None. Prior to setting the Council Tax for 2023/24, the City Council was required to estimate whether there was to be a surplus or deficit on the Collection Fund for the current financial year,2022/23.

Reasons for the Decision

The Council would declare a deficit on council tax collection of £629,307 for the financial year 2022/23, with the City Council's share being £91,532, to be distributed in 2023/24.

As a Council Tax Billing Authority, the City Council was required to estimate whether there was to be a surplus or deficit on the Collection Fund for the current financial year, prior to setting its Council Tax for the next year. The calculation was based on an estimate of tax collected in-year compared to the estimate made the previous year, taking into account any previously declared surplus or deficit and the expected year-end arrears position.

The Council was required to declare any surplus or deficit during January of each financial year and once approved had an obligation to notify its major precepting authorities (Lincolnshire County Council and the Police and Crime Commissioner for Lincolnshire) of their share of the estimated surplus or deficit.

70. St Giles Community Centre

(Councillor Chris Burke left the room during the consideration of this item, having declared a pecuniary interest in the matter to be discussed. He took no part in the discussion and vote on the matter to be determined.)

Purpose of Report

1. To advise members of a Community Asset Transfer (CAT) application from Lincolnshire YMCA relating to St Giles Community Centre.

2. To seek approval, subject to a successful funding application by Lincolnshire YMCA, to asset transfer of St Giles Community Centre.

Decision

That asset transfer of St Giles Community Centre to Lincolnshire YMCA via a 25-year lease subject to successful funding being obtained from the Youth Investment Fund be approved.

Alternative Options Considered and Rejected

To reject the asset transfer application.

Reasons for the Decision

Lincolnshire YMCA were seeking to expand their role and functions in the area, with funding opportunities identified through the National Youth Investment Fund.

St Giles Community Centre had received low community use for some years now, In addition, Lincolnshire County Council who currently leased the building on a pro-rata basis had given notice on their licence agreement to use the centre which expired on 31 December 2022.

Previously a youth centre had been located next to the community centre but was subject to an arson attack in September 2016 which resulted in the building being demolished.

Community Asset Transfer (CAT) involved the transfer of the responsibility for an asset from the Council to a community group or voluntary organisation, either through a transfer of management responsibility, short or long-term lease, or through the transfer of outright ownership. Transfer of the asset could be at less than market value.

The application from Lincolnshire YMCA was comprehensive and included a business plan, financial forecasting and risk assessment. A successful asset transfer and funding bid would see £1.5m capital investment in the premises to improve and enhance them as a community facility.

The asset transfer would be dependent on a successful bid to the Youth Investment Fund; a £386m fund that aimed to drive position outcomes for young people through the creation, expansion and improvement of youth facilities and services.
The centre's current asset value would remain on the Council's balance sheet. The transfer of the centre would yield an ongoing revenue saving as per the Medium Term Financial Strategy as detailed within the officer's report.

The proposed CAT was in the form of a 25 year peppercorn lease of the premises. The justification for this disposal at less than best consideration was on the basis that Lincolnshire YMCA was a not-for-profit organisation and there were perceived social and environmental outcomes for the public benefit from YMCA's investment and enhancement of the building as a community asset, to provide better access for all.

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EXECUTIVE **16 JANUARY 2023**

SUBJECT:	**DRAFT MEDIUM TERM FINANCIAL STRATEGY 2023 - 2028**
DIRECTORATE:	**CHIEF EXECUTIVE AND TOWN CLERK**
REPORT AUTHOR:	**JACLYN GIBSON, CHIEF FINANCE OFFICER**

1. Purpose of Report

1.1 To recommend to the Executive the draft Medium-Term Financial Strategy for the period 2023-2028 and the draft budget and council tax proposal for 2023/24, for consultation and scrutiny.

1.2 To present the draft Capital Strategy 2023-2028 for consideration.

2. Executive Summary

2.1 Much has changed since the Council approved the previous MTFS, with spiralling inflation, soaring energy prices and nationally agreed pay proposals set to add significant cost pressures to the it's budgets. These are in the main caused by national issues, which are beyond the Council's control and that are impacting all Councils.

2.2 In addition, the Council is facing growing demands for some of its 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 as the cost-of-living crisis hits household incomes.

2.3 Alongside these cost and demand pressures, there still remains uncertainty around the level of funding for local government beyond the current Spending Review period and the implementation of the planned national funding reforms. These reforms, together, have the ability to fundamentally alter the course of the MTFS. Although it has now been confirmed that these fundamental reforms will not be implemented until 2025/26 at the earliest, and the Autumn Statement announced some much-needed additional funding for local authorities for the next two years (providing some limited and short-term stability), there can be no certainty beyond 2024/25.

2.4 As a result of these factors, the financial landscape for local government continues to pose an unprecedented challenge to the Council and is set in the context of this significant, inherent uncertainty. It is a long time since the Council had any medium-term certainty during budget setting which makes financial planning in this climate extremely challenging.

2.5 Despite this significant level of uncertainty, based on what is currently known, or can be reasonably assumed, the Council continues to face a significant and widening gap between its spending requirements and the level of resources it estimates to receive. The additional resources announced by the Government for 2023/24 and 2024/25, the delay in implementation of national funding reforms, and the use of earmarked reserves, has provided some financial capacity to smooth the level of reductions required, but it does not alter the underlying need to reduce the net cost base of the General Fund by £1.750m by 2026/27 if the Council is to remain sustainable in the medium term. This is a significant target for the Council to achieve, particularly in light of the annual revenue reductions of nearly £10m that have already been delivered over the last decade.

2.6 The Council still believes that the longer-term approach to closing the funding gap is fundamentally through economic growth and investment. Through Vision 2025 the Council will continue to seek ways to maximise its tax bases by creating the right conditions for the economy to recover and grow, to increase Business Rates income, and to encourage housebuilding to meet growing demand, generating additional Council Tax. In addition, the Council also continues to focus on transformational changes to the way in which it operates and delivers services. However, these measures are only likely to yield significant additional resources beyond the lifetime of this MTFS. If the Council is to deliver the level of savings required by 2026/27, it will have little choice but to face further difficult decisions about the size and scope of the essential services it will be able to continue to provide. It will need to review and revisit its investment priorities, beyond Vision 2025, and will be forced to look closely at the service it provides and will inevitably have to stop some of these to balance the books.

2.7 The Council will though continue to build on its successful financial planning to date and will seek to protect the core services for the people of Lincoln, whilst at the same time allowing for significant investment in the City, and its economy, and driving forward Vision 2025. Adopting this approach will ensure that it carefully balances the allocation of resources to its vision and strategic priorities, whilst ensuring it maintains a sustainable financial position and delivers the required reductions in its net cost base.

2.8 Prior to submission of the MTFS 2023-2028 and budget and council tax proposal for 2023/24 to Full Council, on 21st February 2023, this initial draft will be subject to public consultation and member scrutiny.

3. Background

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

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

3.3 In response to the impact that current economic conditions are having on the Council's finances and the inherent uncertainty in financial planning, the existing objectives of the MTFS have been reviewed to ensure they remained relevant. The key overriding objective continues to be;

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

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

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

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

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

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

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

3.5 In response to this challenging financial environment the Council has embraced a forward thinking, ambitious and commercial approach in maintaining a sound financial position. This is an approach that has served the Council well and allowed savings of nearly £10m to be delivered over the last decade. Although, given the scale of the savings delivered, this has already required the Council to take difficult decisions in terms of which services it continues to provide.

3.6 Looking ahead the financial landscape for local government continues to pose a high level of uncertainty, there continues to be a number of unknowns, which have been exacerbated over the past twelve months, the current cost-of-living crisis and the state of flux in the economy with soaring inflation; rising interest rates; labour shortages and supply chains issues, means that the level of uncertainty has never been so high. Layered on top of this is the lack of clarity on further Government funding reforms, and the level of overall resources for local government beyond the current spending review period. Therefore, in order to ensure that the Council maintains a robust and sustainable financial position and is able to respond to the impact of volatile external events and increased financial risks that it faces, the MTFS needs to remain flexible, the council's reserves resilient and the sound track record of delivering savings needs to be sustained, whilst ensuring that resources are directed towards its vision and strategic priorities.

4. The General Fund

4.1 The Council's spending requirement, after capital charges and contributions to/from reserves are taken into account, for 2023/24 amounts to £14.407m which is £5.500m (38%) higher than the current year's budget, although direct comparisons between the two years cannot be made due to the impact of significant fluctuations in the Collection Fund deficits. The provisional forecast spending requirements for the remaining four years of the MTFS are, £14.498m for 2024/25, £13.224m for 2025/26, £13.818m for 2026/27 and £14.343m for 2027/28.

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

4.3 Provisional Finance Settlement 2023/24

The 2023/24 Settlement is for one year only and is based on the Spending Review 2021 (SR21) funding levels updated for the 2022 Autumn Statement. Whilst the provisional settlement only shows figures for 2023/24, there is scope to forecast 2024/25 amounts, given what is known regarding 2024/25 control totals for funding and the certainty provided regarding the delay to reform of the system. The Settlement represents a holding position until next Parliament, with the emphasis on providing stability. The Settlement sets out the Council's Core Spending Power which consists of; it's Settlement Funding Assessment (SFA) made up of Revenue Support Grant (RSG) and Business Rates baselines figures; along with other specific grant allocations; and an assumed level of Council Tax. Overall, the Council's Core Spending Power has increased by 4.7% in comparison to an increase of 9.2% across all English local authorities.

4.4 Revenue Support Grant

In terms of the Council's RSG element of the SFA, as a result of the one-year settlement and further delay in the implementation of funding reforms, RSG has been extended for a further year and uplifted by 10.1% in line with CPI inflation. In addition, there have also been a number of grants rolled into the RSG using their existing allocation methodology, for the Council this includes the Local Council Tax Administration Support Grant. The Council's allocation for 2023/24 is £0.175m, for 2024/25 it is assumed that RSG will continue and be uplifted with inflation to £0.185m. Beyond 2024/25 it is assumed that only the rolled in grants will remain, at a level of £0.156m per annum.

4.5 **Business Rates Retention**

The calculation of income to be received through Business Rates Retention (BRR) is critical in determining the amount of resources that the Council will have available to fund local services.

4.6 The Council has undertaken an assessment of the amount of business rates that it expects to collect during 2023/24, based on this and after allowing for the allocation of resources to Central Government and to the County Council it is estimated that £6.130m of the £41.9m of business rates generated within the City will be retained by the Council.

4.7 Beyond 2024/25, assumptions have been made in relation to the reform of the BRR system, these reforms will if implemented wipe out the accumulated gains the Council has achieved since the launch of the current system in 2013/14 and return income to the Council's baseline levels. In 2023/24 the accumulated growth to the Council is c£1.5m p.a. The assumptions will continue to be assessed as and when further details of the reforms are released by the Government. Although no specific implementation date has yet been confirmed the MTFS assumes this will be effective from 2025/26. However, as much of the design and relative starting positions in the new scheme are as yet unknown it is extremely challenging to forecast the likely level of resources.

4.8 This level of retained business rates is calculated on the basis that the Council participates in the Lincolnshire Business Rate Pool in 2023/24. The pool consists of this Council, Lincolnshire County Council and the six other Lincolnshire District Councils. Membership of this pool allows the Council to retain an element of growth that would have otherwise been payable via a levy to the Government, this equates to retained resources of £0.461m in 2023/24. As the BR Reset will not now happen until 2025/26 at the earliest, it has been assumed that the BR pool will remain in place for 2024/25, with a further benefit of £0.486m to the Council.

4.9 Forecast business rates in the draft MTFS 2023-28 are based on the most recent available estimates of Lincoln's business rates base. However, until the business rates base for 2023/24 is finalised at the end of January 2023 the estimates in the draft MTFS are subject to change.

4.10 **Council Tax**

The Localism Act 2011 introduced a power for residents to approve or veto excessive council tax increases. This means that any local authority setting an excessive increase as set by the Secretary of State would trigger a referendum of all registered electors in their area. The Government confirmed in the Provisional Local Government Finance Settlement that they are giving local authorities in England additional flexibility in setting Council Tax by increasing the referendum limit for increases in Council Tax to the higher of 3% or £5 per year for 2023/24 and 2024/25 (previous referendum limit was 2%). In addition, local authorities with social care responsibilities will be able to increase the adult social care precept by up to 2 per cent per year. This will give local authorities greater flexibility to set Council Tax levels based on the needs, resources and priorities of their area.

4.11 In view of this and taking into consideration the Council's need to protect its financial position from further decline and maintain its local income streams, the MTFS for consideration proposes a 2.90% rise in Council Tax for 2023/24, and a further 1.9% p.a. in each of the subsequent years. An increase of 2.90% in 2023/24 equates to an additional 9p per week for a Band A property and 11p per week for a Band B property (80% of properties fall within Band A and B), with a Band D equivalent of £299.25.

4.12 **Other Specific Grants**

In addition to RSG the Council also receives other specific grants. Further New Homes Bonus allocations for 2023/24 have been announced and the Council will receive £0.224m. Beyond 2023/24 the Government are due to set out the future position of the New Homes Bonus, ahead of the 2024/25 Settlement. The MTFS does not assume any grant beyond 2023/24.

The Services Grant, worth £464 million remains in the Settlement, with its previous distribution methodology. The grant is intended to provide funding to all tiers of local government in recognition of the vital services, including social care, delivered at every level of local government. Although the grant remains and the methodology is unchanged, the total amount of grant has reduced, this is to adjust out the resources allocated to fund the pressures of the increased National Insurance contributions, which have now been cancelled, and to fund other parts of the Settlement. The Council's allocation for 2023/24 is £0.148m. It is as yet unclear what will happen to the grant from 2024/25, however the MTFS assumes that the allocation for 2023/24 will remain for 2024/25 and thereafter.

In addition, as part of a boost to overall local government funding, the Settlement announced a new grant for 2023/24, the Minimum Funding Guarantee. This is intended to provide a funding floor for all local authorities, so that no local authority will see an increase in core spending power that is lower than 3%, this is before any decision they make about organisational efficiencies, use of reserves, and council tax levels. The Council's allocation for 2023/24 is £0.328m. The MTFS assumes a grant allocation at the same level for 2024/25 but does not assume any grant allocation beyond this.

4.13 **Fees & Charges**

The fees and charges levied by the Council are an important source of income, however, the impact of Covid19 has had a significant detrimental impact on fees and charges income over the last few years, with monthly levels plummeting across a range of discretionary services as a result of multiple lockdowns and the impact on the economy and the uneven path to recovery. Although many of the discretionary income areas have, or continue, to bounce back there are some income areas that are unlikely to ever return to their pre-covid levels. This pressure is further compounded by the current cost-of-living crisis and economic factors affecting household incomes and overall growth in the economy and business activity, this is beginning to impact on certain sources of fees and charges income, such as building regulations and development control.

The MTFS assumes that the Council will raise £11.468m from fees and charges in 2023/24. The mean average overall increase in the non-statutory fees and charges is 5.2%, with a modal increase of 0%.

4.14 **Spending Pressures**

Over the past twelve months the impacts of spiralling inflation, soaring energy prices and nationally agreed pay proposals have added significant cost increases to the Council’s budgets. These are in the main part caused by national issues, beyond the Council’s control, and are impacting all Councils. In addition, the current cost of living crisis is driving a growing demand for Council’s services, by those who rely on the safety net provided by local government. These factors have created unforeseen and unavoidable budget pressures, these are not temporary cost 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 MTFS. In total these pressures have increased the Council’s cost base by c£1.2m in 2023/24, increasing to c£1.6m in 2024/25 and by nearly £2m p.a by 2026/27.

4.15 **Spending Plans**

The three-year ADP, through to 2025, includes a significant amount of new investment, primarily of a capital nature, aimed at supporting the economic prosperity of the City and is largely funded through external grant funding. In addition, through the refocusing of existing resources and allocation of the Vision 2025 earmarked reserve, the ADP included a number of revenue schemes. In light of the longer-term financial challenges the Council faces, a continual review of whether alternative funding sources are available to resource these schemes is in place. Consideration will also now be given to the use of the Vision 2025 earmarked reserve to resource some new interventions in response to the cost-of-living crisis.

Since the time of refreshing Vision 2025 and developing the three-year ADP, the Council has been successful in securing approval of its UK Shared Prosperity Fund Investment Plan. Of the total £2.811m allocation, £2.330m is revenue funding, work will now commence on finalising the details of the schemes within the Investment Plan. Securing this new funding will contribute towards the Councils strategic objectives.

4.16 The following other key assumptions have been used in formulating the draft General Fund revenue estimates for 2023/24 – 2027/28 as follows:

- Non-Statutory fees and charges mean average increase is 5.2% in 23/24 with a 3% p.a. increase in yield thereafter.
- An increase in employer pension contribution rates capped at current levels for the period of the MTFS.
- A provision for pay awards of 3% p.a. for 23/24 and 24/25 and 2.0% p.a thereafter.
- Average interest rates on investments have been assumed at 4.44% in 23/24, 3.63% in 24/25 and 2.69% for the remainder of the MTFS.

- Staff turnover targets of 1% pa
- Inflation and pay increases – individual inflation rates have been applied for specific items of expenditure due to the extreme differences in inflation rates. For details, please refer to the table in Appendix A.

There still remains a significant level of uncertainty and volatility to these assumptions that underpin the budgets estimates, creating an inherent risk in the MTFS projections.

Towards Financial Sustainability

4.17 Whilst there are still a significant number of uncertainties and variables in the Council's financial planning assumptions, what is certain is that the Council is still facing a significant financial challenge, due to its increasing cost pressures, one which it must address if it is to remain financially sustainable in the medium term.

4.18 Confirmation that the national funding reforms will not now take place until 2025/26, at the earliest, and that the accumulated business rate growth will instead be retained, has cushioned the impact of the cost pressures for 2023/24 and 2024/25. However, beyond this with the cliff edge reduction in business rates resources a reduction of grant funding, the Council faces a significant and widening gap between its spending requirements and the level of resources it estimates to receive.

4.19 Although the position for 2023/24 and 2024/25 is currently more positive, savings targets for those years will still be included in order to provide further financial resilience and the ability to cushion any further financial pressures that may arise (due to the current risks to the financial planning assumptions). It will also allow capacity to deliver the higher levels of savings needed towards the end of the MTFS period to be spread more evenly over the years. On the basis of the revised financial planning assumptions assumed in this MTFS, the following level of savings targets will be required to ensure the financial sustainability of the General Fund:

2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
185	500	1,000	1,750	1,750

The phasing of these savings targets mirrors the Autumn Statement position, with a more manageable position over the next two years and much of the tougher decisions needing to be taken in the next Spending Review period, starting in 2025/26. This also means that these savings targets are likely to change dependent on a spending review taking place and the potential for a further delay in funding reforms. These assumptions will be kept under review, with the savings targets reviewed as part of each subsequent MTFS. Despite this potential for change, the Council must still continue to develop and implement a savings programme in order to ensure it is fully prepared to be able to deliver against these targets

4.20 The key mechanism for delivering the required budget savings is through the Towards Financial Sustainability (TFS) Programme, which seeks to bring net service costs in line with available funding. Over the last decade, it is through the TFS

Programme and precursor programmes, the Council has delivered the annual savings of nearly £10m.

4.21 Whilst in the longer term the Council's still believes that the approach to closing the funding gap is fundamentally through economic growth and investment, increasing the Council's tax bases and revenue streams, this is unlikely to yield significant resources over the period of the MTFS to meet the funding gap. The Council will therefore continue to have little choice but to face further difficult decisions about the size and scope of the essential services it provides. It will need to review and revisit its investment priorities, beyond Vision 2025, and will be forced to look closely at the service it provides and will inevitably have to stop some of these to balance the books. There is sufficient 'lead in time' to the need to deliver these savings, allowing every possible effort to be made to find the least painful solutions and minimise the impact on jobs and services, but inevitably there will be some difficult decisions to be made.

Robustness and Adequacy of the Budget and Reserves – General Fund

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

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

4.24 As a result of the level of financial risk currently faced by the Council and the threat this poses to the Council's financial position the prudent minimum level of general reserves remains at an increased level. Based on an assessment of the estimated exposure, likelihood and possible mitigation of the financial risks that the Council faces it is deemed prudent to hold general reserves around £1.5m-£2m. Over the MTFS general reserves are maintained in line with (in excess of) this prudent minimum and show an estimated balance of £1.583m by the end of 2027/28.

4.25 Whilst the overall level of balances will still be maintained over the period of the MTFS there are planned uses of balances in the General Fund of £0.162 m in 2023/24, £0.037m in 2024/25, £0.415m for 2025/26 and £0.079m for 2026/27. The use in 2025/26 is as a result of the forthcoming funding reforms and the assumption that the accumulated gains on Business Rate income will be reset, leaving the Council at a significant financial detriment. Whilst the Council has assumed an increased level of savings will be required to mitigate the ongoing impacts of this income loss, in the short term the use of balances and earmarked reserves provides the Council the opportunity to deliver ongoing reductions in its net cost base, and also providing the flexibility to adjust the savings targets if there is a more positive outcome from the funding reforms. Based on the current trajectory of savings targets, by 2027/28 the General Fund will be in the position of making positive contributions to balances, with forecasted contributions of £0.013m in 2027/28. The careful use of balances, along with earmarked reserves, in supporting the General Fund is seen as a short-term measure only to ensure a balanced budget position is maintained whilst savings are delivered, it is not foreseen as a long-term solution.

5. The Housing Revenue Account

5.1 The Council's Housing Revenue Account Business Plan 2016-2046 was approved in February 2016, since it's adoption a number of issues e.g., Brexit and the Covid19 pandemic have had a fundamental impact on the way the Council delivers it's housing and landlord services, now and in the future. In addition, the Vision 2025 and Annual Delivery Plans will include a much greater focus on health outcomes and the environment, with implications for the delivery of housing services. As a result, an interim high-level refresh of the Business Plan was undertaken during 2021 with a further refresh in 2022, with work now taking place to fundamentally rewrite the 30-year Plan during 2023/24, to reflect the changes to the local, regional and national operating environment and to reflect the Councils current aims and ambitions in Vision 2025.

5.2 Housing Rents

In line with the Housing Business Plan and Government Rent Guidelines, which announced that from April 2020 social rents should increase by a maximum of CPI+1% for 5 years, the MTFS has historically been based on this assumption. For 2023/24 the Government, in light of the current inflation levels, imposed a cap on rent increases of 7%, which without CPI +1% would have allowed for rent increases of up to 11.1%. The Government's approach for 2024/25, and whether a further cap will be implemented is as yet unclear, in addition beyond 2025 when the 5-year period of increases at CPI+1% ends it is uncertain what Rent Guidelines may be in place.

5.3 Although the Government have introduced the rent cap of 7% for 2023/24, taking into consideration the impacts on household incomes arising from the current cost-of-living crisis, but balancing this with the economic and financial pressures the HRA has in delivering services to its customers with, it is proposed to increase rents by 6.5% for 2023/24. This proposed increase also takes into consideration the lower level of rent increase last year (i.e., the actual increase was below CPI+1%) and that the HRA was subject to the government-imposed rent reduction policy between 2016/17 and 2019/20 which saw the council have to reduce rents by 1% per annum rather than increase at CPI plus 1% as previously agreed. The average 52-week rent will be £81.18 per week for general purpose and sheltered accommodation, and £125.99 for affordable rents. The assumption in the MTFS from 2023/24 onwards reverts to CPI + 1%.

5.4 Spending Pressures

Like the General Fund, the HRA has been severely impacted by the unforeseen and unavoidable cost pressures have arisen over the last 12 months. These escalating costs in relation to pay inflation, contractual inflation, utility price increases and material and labour increases, have taken their toll on the financial resilience of the Housing Revenue Account. These new pressures come at a time when the HRA 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. Given the significant level of annual repairs and maintenance and planned capital maintenance to the Council's housing stock the impact of these factors is causing both income losses and cost increases for the HRA. These pressures have seriously impacted the assumptions that underpin the HRA and Housing Business Plan and have required budgets to be reset within this MTFS. In total these pressures have increased the HRA's cost base by c£0.950m in 2023/24, increasing to c£1.350m in 2024/25 and by over c£1.6m in 2026/27.

5.5 **Financing the Capital Programme**

Under HRA self-financing, the primary sources of funding for capital investment in the Council's housing stock is from the revenue account through asset depreciation charges and direct revenue contributions. This has been lessened to some extent by the removal of the HRA borrowing cap, however £62.529m of revenue support is still anticipated over the MTFS period.

5.6 The following other key assumptions have been used in formulating the HRA estimates for 2023/24 – 2027/28 as follows:

- Assumptions for price inflation, interest rates, pay awards, vacancy savings and employer pension contributions are as per the General Fund
- Average Garage Rents increase of 5% for 2023/24 and then 3% thereafter.
- Housing voids assumed at 1.05% for 2023/24, then 1% for 2024/25 – 2027/28.
- A collection rate of 99% p.a.
- Additional rental income from 42 new build properties.

Robustness and Adequacy of the Budget and Reserves – HRA

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

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

5.9 The prudent level of general reserves on the Housing Revenue Account is considered to be £1m - £1.5m. Throughout the MTFS period balances are expected to remain within these levels.

6. The General Investment Programme

6.1 The General Investment Programme (GIP) for the period 2023/24 – 2027/28 is included within the MTFS at Appendix 2. The total allocated capital programme over the next five years is £25.070m of which £17.341m is estimated to be spent in 2023/24.

6.2 The capital spending plans for the next five years include the delivery of schemes from Vision 2025, with a focus on supporting the recovery of the City or key One Council projects, and investment in existing assets to either maintain service delivery or existing income streams.

- Western Growth Corridor - £7.599m
- Disabled Facilities Grants - £4.260m
- Planned asset maintenance - £1m
- Greyfriars - £2.638m
- Lincoln Central Market - £3.184m
- Heritage Action Zone - £0.054m
- Lincoln Town Deal (External Schemes) - £4.999m

6.3 The largest scheme delivered directly by the Council is Phase 1a of the Western Growth Corridor sustainable urban extension. Whilst the current GIP budget of £7.599m was approved in March 2019, work is currently underway to update this based on revised costs and scheme details. It is expected that revised budgets will be presented to the Executive in February 2022 and included within the final version of this MTFS.

6.4 Further schemes in support of Vision 2025 will be included in the GIP at the relevant stage in their development e.g., grant funding secure, design stage completed etc. Further details of the investment plans are provided in the Capital Strategy.

7. The Housing Investment Programme

7.1 The Housing Investment Programme (HIP) for the period 2023/24 – 2027/28 is included within the MTFS at Appendix 4. The total allocated capital programme over the next five years is £62.529m of which £13.746m is estimated to be spent in 2023/24.

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

7.3 Future spending plans for the HIP are expected to include capital investment in further progression of the Council House New Build Programme, initiatives through the Council's carbon neutral ambition, other new schemes emerging through Vision 2025 and implications arising from Government regulations/legislation, particularly the Building Fire Safety Bill & Fire Safety Act. As set out above the HRA 30-year business plan, which has had a light touch refresh in 2021 and a further refresh in December 2022, will have a full refresh in 2023/24, this will shape the direction of the HIP and its priority areas.

7.4 As set out in paragraph 5.4 above, the primary sources of financing for the HIP are from depreciation, with financing of £38.694m over the 5-year period and from revenue contributions, totaling £11.744m over the 5-year period. In addition, the HIP is set to utilise £2.930m of prudential borrowing to fund the Council House New Build Programme this is further supported by capital receipts (including Right-to-Buy receipts) of £2.019m.

8. Capital Strategy

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

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

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

8.3 A draft Capital Strategy is attached at Appendix B.

9. Consultation and Scrutiny

9.1 Budget consultation will be undertaken via an online survey and through the Citizens Panel, the key purpose of which will be to;

1. Highlight the proposed budget and Council Tax for 2023/24, seeking views on the proposed increase.

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

9.2 In terms of member budget scrutiny an all-member workshop will be undertaken during January 2023, to ensure that as large a number of members as possible have the opportunity to fully understand the financial position of the Council. This will be followed by a Budget Review Group who will focus on the detail of the draft MTFS, proposed budget and Council Tax recommendation.

9.3 Consultation and scrutiny comments and responses will be considered when the Executive makes its final budget recommendations on 20th February 2023.

10. Strategic Priorities

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

11. Organisational Impacts

11.1 Finance - There are no direct financial implications arising from the approval of the Draft MTFS 2023-2028 for consultation and scrutiny. The strategy provides information on the Council's spending, income, and key financial challenges.

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

- making prudent allowance in the estimates for services; and
- ensuring that there are adequate reserves to draw on if the service estimates turn out to be insufficient.

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

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

11.5 Equality, Diversity and Human Rights

This report provides a summary of the financial planning activities across the Council. As a consequence of the approval of the MTFS and budget for 2023/24 there may be an impact on certain council services which will be subject to review. Planning work undertaken to develop the Towards Financial Sustainability Programme and strands and investment in the Vision 2025 and strategic priorities, set out above, involves taking an overview of the potential cumulative impact. This is further expanded and built upon as the specific reviews and projects are developed and so detailed equalities implications will be assessed at the individual service level.

12. Risk Implications

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

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

13. Recommendations

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

- The Draft Medium Term Financial Strategy 2023-2028, and.
- The Draft Capital Strategy 2023-2028

Including the following specific elements:

- A proposed council tax Increase of 2.9% for 2023/24.
- A proposed housing rent increase of 6.5% for 2023/24.
- The Council is member of the Lincolnshire Business Rates Pool in 2023/24.
- The Draft General Fund Revenue Forecast 2023/24-2027/28 as shown in Appendix 1 and the main basis on which this budget has been calculated (as set out in paragraph 4).
- The Draft General Investment Programme 2023/24-2027/28 as shown in Appendix 2, and the main basis on which the programme has been calculated (as set out in paragraph 6).
- The Draft Housing Revenue Account Forecast 2023/24-2027/28 as shown in Appendix 3 and the main basis on which this budget has been calculated (as set out in paragraph 5).
- The Draft Housing Investment Programme 2023/24-2027/28 as shown in Appendix 4, and the main basis on which the programme has been calculated (as set out in paragraph 7).

13.2 That Executive agree to delegate to the Chief Finance Officer approval of the final Business Rates Base for the financial year commencing 1st April 2023 and ending 31st March 2024 and submission of the base (via the NNDR1 return) to the DLUCH by 31st January 2023. All changes to the base estimated in the Draft MTFS 2023-28 will be reported to the Executive as part of the Final MTFS 2023-28 on 20th February 2023.

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

List of Background Papers:	Medium Term Financial Strategy 2022-27 – Executive 21st February 22 Setting the 2023/24 Budget and Medium Term Financial Strategy 2023-28 – Executive 17th October 2022
Lead Officer:	Jaclyn Gibson, Chief Finance Officer Jaclyn.gibson@lincoln.gov.uk

APPENDIX A

DRAFT Medium Term Financial Strategy

2023/24- 2027/28

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Foreword

Welcome to this latest version of the City Council's Medium Term Financial Strategy covering the period 2023-2028.

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

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

Much has changed since the Council approved the previous MTFS, with spiralling inflation, soaring energy prices and nationally agreed pay proposals set to add significant cost pressures to the it's budgets. These are in the main caused by national issues, which are beyond the Council's control and that are impacting all Councils.

In addition, the Council is facing growing demands for some of it's 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 as the cost-of-living crisis hits household incomes. Due to Lincoln's specific set of local socio-economic factors this places a greater demand on key services and resource allocation than in most other places.

These new financial challenges come at a time when the Council is still recovering from the detrimental financial effects of Covid19, and after facing a decade of austerity measures. These unforeseen and unavoidable new 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 MTFS.

Furthermore, there still remains uncertainty around the level of funding for local government beyond the current Spending Review period. The Fair Funding Review and Business Rates reset have the ability to fundamentally alter the course of the MTFS and whilst it has now been confirmed that they will not now be implemented until 2025/26 at the earliest, and the Autumn Statement 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.

As a result, there can be no certainty beyond that event. Whilst this does provide councils with a two-year financial planning period and some limited and short-term stability, the uncertainty beyond 2025/26 and the potential for new austerity measures, continues to hamper financial planning.

The Council, and local government as a whole, are yet again having to update their medium-term financial strategies in a very uncertain environment.

Whilst income and expenditure budgets have been revised as part of the MTFS refresh, there still remains a significant level of uncertainty and volatility to the assumptions that underpin these estimates, creating an inherent risk in the MTFS projections.

Despite this significant level of uncertainty, based on what is currently known, or can be reasonably assumed, the Council continues to face a significant and widening gap between the it's spending requirements and the level of resources it estimates to receive. The additional resources announced by the Government for 2023/24 and 2024/25, the delay in implementation of national funding reforms, and the use of earmarked reserves, has provided some financial capacity to smooth the level of reductions required, but it does not alter 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 the Council having to take difficult decisions in terms of which services it can continue to provide.

The Council still believes that the 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 the Council will continue to seek ways to maximise it's tax bases by creating the right conditions for the economy to recover and grow, to increase Business Rates income, and to encourage housebuilding to meet growing demand, generating additional Council Tax. As well as continuing to support this the Council 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. Alongside this the Council also continues to focus on transformational changes to way in which it operates and delivers services.

The delivery of these benefits from economic development measures and transformational changes cannot however be realised in the short to medium term. They are only likely to yields significant additional resources beyond the life of the MTFS and will not directly contribute towards the required reductions in the net cost base in the short term. In order to deliver the level of savings required over the period of this MTFS, the Council will have little choice but to face some difficult decisions about the size and scope of the essential services it will continue to provide. It will need to review and revisit its investment priorities, beyond Vision 2025, and will be forced to look closely at the service it provides and will inevitably have to stop some of these to balance the books.

Any further service cuts and revisions to investment plans, above those that have already been taken over the past decade, will have even more far reaching and detrimental impacts on the City's residents and businesses. This will come on the back of the current cost of living crisis, a time when the support of the Council is needed more than ever to support not only those who rely upon the safety net of local government but also whilst the Council is still supporting the rebuilding of the local economy.

In this current exceptionally uncertain period and in light of the Council's forecasted funding position the overriding financial strategy continues to be, to drive down the net cost base to ensure a sound and sustainable financial position is maintained. The key mechanism for delivering this strategy is over the period of this MTFS will be through the Towards Financial Sustainability Programme, which seeks to bring service costs in line with available funding. Alongside this, over the medium term, the Council will use it's influence and direct investment through its capital programmes to create the right conditions for the City's economy to recover and once again grow, boosting the Council's revenue resources.

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

Jaclyn Gibson, FCCA
Chief Finance Officer

Section 1 – Introduction

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

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

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

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

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

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

Objectives

In response to the impact that current economic conditions are having on the Council's finances and the inherent uncertainty in financial planning, the existing objectives of the MTFS have been reviewed to ensure they remained relevant. The key overriding objective continues to be;

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

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

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

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

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

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

Policy and Financial Planning Framework

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

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

Section 2 – Context

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

Economic Climate

The UK's economy is currently in a precarious position and is dominated by the rising cost of living pressures for UK households, with surging energy costs and food supply shocks, driving high inflation, weak growth and rising interest rates.

Inflationary pressures have been mounting in the UK economy over the past year, largely due to the war in the Ukraine, the effects of Covid19 and Brexit, but specifically due to a number of factors, including increasing energy prices; petrol and diesel prices, food prices, the cost of raw materials, household goods and furniture, the cost of hotel and restaurant prices and higher mortgage costs due to increased interest rates. Consumer price index (CPI) inflation crept above 11% in October 2022, although has slightly fallen back to 10.7% in November. The October level of 11.1%, a 40-year high, is expected to have reached the peak, although this would have been a further 2.5% higher without the Energy Price Guarantee, with encouraging signs that oil and food prices have already fallen back. The Office of Budget Responsibility's (OBR's) November 2022 forecast estimates that inflation will drop sharply over the course of 2023 and will potentially be dragged below zero in the middles of the decade, before returning to its 2% target in 2027.

In response to this rampant inflation and in an effort to bring inflation back down to the target rate of 2%, the Bank of England has tightened monetary policy more quickly than expected. Following an emergency rate cut in March 2020 the Bank of England Base Rate had been at a 325-year low of 0.1%. However, in December 2021, the Bank voted to raise interest rates by 0.15% to 0.25%, this was followed by further increases of 0.25% in March, May and June 2022. With the inflationary pressures continuing to intensify, further increases of 0.5% were applied in August and September with a 0.75% increase in November (the biggest hikes in 27 years) and a further 0.5% increase in December. The Base Rate currently stands at 3.5%, it's highest level since 2008. The Bank of England will next meet to vote on interest rates on 2nd February and then 23rd March 2023. Current forecasts are that the base rate will hit 4.25% by March 2023 and potentially as high as 5.5% by July 2023.

With high inflation and rising interest rates weighing on demand, the OBR is expecting the economy to enter a recession (defined as two consecutive quarters of contraction) lasting just over a year from the third quarter of 2022, with a peak-to-trough fall in output of 2.1%. GDP for the third quarter of 2022, showed output declining by 0.2%, this is expected to fall further in the fourth quarter. But base effects from strong growth in the second half of 2021 are expected to result in annual GDP growth in 2022 as a whole of 4.2%. GDP is expected to fall by 1.4% in 2023. As energy prices and inflation drop, and short-term interest rates fall back from their peaks, annual GDP growth is estimated to pick up to 1.3% in 2024, with stronger growth anticpated in 2025 and 2026, at 2.6% and 2.7%.

The impact of these significant economic shocks has led the UK's economic and fiscal outlook to deteriorate significantly since the Spring Statement, announced in March 2022. They have taken much of the impetus out of the global economic recovery from the pandemic and ratcheted up the financial pressure on governments (such as the UK) that emerged from it with higher debt and are again being called upon to help households and businesses through this latest crisis. Debt interest spending is now expected to reach a record £120.4 billion this year.

These factors have contributed to a significant gap opening between the funds the government receives in revenue and its spending. Difficult decisions are necessary to put the public finances back on to a sustainable footing in the medium term, with an imperative of ensuring that the national debt falls as a proportion of the economy over the medium term.

National Priorities

Following two years of single-year Spending Reviews, with 2019 being a single year due to the political turbulence around Brexit, and 2020 being a single year given the pandemic, the Government set out it's first return to multi-year spending reviews in Autumn 2021. The SR21 set out the Government's intent to Build Back Better, with a key focus on the Levelling Up agenda. Since the publication of the SR21 there has been both political and economic turmoil (as set out above). It was widely expected that, in response to the considerable changes in the economy and inflationary pressures, that the new Government would hold a new Spending Review. However, the Treasury subsequently confirmed that there would be no new Spending Review and SR21 still remained for the period up to 2024/25.

The SR21 provided 3.3% real-terms growth (based on inflation predictions at the time) in departmental budgets between 2022/23 and 2024/25. However, with the inflation estimates being outstripped the funding increases are far less generous than intended. The Institute for Fiscal Studies (IFS) forecast that price rises will erode 60% of the planned increase in departmental budgets and that to match the real-terms funding increase pledged last year, the Government would need to allocate a further £44bn over the period up to 2024/25.

It was against this backdrop, that the new Chancellor of the Exchequer delivered his Autumn Statement, in November 2022. The Autumn Statement responded to the OBR forecasts and sets out the medium-term path for public finances.

This follows the previous Chancellor's Growth Plan announcements in late September 2022, the majority of which have since been rolled back – with the notable exception that the Health and Social Care Levy has been, and remains, cancelled.

The government's priorities are stability, growth and public services. Economic stability relies on fiscal sustainability – and the Autumn Statement sets out the government's plan to ensure that national debt falls as a proportion of the economy over the medium term. This will reduce debt servicing costs and leave more money to invest in public services; support the Bank of England's action to control inflation; and give businesses the stability and confidence they need to invest and grow in the UK. To achieve this aim, the government has reversed nearly all the measures in the Growth Plan 2022. The Autumn Statement sets out further steps on taxation and spending, ensuring that each contributes in a broadly balanced way to repairing the public finances, while protecting the most vulnerable.

The Chancellor has set two new fiscal policy rules which guide the Autumn Statement:

- Public sector net debt (excluding the Bank of England) needs to be falling as a percentage of GDP by the fifth year of the rolling forecast; and

- Public sector net borrowing (the deficit) needs to be below 3% of GDP by the fifth year of the rolling forecast.

To meet both of those rules, the Autumn Statement delivers public finance measures related to tax and spending worth £55 billion by 2027/28. Of this, around £30 billion is related to spending policy decisions and £24 billion through tax policy decisions. The majority of the decisions on spending make an impact after this Spending Review period (with extra spending committed in this Spending Review period) and the extra tax revenues phase in gradually over the forecast period.

The Autumn Statement confirms that departmental DEL budgets in 2023/24 and 2024/25 will be maintained at least in line with the budgets set at the Spending Review.

At Spending Review 2021, departments were also provided with funding to cover employer costs of the Health and Social Care Levy. As the Levy is no longer being introduced as a separate tax from April 2023 and departments will not face these additional costs, their budgets have been adjusted to remove this compensation.

After this Spending Review period, departmental resource spending will grow at 1% a year in real terms. Departmental capital spending will continue at the same level in cash terms.

To help identify further savings in departmental budgets, the government is launching an Efficiency and Savings Review. The Review will target increased efficiency, reprioritise spending away from lower-value programs, and review the effectiveness of public bodies. Savings will be reinvested in public services, and the government will report on progress in the spring.

Other specific announcements with a direct impact on Local Government included:

- The national rollout of social care charging reforms has been delayed from October 2023 to October 2025. Funding for implementation will be maintained within local government to enable local authorities to address current adult social care pressures.

- Up to £2.8 billion in 2023-2024 in England and £4.7 billion in 2024/25 will be made available to help support adult social care and discharge. This includes £1 billion of new grant funding in 2023/24 and £1.7 billion in 2024-25, further flexibility for local authorities on council tax and delaying the rollout of adult social care charging reform from October 2023 to October 2025.

- £1.3 billion in 2023/24 and £1.9 billion in 2024/25 will be distributed to local authorities through the Social Care Grant for adult and children's social care

- £600 million will be distributed in 2023/24 and £1 billion in 2024/25 through the Better Care Fund, with the intention of getting people out of hospital on time into care settings, freeing up NHS beds

- £400 million in 2023/24 and £680 million in 2024/25 will be distributed through a grant ringfenced for adult social care which is also intended to help to support discharge

- The government will provide local authorities in England with additional flexibility in setting council tax, by increasing the referendum limit for increases in council tax to 3% per year from April 2023. In addition, local authorities with social care responsibilities will be able to increase the adult social care precept by up to 2% per year. The previous policy, set at the 2021 Spending Review, was for a general limit of 2%, with an extra 1% for adult social care.

- From 1 April 2023, business rates bills in England will be updated to reflect changes in property values since the last revaluation in 2017. A package of targeted support worth £13.6 billion over the next five years is intended to support businesses as they transition to their new bills. Local authorities will be fully compensated for the loss of income as a result of these business rates measures and will receive new burdens funding for administrative and IT costs. Elements of this package are as follows:

    - The business rates multipliers will be frozen in 2023-24 at 49.9p and 51.2p, preventing them from increasing to 52.9p and 54.2p. This is worth £9.3 billion over the next five years.

    - Upwards Transitional Relief will cap bill increases caused by changes in rateable values at the 2023 revaluation. This £1.6 billion of support will be funded by the Exchequer, rather than by limiting bill decreases, as at previous revaluations. The ‘upward caps’ will be 5%, 15% and 30%, respectively, for small, medium, and large properties in 2023/24, and will be applied before any other reliefs or supplements. The caps will increase in later years of the scheme. The Government has responded to its consultation on the transitional relief scheme.

    - Retail, Hospitality and Leisure Relief - support for eligible retail, hospitality, and leisure businesses is being extended and increased from 50% to 75% business rates relief up to £110,000 per business in 2023/24. Around 230,000 RHL properties will be eligible to receive this increased support worth £2.1 billion.

    - Bill increases for the smallest businesses losing eligibility or seeing reductions in Small Business Rate Relief (SBRR) or Rural Rate Relief (RRR) will be capped at £600 per year from 1 April 2023. This is support worth over £500 million over the next three years and is intended to protect over 80,000 small businesses, who are losing some or all eligibility for relief. This is intended to ensure that no small business losing eligibility for SBRR or RRR will see a bill increase of more than £50 per month in 2023/24.

- At Autumn Budget 2021, the government announced a new improvement relief to ensure ratepayers do not see an increase in their rates for 12 months as a result of making qualifying improvements to a property they occupy. This will now be introduced from April 2024. This relief will be available until 2028, at which point the government will review the measure.

- The government is limiting the increase in social housing rents. Under current rules, rents could have risen by up to 11.1% – but now they will only be able to rise by a maximum of 7% in 2023/24. This policy change applies to social housing provided by Registered Providers (including Local Authorities and Housing Associations). However, Supported Housing provided by Registered Providers will be excepted from having to comply with this policy; therefore rents will be allowed to rise by up to CPI+1% in 2023-24 for this accommodation.

- The Autumn Statement confirms that the second round of the Levelling Up Fund will allocate at least £1.7 billion to priority local infrastructure projects., although details of the specific projects were not announced.

- The government has agreed new mayoral devolution deals with Suffolk County Council, and will shortly be agreeing a mayoral deal with Cornwall Council and an expanded mayoral deal with local authorities in the North East of England. It is stated that good progress is also being made towards signing a deal with Norfolk County Council. Once agreed, these deals, taken together, will increase the proportion of people living under a directly elected mayor with devolved powers in England to over 50%.

- The government's plans to create a new housing element of Pension Credit to replace pensioner Housing Benefit are now intended to take effect in 2028/29. Eligible pensioners will continue to receive Housing Benefit.

- £1 billion will be provided to enable the extension of the Household Support Fund in England over 2023/24. The Fund is administered by local authorities who will deliver support to households to help with the cost of essentials. National Living Wage

- Following the recommendations of the independent Low Pay Commission (LPC), the government will increase the NLW for individuals aged 23 and over by 9.7% to £10.42 an hour from 1 April 2023.

- A HM Treasury-led review of the Energy Bill Relief Scheme will determine support for non-domestic energy consumers, excluding public sector organisations, beyond 31 March 2023. The government states that, whilst it recognises that some businesses may continue to require support beyond March 2023, the overall scale of support the government can offer will be significantly lower, and targeted at those most affected

Ahead of the Autumn Statement predictions pointed towards tens of billions in tax rises and spending cuts to repair the public finances, at a time when households, businesses and the public sector are already facing the highest inflation in 40 years.

Whilst this is still likely to be the case, the Statement lays out a four-year plan in two distinct parts.

The first two years will see government funding for the NHS, schools and local authorities increased, and in the case of local authorities, quite substantially (although most of this is channeled through social care). On top of up to 5% increases in council tax, and CPI inflation-linked increases in income from the business rates retention scheme, councils' funding is set to increase by around £5bn next year and a further £4bn in 2024–25. This does assume though that councils make full use of their council tax-raising powers, which does pass the burden on to residents, and may have an indirect impact on local authorities.

Using the measure of inflation usually used to calculate real-terms changes to public spending this would suggest councils' funding will grow by around 5 to 6% in real-terms next year and the year after. That would mean an increase of around 17 to 19% in real terms over the five years between 2019/20 to 2024/25, undoing a substantial element of the 2010s cuts.

However, despite this more manageable position over the next two years, much of the tougher decisions have been shifted into the next Spending Review period, starting in 2025/26.

Given spending on the NHS is set to increase by 3% a year above inflation, and there are commitments on defence and development assistance, there is likely to be real-terms cuts to many other areas. The Office for Budget Responsibility has forecast real-terms cuts of almost 1% per year to other areas of spending given current plans.

Local government bore the brunt of austerity in the 2010's, and whilst social care may offer some protection in the next Spending Review, it is unlikely local authorities will avoid the severe funding reductions that will required as part of the wider need for spending restraint.

The timing of these two distinct periods coincides with the next General Election, with the latter two years subject to change by an incoming government. As a result, there can be no certainty beyond that event. Whilst this does provide councils with a two-year financial planning period and some limited and short-term stability, the uncertainty beyond 2025/26 and the potential for new austerity measures, continues to hamper financial planning.

Fair Funding Review and Business Rates Reset

Whilst the Spending Review sets the overall quantum for local government funding the specific allocation of funding to individual authorities is affected by a number of mechanisms.

Recent research by the Institute for Fiscal Studies demonstrated how these systems for allocating councils' general and public health funding were not fit for purpose. There is little link between assessed spending needs and actual funding. And spending needs assessments are based on data sometimes up to 20 years old.

A planned Review of Relative Needs and Resources (the 'Fair Funding Review') and a planned reset to business rates growth are the two key reforms, which will have significant funding implications for local authorities. The history of these reforms goes back a number of years; in 2012, before the introduction of business rates retention, the Government promised a reset of accumulated business rates growth in 2020. In

2016, they promised a review of the needs assessment formula which would be used in re-allocating the accumulated growth between councils. In 2018, they published major consultation documents on all this, for implementation in 2020/21. Since then, implementation has been successively delayed primarily due to Covid19 and Brexit.

The Fairer Funding Review is expected to deliver both a new set of formulas for estimating the relative spending needs (the current formulas are based on spending needs from 2013/14) of different local authorities, and a more rational overall funding system that better takes into account spending needs and revenue-raising capacity. The Review should establish new baselines at the start of a reset to the Business Rates Retention scheme. Although previous technical consultations had been published, prior to the pandemic and current economic and cost of living crisis, which indicated a shift in resources from district councils towards statutory social services at county and unitary level, there has been no new consultation on any proposed new formula. Until further consultations are announced there remains significant uncertainty as to the direction and impacts of the Review.

A Business Rates Reset was also set to be introduced alongside the Fair Funding Review. A full business rate baseline reset of accumulated growth is expected to take place, with the intention of better reflecting how much local authorities are actually collecting in business rates. This reset has the effect of wiping out any business rate gains that individual authorities have built since the launch of the current system in 2013/14. This has significant financial implications for the majority of local authorities, for those below their baselines this would be a positive move, but it presents a serious threat to those with high growth above baselines, with a punitive, cliff-edge reset.

In announcing a 2023-2025 Policy Statement on Local Government Finance it was confirmed that these reforms will not be implemented in this Spending Review period, however the government remains committed to improving the local government finance landscape in the next Parliament.

At the earliest, implementation will now be until 2025/26 or realistically, depending on the timing of the General Election and the appetite of the new government for reform, until perhaps 2026/27, just as a new round of austerity is pencilled in to begin

Levelling Up and Regeneration Bill

The Government’s Levelling Up and Regeneration Bill was published in May 2022. The Bill, which is now at the Committee stage, will put the foundations in place for delivering the Government’s agenda to devolve power and give local leaders and communities the tools they need to make better places. This is a key component in the wider programme to level up the county as set out in the Levelling Up White Paper, published in February 2022. As well as delivering against some of the ambitions set out in the Levelling Up White Paper, it also incorporates some of the proposals for planning reform outlined in the earlier Planning for the Future White Paper (August 2020), where they support the approach to Levelling Up.

The Bill provides actions across four key objectives:

- Providing a legal basis for setting and reporting the levelling up missions that the government outlined in the Levelling Up White Paper. The aim of these missions is to reduce spatial disparities and, by providing a legal framework, progress these across a series of metrics that will be reported to Parliament.

- Devolving powers to all areas in England that want them, providing more control over budgets, transport and skills. Within this a key component is the introduction of new devolution structures in particular providing opportunities for County wide devolution deals and the simplification of existing devolution arrangements.

- Empowering local leaders to regenerate towns and cities. This will encompass a range of measures to support the re-development of previously developed land; to fill vacant commercial property; provide enhanced powers of compulsory purchase; and increase council tax paid for empty property and on second homes thereby both encouraging greater use of existing stock and potentially raising revenue to support the delivery of local services.

- Improving the planning process. Measures will focus around the quality of design; the development of appropriate infrastructure; and increasing local engagement with the planning process including involving neighbourhoods in the shaping of their communities and attempting to generate better environmental outcomes

The Levelling Up and Regeneration Bill will put the foundations in place for delivering against these objectives and ensuring all parts of the country share equally in the nation's success. The government intends that the objectives they have outlined and the measures that are included within the Bill will be delivered through a range of programmes, including more power to local leaders; a Plan led system; introducing a simple and non-negotiable locally set Infrastructure Levy; regeneration, market reform; ensuring new development meets clear design standards; and digital transformation.

The Bill is therefore wide ranging in both introducing new and amending existing powers. Much of the Bill will impact on structures, governance and technical arrangements in attempting to achieve the broad objectives of regeneration and levelling up. In most instances the Bill is not intended to produce immediate and direct financial consequences. However, there are some measures that do specifically relate to resourcing issues in terms of; devolution funding; empty and second homes; Infrastructure Levy; and capital finance risk.

The series of next steps in bringing forward relevant secondary legislation will undoubtedly have implications for the Council.

Local Priorities

City Profile

Lincoln is a cathedral city, and is one of the oldest cities in Britain, with an estimated population of around 103,900 taken from the recent Census undertaken in 2021. Lincoln also ranked the fourth most densely populated local authority area out of 35 across the East Midlands in 2021.

Although the population of Lincoln is estimated at over 100,000, many non-Lincoln residents visit the city during the daytime, boosting the local economy but also putting immense pressure on local services and infrastructure.

In the last ten years, from 2011 to 2021, Lincoln has seen 11.1% increase in the number of people who live here and subsequently the number of usual residents in Lincoln per square kilometre increased by 290 to 2,911 between 2011 and 2021.

As expected, a high level of the population continues to fall within the younger age bracket. In 2020-2021, there were 17,565 students at the University of Lincoln and 2,465 students at Bishop Grosseteste University.

In Lincoln as a whole, the most common age group shown in the Census 2021 was 20-24, 13.1% of the population, which was an increase from a figure of 12.0% recorded in the Census 2011.

The largest change in population in Lincoln as shown in the Census 2021 was in the age group 70-74, which saw an increase of 33.2% in population (996 people) between 2011 and 2021. The age groups 5-9 (+25.5%), 20-24 (+21.5%), 30-34 (+21%) and 55-59 (+26.4%) also saw relatively large increases

In comparison, the age group 45-49 saw the largest decrease in population in Lincoln by 9.4% (581 people) during the ten year period. The age groups 0-4 (-7.5%), 25-29 (-0.2%), 40-44 (-1.7%), 80-84 (-3.6%) and 85-89 (-2.6%) also saw decreases in population between these years.

In terms of the economy, the city continues to face a number of challenges. Before the pandemic the City's business base had been growing consistently for some years, with almost 90% of new businesses surviving their first year in 2020/21. Throughout the pandemic the Council worked hard to mitigate business failure and unemployment rates, distributing grants to businesses, working with partners across the City to support the High Street, through direct investment in the City and progression of the Towns Fund bid as well as other measures.

Nevertheless, lockdowns and ongoing restrictions have had a major impact on the local economy with many businesses forced to close or make staff redundant. As of August 2022, 10,760 residents within the city were claiming Universal Credit, of which 6,137 were not in employment and 4,623 were in employment.

However, during 2021, we have seen median gross annual pay rate rise for part time workers, however, the median gross annual pay rate for full time workers has decreased. We have 79% of 16-64 years old's who are economically active, and a 'job density' (the level of jobs per resident) of 0.9, which is higher than both the East Midlands and England rates.

The number of Local Council Tax Support claimants had reduced year on year since 2013, but for the first time in 2020 we saw a rise in claimants. As of 2022, we had 8,451 claimants – a decrease of 531 on the previous year.

As of November 2022, 0.4% of properties fall within council tax bands G and H, and 80% fall within the lowest bands A or B. 19.6% of properties fell within the remaining council tax bands of C, D, E and F.

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

Both male and female life expectancies continue to be lower than national averages between 2018-2020 with male life expectancy decreasing to 76.1 years, a decrease of 0.8 years compared to 76.9 years reported in 2017-2019. However, female life expectancy increased slightly from the 2017-19 figure of 80.6 years to 80.9 years in 2018-2020, an increase of 0.3 years. Under 75 mortality rates of heart disease and cancer have seen an increase and Lincoln still ranks high amongst our nearest neighbours.

The Census 2021 recorded that there were approximately 42,500 households in the city which has increased since the last Census undertaken in 2011 which reported a figure of 39,825 households. City of Lincoln Council is landlord to approximately 7,800 of these, with more than 1,000 more belonging to Registered Social Landlords. Despite the fact that housing is generally more affordable in Lincoln than elsewhere, there is still substantial demand for social housing of different types.

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

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

Vision 2025

The Council's Vision 2025 sets out its vision for the future of the City, strategic priorities and core values.

The Council's current vision for 2025 is;

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

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

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

These five strategic priorities will be supported in Vision 2025 by a programme called One Council. One Council is made up of the following pillars:

- Organisational development
- Best use of assets

- Technology
- Create value processes

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

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

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

The detail of what needs to be done each year to work towards the end goal of the vision, is set out in a specific Annual Delivery Plan, in which individual projects are agreed for each priority.

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 work, the effect of Covid19 on the physical and mental health of residents was considered – and as a result resources were refocused towards prevention and addressing those areas, including health inequalities, that will be needed most in the next three-year period.

In addition, a change now in place is that instead of an annual delivery programme, a three-year plan was developed which will be resourced as appropriate over the three-year period to 2025.

The three-year ADP includes a significant amount of new investment, primarily of a capital nature, aimed at supporting the economic prosperity of the City and is largely funded through external grant funding. In addition, through the refocusing of existing resources and allocation of the Vision 2025 earmarked reserve, there are also a number of revenue schemes. Critically though, the ADP also recognises the need to continue to reduce the Council's net cost base alongside the further new investment to support the priorities.

Section 3 – Revenue (General Fund)

Impacts of current economic factors and cost of living crisis

Much has changed since the previous MTFS was approved in March 2022, with spiralling inflation, soaring energy prices and nationally agreed pay proposals adding significant cost pressures to the Council's budgets. These are in the main part caused by national issues, beyond the Council's control, and are impacting all Councils. In addition, the current cost of living crisis has the potential to increase demand for the Council's services by those who rely on the safety net provided by local government. These unforeseen and unavoidable pressures have seriously impacted the assumptions that underpin the MTFS and have required budgets to be reset.

These escalating costs are across a number of key areas affecting day to day services and include;

- Pay inflation - the payment settlement for 2022/23, as agreed by the National Employers side, whilst recognising the below inflation pay increases of local government workers in recent years, places a significant additional burden on local authorities. Nationally the average pay assumption for 2022/23 was 2.4%, the final pay agreement far outstrips this with increases of 10.5% for the lowest paid grades. This permanently increases the Council's cost base.

- Contractual commitments - the Council has a number of key service contracts, for front line services e.g. waste collection, street cleansing etc that are linked to annual contractual inflationary increases. Given the current and forecast levels of CPI/RPI there are significant cost increases that the Council is now incurring.

- Gas and Electricity prices – utility costs have dramatically increased, gas prices have risen by 70% since April 2022, with further increases of between 180-200% forecasted for April 2023 and with electricity prices increased by 100% from October 2022. Whilst the Council seeks to secure economies of scale through the use of framework agreements, it is not immune to the current escalating cost of energy prices. Whilst the Energy Bill Relief Scheme will provide some support, this is only for a short period of six-months.

In terms of service delivery, the Council is facing growing demands for some of it's 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 as the cost-of-living crisis hits household incomes. Due to Lincoln's specific set of local socio-economic factors this places a greater demand on key services and resource allocation than in most other places. This manifests itself directly in the short term through increased demand for; welfare advice; housing benefits; housing solutions, homelessness support etc. Of particular challenge to the Council is the cost of providing homelessness support, with escalating number of cases presenting increasing the cost of providing temporary accommodation. The longer-term impacts in terms of the health and wellbeing of the city's residents, arising from the pandemic and now the cost of living crisis, will continue to shape the MTFS for many years.

These new cost pressures come at a time when the Council is still recovering from the detrimental financial effects (primarily income related) of Covid19 pandemic. In terms of the legacy impact of Covid19, whilst the majority of income areas have now recovered and returned to pre-covid levels there are some that still remain below the level that they would have been had it not been for the pandemic, the most significant of these is car parking income. In addition, the collection of Council Tax income remains challenging with collection rates lower than pre-pandemic levels and which are likely to worse due to the current pressure on household incomes.

These new financial challenges are though even more severe than the impacts of the pandemic, they are not temporary cost 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 MTFS.

Whilst income and expenditure budgets have been revised as part of the MTFS refresh, there still remains a significant level of uncertainty and volatility to the assumptions that underpin these estimates, creating an inherent risk in the MTFS projections.

Spending Plans

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

The three-year Annual Delivery Plan (ADP) for the remaining period of Vision 2025 has been developed following a mid-term review of the proposals in the original vision. This review was an opportunity to review and relaunch Vision 2025 and 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 work, the effect of covid-19 on the health of residents has been considered – and as a result, a new focus on physical and mental health developed for the way forward.

This mid-term review gave the opportunity to refocus resources towards prevention and addressing those areas, including health inequalities, that will be needed most in the next three-year period.

The three-year ADP, through to 2025, includes a significant amount of new investment, primarily of a capital nature, aimed at supporting the economic prosperity of the City and is largely funded through external grant funding. In addition, through the refocusing of existing resources and allocation of the Vision 2025 earmarked reserve, there are also a number of new revenue schemes. In light of the longer-term financial challenges the Council faces, a continual review of whether alternative funding sources are available to resource the interventions is in place. Consideration will also now be given to the use of the Vision 2025 earmarked reserve to resource some new interventions in response to the cost-of-living crisis.

Critically though the ADP also recognises the need to reduce the Council's net cost base alongside the further new investment to support the priorities.

Further details of the specific projects and investment of the three-year period to 2025 can be found within the ADP.

Since the time of refreshing Vision 2025 and developing the three year ADP, the Council has been successful in securing approval of it's UK Shared Prosperity Fund Investment Plan.

The purpose of the UKSPF is to Improve life chances in the city by providing equality of opportunity. The fund gives local leaders the flexibility to use the resources to enhance and support its area and communities to be levelled up. Securing this new funding will contribute towards the Councils strategic objectives by enabling it; t; support inclusive economic growth by ensuring that there is equality of opportunity particularly in those communities where levelling up is most needed; to seek to reduce inequality through local interventions; by enhancing the remarkable place by increasing pride in place and community; and reducing the environmental impact particularly around carbon usage. The Council has been allocated £2.811m, of which £2.330m is revenue funding. Work will now commence on finalising the details of the schemes within the Investment Plan.

Spending Assumptions

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

Inflation – Pay and Prices

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

	2023/24 % per year	2024/25 % per year	2025/26 % per year	2026/27 % per year	2027/28 % per year
Pay	3.0%	3.0%	2.0%	2.0%	2.0%
CPI	5.0%	3.0%	2.0%	2.0%	2.0%
RPI	6.0%	4.0%	3.0%	3.0%	3.0%
Gas	180.0%	3.0%	2.0%	2.0%	2.0%
Electricity	52.5%	3.0%	2.0%	2.0%	2.0%
Vehicle Running Costs	25.0%	3.0%	2.5%	2.0%	2.0%
Non domestic rates	0%	2.0%	2.0%	2.0%	2.0%

Annual price increases in a number of the Council's contracts are linked to CPI at a defined date in the year, primarily September, December and March. These have specific inflationary increases applied, as opposed to the general, annual increases set out above.

Land Drainage Levies

Local Authorities are required to make payments of Special Levies to Internal Drainage Boards (IDB's) for the specific use of managing the maintenance and operation of drainage, water levels and flood risk, which is required to manage water resources and reduce flood risk to people, businesses, communities and the environment. These Special Levies represent a significant proportion of the Councils' net budget at £1.017m p.a, equating to 14% of the Council Tax Requirement. The annual increase in levies is ordinarily in line with CPI projections, however due to the current economic climate and the significant cost increases borne by the IDB's, inflationary increases of 10.0% have been assumed for 2023/24, reverting to CPI projections from 2024/25 onwards.

Employer's Pension Fund Contributions

The latest triennial revaluation of the Council's Pension Fund took place at 31 March 2022, and the results identified that there has been a significant improvement in the funding position since the last actuarial review from a 83.9% funding level to 92.7%.

Although the overall funding level has improved, due in the main to better than expected investment results during the period, it should be noted that this level of investment performance is unlikely to be sustainable over the longer term. The Fund's prudent assumption for future investment is unchanged from the 2019 valuation, however, the economic outlook on the whole is more pessimistic than three years ago.

Overall, the improved funding position has had a positive outcome on contribution rates, reducing secondary payments considerably. However, the cost of accruing future pensions has increased, particularly given the increase in inflation, and that has driven up primary rates from 17.3% of pensionable pay to 23.4%. Whilst the increase in the primary contribution rates, for the existing staff establishment, is offset by the reduction in secondary contribution rates, it will further increase the cost to the Council of any new posts to the establishment.

A further actuarial review will take place in April 2025, which will inform the employer contributions from 2026/27 onwards.

Net Interest Receipts

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

Historically investment income, which is heavily dependent on how the Council uses its reserves and the prevailing interest rates, was an important source of income for supporting the Council's service expenditure. The total interest income received has significantly fallen over the last decade and the average interest rate achieved was barely above base rate. However, interest rates have been volatile during 2022 resulting in a significant increase in investment income. The start of the financial year saw interest rates at 0.75% with a current rate of 3.5% which is expected to increase further.

Investments are being kept short and liquid to ensure the Council has enough liquid resources to meet the ongoing challenges post pandemic with a bigger emphasis on 'laddering' investments in a rising interest rate environment. This enables opportunities to consistently improve underlying yield while still allowing flexibility to adjust if market circumstances alter with a regular stream of maturing investments.

Interest rates are forecast to reach 4.5% in Quarter 2 of 2023 according to the Councils Treasury Management advisors. This is reflected in investment income forecasts in the MTFS.

Borrowing costs incurred on any short-term borrowings are minimal and the Council's portfolio of long-term borrowings currently includes 2 loans that are due to be repaid during the coming five financial years. The council has short term loans which mature in 2023, 2024 and 2025. All other loans mature after 2027/28 and are fixed rate loans. Six of these loans have lender options to vary their terms at six monthly intervals.

Sensitivity to changes in interest rates is linked more markedly to investments rather than to the portfolio of borrowing as all borrowing is at fixed interest rates. As an indication, a change in interest rates achievable on investments of +/- 0.5% the interest receivable would have an estimated combined impact of approximately £0.148m. A rise of 0.5% in the Bank of England base rate would not translate into a 0.5% increase in investment rates available.

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

	2022/23 %	2023/24 %	2024/25 %	2025/26 %	2026/27 %
Interest Rate	2.90	4.44	3.63	2.69	2.69

Based on the current forecasts for interest payable on new borrowing (averaging around 4.20% in 23/24) and receivable on investments (averaging around 2.90% in 22/23), and the estimated level of balances available for investment, it is currently anticipated that new borrowing will be taken to fund the borrowing requirement for the General Fund over the 5-year strategy. Internal balances will be used to fund the existing borrowing requirement where it remains financially advantageous to do so, reducing the amount of interest that would have been payable on new debt, partially offset by a reduction in interest receivable (due to reduced balances available for investments).

Resource Assumptions

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

The Local Government Finance Settlement for 2023/24 sets out the distribution of centrally allocated resources for local authorities and provides authorities with a combination of grant allocations and their baseline figures within the BRR scheme.

As in previous years, the Settlement provides authorities with a combination of provisional grant allocations and their baseline figures within the BRR scheme. This means that no retained growth (or decline) is included, and authorities are very unlikely to receive the amounts actually shown in Core Spending Power.

The 2023/24 Settlement is for one year only and is based on the Spending Review 2021 (SR21) funding levels updated for the 2022 Autumn Statement. Whilst the provisional settlement only shows figures for 2023/24, there is scope to forecast 2024/25 amounts, given what is known regarding 2024/25 control totals for funding and the certainty provided regarding the delay to reform of the system.

This Settlement represents a holding position until next Parliament, with the emphasis on providing stability. The ruling out of a business rates reset, or a fair funding review, means that the funding distribution will remain fairly stable (with the exception of the Extended Provider Responsibility funding, which will be a new consideration for 2024/25) further details are set out below.

Core Spending Power

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

The table below shows the national changes to Core Spending Power between 2015/16 and 2022/23 and the breakdown across the various funding sources. Overall, spending power will increase by £5.003bn, 9.2%, from £54.541bn to £59.544bn, an overall increase for the period 2015/16 to 2023/24 of 32.7%.

England	**2015/16**	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**	**2022/23**	**2023/24**
	£bn	**£bn**	**£bn**	**£bn**	**£bn**	**£bn**	**£bn**	**£bn**	**£bn**
Settlement Funding Assessment	21.250	18.602	16.633	15.574	14.560	14.797	14.810	14.882	15.671
Under-indexing business rates multiplier	0.165	0.165	0.175	0.275	0.400	0.500	0.650	1.275	2.205
Council Tax	22.036	23.247	24.666	26.332	27.768	29.227	30.327	31.742	33.838
Improved Better Care Fund	0	0	1.115	1.499	1.837	2.077	2.077	2.139	2.140
New Homes Bonus	1.200	1.485	1.252	0.947	0.918	0.907	0.622	0.556	0.291
Transition Grant	0	0.150	0.150	0	0	0	0	0	0
Rural Services Delivery Grant	0.016	0.081	0.065	0.081	0.081	0.081	0.085	0.085	0.085
Lower Tier Services Grant	0	0	0	0	0	0	0.111	0.111	0
Adult Social Care Support Grant	0	0	0.241	0.150	0	0	0	0	0
Winter Pressures Grant	0	0	0	0.240	0.240	0	0	0	0
Social Care Support Grant	0	0	0	0	0.410	0	0	0	0
Social Care Grant	0	0	0	0	0	1.410	1.710	2.346	3.852
2022/23 Service Grant	0	0	0	0	0	0	0	0.822	0.464
Market Sustainability & Fair Cost of Care Fund	0	0	0	0	0	0	0	0.162	0
ASC Market Sustainability and Improvement Fund	0	0	0	0	0	0	0	0	0.562
ASC Discharge Fund	0	0	0	0	0	0	0	0	0.300
Grants Rolled In	0.209	0.257	0.248	0.239	0.232	0.232	0.238	0.239	0
Funding Guarantee	0	0	0	0	0	00	0	0	0.36
Core Spending Power	**44.876**	**43.986**	**44.544**	**45.337**	**46.445**	**49.231**	**50.611**	**54.541**	**59.544**
Change %		**-2.0%**	**1.3%**	**1.8%**	**2.4%**	**6.0%**	**2.8%**	**7.8%**	**9.2%**
Cumulative change %		**-2.0%**	**-0.7%**	**1.0%**	**3.5%**	**9.7%**	**12.8%**	**21.5%**	**32.7%**

Although the national level of Core Spending Power is forecast to increase by 9.2% there will be a variation between individual authorities and types of authority. The calculation also contains assumptions around council taxbase changes and increases which may not be reflected in local projections.

Shire Districts, including Lincoln have historically experienced the worst reductions or lowest increases in core spending power, due to changes in distribution methodologies and a redirection of resources towards social care pressures and the allocation of other specific grants towards upper tier or rural authorities. Districts have once again fared the worst of the authority types with an average increase if 5%, Lincoln's increase is lower than the average at 4.7%. Lincoln's position is as set out in the table below, this shows a total reduction in core spending power of 0.1% over the eight-year period to 2023/24, with a 4.7% increase for 2023/24.

Lincoln	**2015/16**	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**	**2022/23**	**2023/24**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
SFA	6.048	5.188	4.543	4.197	3.775	3.837	3.837	3.838	4.132
Council Tax;	5.637	5.916	6.145	6.393	6.679	6.915	6.956	7.360	7.687
Other grants	2.120	2.335	1.709	1.090	0.843	0.924	0.678	1.249	1.374
Grants rolled in	0.140	0.159	0.155	0.144	0.139	0.140	0.152	0.149	0
Core Spending Power	**13.945**	**13.598**	**12.551**	**11.825**	**11.437**	**11.816**	**11.623**	**12.596**	**13.193**
Change (%)									**4.7%**
Cumulative Change (%)									**-0.1%**

Settlement Funding Assessment

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

	2015/16	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**	**2022/23**	**2023/24**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Revenue Support Grant	2.585	1.698	0.981	0.000*	0.022	0.023	0.023	0.024	0.175
Baseline BR Funding Level	3.463	3.491	3.562	4.197	3.753	3.814	3.814	3.814	3.957
SFA	**6.048**	**5.188**	**4.543**	**4.197**	**3.775**	**3.837**	**3.837**	**3.838**	**4.132**

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

Revenue Support Grant

In terms of the Council's RSG element of the SFA, as a result of the further delay in the implementation of the funding reforms, the figure for 2023/24 announced in the Settlement are at the same level as the 2022/23 allocations uplifted by 10.1% in line with CPI inflation. There have also been a number of grants that have been rolled into RSG using their existing allocation methodology. For the Council this includes the Local Council Tax Support Administration Subsidy grant, which has been rolled in at £0.149m.

	2015/16 £m	**2016/17 £m**	**2017/18 £m**	**2018/19 £m**	**2019/20 £m**	**2020/21 £m**	**2021/22 £m**	**2022/23 £m**	**2023/24 £m**
RSG	2.585	1.698	0.981	0.528*	0.022	0.023	0.023	0.024	0.175

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

For 2024/25, it is assumed that RSG will continue and will be uplifted for inflation, with a total grant of £0.185m assumed. Beyond 2024/25 it is assumed that only the element in relation to the rolled in grants will remain, at a level of £0.156m p.a. and that the original RSG element will be subsumed into the funding reforms.

Business Rates Retention

The Council has undertaken an assessment of the amount of business rates that it expects to collect during 2023/24 and based on the principles of the current 50% Business Rates Retention scheme the estimated level of NDR to be retained is set out in the table below.

As a result of a business rate revaluation exercise, a new ratings list will be in place from April 2023. This will not alter the overall level of business rates retained by the Council as the Government will adjust the level of resources retained locally through the top up/tariff to offset any increase/decrease in the local ratings list, so that the effect is cost neutral. The new ratings list was released in late November and showed a reduction of 2.4% in the rateable value of properties within the city. Until the new NNDR1 for 2023/24 is prepared, this draft MTFS has been prepared on basis of the existing valuations. The final version will be updated for the ratings list, any changes are not anticipated to be significant.

The level of outstanding appeals continues to create a high level of uncertainty both in respect of the outstanding appeals from the 2010 ratings list, already lodged with Valuation Office, but also in relation to appeals against the 2017 list that are submitted under the new Check, Challenge Appeal process. The Collection Fund is required to fully provide for the expected result of all appeals and using external assessments as to the likely level and value of these appeals. The current provision of outstanding appeals stands at £5.167m, of which the Council's share is £2.067m. In relation to the 2017 list, Government has stated that it intends the last day on which ratepayers will be able to initiate the appeal process will be 31st March 2023. In addition to the backdated element of these appeals there is also an ongoing impact due to the reduction in the business rates base, which ultimately reduces the level of income to be retained in the future by the Council. As a new ratings list will be in place for 2023/24, a new assessment of the level of likely appeals, based on national assumptions, will need to be undertaken to inform the overall level of resources for 2023/24 onwards, as part of the development of the final version of the MTFS.

For 2023/24 the Council along with the County Council, who are a top up authority, and the six other Lincolnshire District Councils have received designation to act as a BR pool. The benefit of pooling is that the authorities in the pool can be better off collectively through a reduction in the amount of levy paid to the Government. The arrangements for the current pool are that this retained levy is allocated 40% to the County Council and 60% allocated to the District Council that has generated the business rates growth. The estimated benefit of this to the Council is £0.461m in 2023/24. As the BR Reset will not now happen until 2025/26 at the earliest, it has been assumed that the BR pool will remain in place for 2024/25, with a further benefit of £0.486m to the Council.

An adjustment has however been made from 2025/26 onwards to remove the gains that are currently received from pooling as it is uncertain whether pooling will exist following the Reset.

Beyond 2024/25 forecasting the level of Business Rates income to be retained is extremely challenging due to a lack of clarity around the proposed reset of baselines and changes to the level of underlying need. These reforms, if implemented, will though wipe out the accumulated gains the Council has achieved since the launch of the current system in 2013/14 and return income to the Council's baseline levels. In 2023/24 the accumulated growth to the Council is c£1.5m p.a.

Until further announcements are made, the MTFS is based on a continuation of the existing 50% scheme, and BR pool in 2023/24 and 2024/25 and then, prudently, from 2025/26 assumes a full reset of baselines with only a small element of assumed redistribution of the national pot to reflect changes in the Council's underlying level of need. These forecasts will continue to be assessed if/when further information regarding the design and implementation of the reforms are made available.

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

Income Forecast	**2023/24 £m**	**2024/15 £m**	**2025/26 £m**	**2026/27 £m**	**2027/28 £m**
Forecast retained Income	6,130	6,456	4,939	5,252	5,492

As set out throughout this MTFS, the potential funding reforms to be implemented from 2025/26 onward. These will have the potential to significantly affect the level of business rates retained by the Council, whilst assumptions have been made in the MTFS regarding the potential impacts the actual impact remains a high risk to the Council's future financial sustainability.

New Homes Bonus

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

Previously Government announced that a Spring 2020 consultation on the future of the New Homes Bonus scheme would be undertaken, stating that 'it is not clear that the NHB in its current form is focused on incentivising homes where they are needed most' and the consultation will 'include moving to a new, more targeted approach that rewards local authorities where they are ambitious in delivering the homes we need, and which is aligned with other measures around planning performance'. Due to Covid19 this consultation was delayed until February 2021.

The consultation, when launched, focused on a continuation of the scheme but with reform of some of the key elements of the existing scheme, including:

- raising the baseline percentage
- rewarding improvement on average past housing growth
- rewarding improvement or high housing growth
- support infrastructure investment in areas with low land values
- introducing a premium for modern methods of construction (MMC)
- introducing an MMC condition on receipt of funding
- requiring an up-to-date local plan

An announcement on the outcome of the consultation was expected as part of the 2022/23 Settlement. However, no such announcement was made, presumably due to a delay in other funding reforms and a further years allocation for 2022/23 was instead announced.

As part of the Local Government Finance Policy Statement, it was announced that there would be a new round of NHB payments in 2023/24. There will be no changes to the calculation process from 2022/23 except the expiration of legacy payments.

The Council's allocation for 2023/24 is £0.224m.

The Policy Statement also announced that the Government would set out the future position of New Homes Bonus ahead of the 2024/25 local government finance settlement. The MTFS does not assume any grant allocations beyond that announced for 2023/24.

Services Grant

This grant, previously described as a one-off in 2022/23, remains in the Settlement with it's previous distribution methodology, based on existing formula for assessed relative need across the sector, using 2013/14 shares of SFA. The grant is intended to provide funding to all tiers of local government in recognition of the vital services, including social care, delivered at every level of local government.

Although the grant remains and the methodology is unchanged, the total amount of grant has reduced from £822m to £464m, this is to adjust out the resources allocated to fund the pressures of the increased National Insurance contributions, which have now been cancelled, to fund an increase to funding of the Supporting Families Programme and to fund other parts of the Settlement. It is as yet unclear what will happen to the grant from 2024/25, however the MTFS assumes that the allocation for 2023/24 will remain for 2024/25 and thereafter.

The Council's allocation for 2023/24 is £0.148m

Minimum Funding Guarantee

This new grant for 2023/24 is intended to provide a funding floor for all local authorities, so that no local authority will see an increase in core spending power that is lower than 3%, this is before any decision they make about organisational efficiencies, use of reserves, and council tax levels.

The Council's allocation for 2023/24 is £0.328m. The MTFS assumes a grant allocation at the same level for 2024/25 but does not assume any grant allocation beyond this.

Council Tax

The Localism Act 2011 introduced a power for residents to approve or veto excessive council tax increases. This means that any local authority setting an excessive increase as set by the Secretary of State would trigger a referendum of all registered electors in their area. The Government confirmed in the Provisional Local Government Finance Settlement that they are giving local authorities in England additional flexibility in setting Council Tax by increasing the referendum limit for increases in Council Tax to 3 per cent per year from April 2023. In addition, local authorities with social care responsibilities will be able to increase the adult social care precept by up to 2 per cent per year. This will give local authorities greater flexibility to set Council Tax levels based on the needs, resources and priorities of their area, including adult social care.

In light of the financial position of the Council and in accordance with the referendum thresholds to be applied for 2023/24, the MTFS assumes the following indicative council tax increases and subsequent overall yields:

	2023/24	**2024/25**	**2025/26**	**2026/27**	**2027/28**
% Increase	2.90%	1.90%	1.90%	1.90%	1.90%
Council Tax Base	25,249	25,767	26,161	26,560	26,943
Council Tax Yield	£7.556m	£7.857m	£8.128m	£8.410m	£8.693m
Band D	£299.25	£304.92	£310.68	£316.62	£322.65
Band D £ Increase	£8.72	£5.67	£5.76	£5.85	£6.03

For 2023/24 the Council Tax amount for a Band D property (excluding County Council and Police Authority precepts) is £299.25, a 2.90%/£8.72 increase from 2022/23.

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

Since the introduction of the scheme in 2013 the number of claimants had as at April 2020 decreased by over 20%. However, during 2020/21, as a result of Covid19 and the impact on household incomes, the caseload significantly increased, peaking at 5.9% in September 2020. The caseload then plateaued somewhat before beginning to fall and has now returned back to pre-pandemic levels, this is much earlier than had been assumed in the current MTFS. But, with the now ongoing cost of living pressures on household incomes there is the potential that the number of claimants may begin to increase again.

Fees and Charges

The fees and charges levied by the Council are an important source of income, however, the impact of Covid19 has had a significant detrimental impact on fees and charges income over the last few years, with monthly levels plummeting across a range of discretionary services as a result of multiple lockdowns and the impact on the economy and the uneven path to recovery. Although many of the discretionary income areas have, or continue, to bounce back there are some income areas that are unlikely to ever return to their pre-covid levels, the largest of these reductions being in car parking income. This is as a result in a change in people’s habits and preferences as well as the way businesses operate.

This pressure is further compounded by the current cost-of-living crisis and economic factors affecting household incomes and overall growth in the economy and business activity, this is beginning to impact on certain sources of fees and charges income, such as building regulations and development control.

As part of the normal, annual, budget cycle fees and charges income budgets are usually increased by 3% per annum for their total yield, however this year an increase in the overall yield of 5% has been approved by Executive on the 17th October. This increase of 5% does not preclude individual fees and charges being increased by more or less than 5%. Due to the impact of Covid on these income sources each area of fees and charges income has be assessed to model the likely impact of Covid on overall yield levels and the level of increase that can be sustained for each individual fee and charge.

The MTFS assumes that the Council will raise £11.468m from fees and charges in 2023/24. The mean average overall increase in the non-statutory fees and charges is 5.2%, however this includes some fees that have been increased by higher and lower percentages, the modal increase is 0%

Bridging the Gap

The previous MTFS 2022-27 was based on a savings target of £1.3m in 2023/24, increasing to £1.5m from 2024/25 onwards, of which c£0.750m remained to be delivered at the time the MTFS was approved in March 2022. Since then, work has continued on implementing the programme, with progress against the targets as follows:

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000
Savings Target MTFS 2022-27	1,300	1,500	1,500	1,500
Savings secured/business case approved	(956)	(981)	(1,006)	(1,024)
Savings subject to business case	(185)	(225)	(228)	(236)
Balance of savings outstanding	**159**	**295**	**266**	**240**

Despite this positive progress against the existing targets, as a result of the unavoidable cost and demand pressures that the Council is now facing, the Council is yet again in the position of having to underpin the MTFS on a further savings target. Whilst there are still a significant number of uncertainties and variables in the Council's financial planning assumptions, what is certain is that the Council is still facing a significant financial challenge, one which it must address if it is to remain financially sustainable in the medium term.

Confirmation that the national funding reforms will not now take place until 2025/26, at the earliest, and that the accumulated business rate growth will instead be retained, has cushioned the impact of the cost pressures for 2023/24 and 2024/25. However, beyond this with a cliff edge reduction in business rates resources of c£1.5m and a reduction of grant funding of an estimated £0.300m the Council faces a significant and widening gap between it's spending requirements and the level of resources it estimates to receive.

Whilst earmarked reserves can be used to smooth the impact of these reductions on the General Fund, these resources can only used once and should be seen as a short-term measure only.

Although the position for 2023/24 and 2024/25 is currently more positive, savings targets for those years will still be included in order to provide further financial resilience and the ability to cushion any further financial pressures that may arise (due to the current risks to the financial planning assumptions). It will also allow capacity to deliver the higher levels of savings needed towards the end of the MTFS period to be spread more evenly over the years.

On the basis of the revised financial planning assumptions assumed in this MTFS, the following level of savings targets will be required to ensure the financial sustainability of the General Fund:

2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
185	500	1,000	1,750	1,750

The phasing of these savings targets mirrors the Autumn Statement position, with a more manageable position over the next two years and much of the tougher decisions needing to be taken in the next Spending Review period, starting in 2025/26. This also means that these savings targets are likely to change (potentially increasing) dependent on a new Government being in place, a spending review taking place and the potential for a further delay in funding reforms. These assumptions will be kept under review, with the savings targets reviewed as part of each subsequent MTFS.

Despite this potential for change, the Council must still continue to develop and implement a savings programme in order to ensure it is fully prepared to be able to deliver against these targets.

In terms of developing this new programme, as there are already a number of reviews, under the existing programme, that are currently being developed, these will reduce the amount of new savings to be identified, as follows:

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Existing reviews	185	225	228	236	242
New reviews to be identified	0	275	772	1,514	1,508
Total Savings Target	**185**	**500**	**1,000**	**1,750**	**1,750**

The ability to deliver these further, significant, budget reductions 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 the Council having to take difficult decisions in terms of which services it can continue to provide. Any further service cuts and revisions to investment plans will have even more far reaching and detrimental impacts on the City's residents and businesses. This will come on the back of the current cost of living crisis, at a time when the support of the Council is needed more than ever to support not only those who rely upon the safety net of local government, but also whilst the Council is still supporting the rebuilding of the local economy.

The key mechanism for delivering the required budget savings is through the Towards Financial Sustainability (TFS) Programme, which seeks to bring net service costs in line with available funding. Over the last decade, it is through the TFS Programme and precursor programmes, the Council has delivered the annual savings of nearly £10m.

This level of savings has been achieved by re-investing in more efficient ways of working; adopting a more commercial approach; and prioritising resources for economic development measures, whilst making careful use of reserves to meet funding gaps. Alongside this the Council has also had to make some difficult decisions in terms of the services it delivered.

After a decade of delivering efficiency savings it is much harder to extract such savings and the majority that remain form part of longer-term transformational changes to the organisation and cannot be realised in the short term. The Council will therefore continue to have little choice but to face further difficult decisions about the size and scope of the essential services it provides. It will need to review and revisit its investment priorities, beyond Vision 2025, and will be forced to look closely at the service it provides and will inevitably have to stop some of these to balance the books.

There is sufficient 'lead in time' to the need to deliver these savings, allowing every possible effort to be made to find the least painful solutions and minimise the impact on jobs and services, but inevitably there will be some difficult decisions to be made.

Closing a projected budget gap of this size is a challenge for the Council, but the Council has confidence in it's track record of delivering strong financial discipline and that it can continue to rise to the challenge.

Individual, specific proposals will be presented to the Executive, as the programme is delivered, for consideration.

Alongside delivering the TFS programme the Council still believes that the 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 is having on the local economy. Through Vision 2025 the Council will continue to seek ways to maximise it's tax bases by creating the right conditions for the economy to recover and grow, to increase Business Rates income, and to encourage housebuilding to meet growing demand, generating additional Council Tax. As well as continuing to support this the Council 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, to enhance the economic prosperity of the City. Although not directly contributing towards the TFS savings targets in the short term these measures support future growth in the Council's revenue streams and work towards the Council's objective of being financially sustainable.

Revenue Forecast

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

Risks to the Revenue Budget

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

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

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

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

Section 4 – General Investment Programme

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

Capital Spending Plans

The capital spending plans for the next five years include the delivery of schemes from Vision 2025, with a focus on supporting the recovery of the City or key One Council projects, and investment in existing assets to either maintain service delivery or existing income streams.

Total planned expenditure over the 5-year programme is estimated to be £25.071m of which there are the following key schemes:

- Western Growth Corridor - £7.599m
- Disabled Facilities Grants - £4.260m
- Planned asset maintenance - £1m
- Greyfriars - £2.638m
- Lincoln Central Market - £3.184m
- Heritage Action Zone - £0.054m
- Lincoln Town Deal (External Schemes) - £4.999m

The largest element of the programme is the Lincoln Town Deal Programme totalling £19m (although some schemes are yet to be included in the capital programme and will be added at such time as the business cases are developed and approved by the Town Deal Board). The majority of the schemes will be delivered by external organisations with the Council acting as the Accountable Body, there are however two schemes (in addition to the Lincoln Central Market above) that the Council will directly deliver.

The largest scheme delivered directly by the Council is Phase 1a of the Western Growth Corridor sustainable urban extension. Whilst the current GIP budget of £7.599m was approved in March 2019, work is currently underway to update this based on revised costs and scheme details. It is expected that revised budgets will be presented to the Executive in February 2022 and included within the final version of this MTFS.

Further schemes in support of Vision 2025 will be included in the GIP at the relevant stage in their development e.g. grant funding secure, design stage completed etc. Further details of the investment plans are provided in the Capital Strategy.

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

Spending Pressures

Impacts of current economic factors/Construction Industry

Across the General Investment Programme capital projects have been impacted as a result of the current challenges in the economy and specifically in the construction sector around supply of skilled labour, availability of materials and escalating costs of materials and labour. The Council has adopted a collaborative approach with contractors to ensure that the impacts are minimised using a range of mechanisms including rescheduling the programme to absorb delays, changing materials, accepting time delay but without imposing a time penalty to counter cost increase, use of contingencies and sharing cost increases.

Inevitably thought with the current inflationary pressures affecting the construction costs, as well as the rising cost of borrowing, some projects may no longer be viable. All schemes within the GIP, that have not yet started, will be re-evaluated as they come forward for delivery. This will ensure that they still demonstrate value for money and remain affordable. Given the importance of investment in the City, to support the local economy, all opportunities to contain costs and/or seek alternative funding to ensure schemes are delivered will be undertaken.

Asset Management

The Council's corporate property portfolio comprises operational properties and investment properties with a combined asset value of £139 million.

The Council's current Asset Management Plan identifies the need for significant investment to ensure that its assets are properly maintained and safe for use. Additional resources have previously been allocated, including works to income earning assets e.g. the crematorium refurbishment and investment in leisure facilities. There does however remain a legacy of outstanding investment required in the Council's assets, with a number of maintenance liabilities now arising. These are mainly in relation to operational assets, which will require investment in order to remain in service delivery, but the liabilities also extend to some of the Council's natural assets (although additional revenue resources have been allocated for public open space and tree risk work).

Allocation of the annual planned capitalised works budget (£200k p.a.) to maintain specific assets is determined by the structured approach being undertaken and will also be influenced by the outcomes of the continual review programme of all assets as part of the Better Use of Assets pillar of the One Council programme. Outcomes of this include the potential re-configuration of operational assets which as a result of changes in working practices following Covid19 are no longer required on such a scale; as well as the potential disposal/transfer of specific assets which may in turn relieve the Council on the ongoing repair liability. In order to provide additional resource, where possible the short term priority for any surplus capital receipts will to be investment in the Council's existing assets. Consideration will also be given to the use of prudential borrowing for income generating assets and in the absence of any other funding source.

Resources

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

Due to revisions in the Public Works Loan Board (PWLB) lending terms, local authorities can now no longer borrow from the PWLB with the intention to buy assets for yield. Authorities will still be able to access the PWLB for spending to improve or maintain existing properties, for housing, for regeneration purposes and for preventative action. In the absence of other funding the Council will consider prudential borrowing for these purposes. However, given the additional revenue costs this creates and the current financial challenges the General Fund is facing, the use of prudential borrowing will be prioritised for income generating/sustaining schemes.

Due to an ongoing lack of capital receipts and limited revenue resources to fund prudential borrowing it is essential that other sources of funding such as grant allocations and partner contributions continue to be sought.

External grant funding is enabling the delivery of a considerable number of capital schemes for the Council e.g. Lincoln Town Deal Programme, Local Authority Accelerated Construction funding for Western Growth Corridor, Heritage Lottery Fund for Re-imaging Greyfriars and English Heritage for the High Street Heritage Action Zone. The Council will continue to seek further external grant funding to support the delivery of its Vision and priorities and is currently developing further Heritage Lottery Fund schemes and has also submitted an application to the Levelling Up Fund for £20m to open up the eastern side of the Western Growth Corridor, the outcome of which is expected in January 2023.

The Council is mindful though that whilst the additional resources that external funding brings are clearly beneficial to local people, there is the danger that schemes funded may not be the Council's highest priorities and the Council must consider carefully how to allocate its capacity, within its reduced resources, to support such schemes. Furthermore, the Council needs to carefully consider whether it is able to meet the outputs and outcomes required from external grant support and in the current economic climate it must consider how any costs increases above grant allocations would be managed.

Capital Receipts

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

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

Capital receipts are forecast from land/property disposals as part of the development of Western Growth Corridor. These receipts, assumed at £3.224m (net of repaying temporary borrowing), will be retained within the scheme to contribute towards the upfront capital costs of further phases of the development.

Prudential Borrowing

The basic principle of the Prudential System is that local authorities are free to invest so long as their capital spending plans are affordable, prudent and sustainable. The Council will need to meet the whole of the capital financing costs associated with any level of extra borrowing through its revenue account. For every £1m of prudential borrowing undertaken by the Council for investment in long life assets, the annual revenue consequence arising is c£52.3k based on an interest rate of 4.4%.

The MTFS includes an unsupported prudential borrowing requirement of £6.700m over the period 2023/4-2027/28. This includes £4.3m temporary borrowing relating to Western Growth Corridor and longer term borrowing to support the Town Deal Programme investment in the Central Market.

The use of long-term prudential borrowing will only be used as a funding mechanism for key projects following a full financial assessment, with priority for income generating/sustaining schemes. It may however be used as a short-term measure to fund capital expenditure prior to a capital receipt being received, or in the absence of any other funding source.

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

Capital Grants

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

Over the 5 year planning period of the MTFS £15.113m is expected to be received from external capital grants, which is largely for Disabled Facilities Grant £4.260m, Towns Fund £5.69m for currently approved business plans, £2.2m for Central Markets (from Towns Fund), £2.4m for Greyfriars and £0.446m for UK Shared Prosperity Fund.

Projected Capital Resources

Resources to fund the General Investment Programme 2023/24-2027/28 are estimated to be approximately £25.071m, as follows:

	£'000
Capital Grants	15,113
Capital Receipts	3,258
Prudential borrowing	6,700
TOTAL	**25,071**

General Investment Programme Forecast

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

Risks to the General Investment Programme

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

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

- Loss of anticipated external resources,
- Inability to secure further external funding,
- Increased project costs, particularly in light of the current challenges in the construction sector and levels of inflation
- Interest rate increases impacting on future borrowing costs
- Sustainability of contractors in construction industry
- Unplanned emergency maintenance to Council's corporate properties.

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

Section 5 – Housing Revenue Account (HRA)

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

Housing Revenue Account Business Planning

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

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

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

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

Impacts of current economic factors and cost of living crisis

Like the General Fund, the HRA has been severely impacted by the unforeseen and unavoidable cost pressures have arisen over the last 12 months. These escalating costs in relation to pay inflation, contractual inflation, utility price increases and material and labour increases, have taken their toll on the financial resilience of the Housing Revenue Account.

These new pressures come at a time when the HRA 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.

Given the significant level of annual repairs and maintenance and planned capital maintenance to the Council's housing stock the impact of these factors is causing both income losses and cost increases for the HRA, including:

- Increased use of sub-contractors -the inability to recruit to the Housing Repairs Service workforce (the service is currently experiencing a 13% vacancy rate) has resulted in higher repairs and void turnaround times over the past 2 years. In order to try and fill the productivity gap, local sub-contractors are being utilised however, they are experiencing the same labour shortages in the construction sector and are struggling to meet the demands. Any contracts awarded to help alleviate the system are now at hugely inflated prices which reflects both the labour shortages but also the current economic factors.

- Increased number of properties to re-let - the increase in void turnarounds is further worsened by a higher-than-normal level of properties being re-let post pandemic. The financial implications of increased void turnarounds result in a reduction in dwelling rent income.

- Pay inflation – in line with the General Fund a pay agreement for 2022/23, as agreed by the National Employers side, has placed a significant additional burden on the HRA with pay increases significantly in excess of those assumed. In addition a pay agreement is yet to be agreed for the Craftworkers, affecting the majority of the Housing Repairs Service.

- Contractual commitments - in addition to an increased need to use sub-contractors (at inflated prices) the HRA has also experienced significant inflationary costs for its existing as well as escalating material prices due to national and world shortages of specific materials and soaring inflation.

Whilst mitigating actions are being taken to address some of these factors, and are producing positive results meaning that the impacts are likely to be short term in nature e.g. a reduction in voids backlogs, the majority of the pressures the HRA is experiencing are unavoidable and will have ongoing cost implications. These are primarily through the increase in contractor prices for labour and materials, as well as the increased cost of the Council's own workforce.

These pressures have seriously impacted the assumptions that underpin the HRA and Housing Business Plan and have required budgets to be reset within this MTFS.

In the absence of any other funding source these increased costs can only be funded through the housing rental income, which itself is not immune to the impacts of the current cost-of-living crisis.

Spending Plans

The HRA Business Plan

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 the Council delivers it's 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, with implications for the delivery of housing services. 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. As a result, an interim high-level refresh of the Business Plan was undertaken during 2021, with a further refresh scheduled for late 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. Therefore, the update to the Business Plan is now scheduled for 2023/24 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 above that are impacting on the environment in which the Plan will be set.

Spending Assumptions

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

Repairs and Maintenance

Repairs and maintenance is an essential part of the asset management of the Council's housing stock. As set out in the impacts of the current economic factors section above, the cost of repairs and maintenance to the housing stock is increasing due to labour shortages, contractor price increases and material price increases. These additional costs have been reflected in the HRA with annual increases of c£0.250m. Work continues within the service to drive down costs and deliver efficiencies were possible in order to reduce repairs costs e.g. the scheduled repairs initiative, however the cost increases that the HRA is experiencing outstrip any efficiencies that can be delivered.

There is continued capital investment in existing and new housing stock. Several schemes are under development which aim to deliver new housing in the City. These will be reported to committee as they come on stream.

Funding the Capital Programme

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

There is a reliance on the HRA to support the capital programme to the value of £57.579m over the 5-year MTFS period through depreciation and direct revenue financing.

Resource Assumptions

Rents

In line with the Housing Business Plan and Government Rent Guidelines, which announced that from April 2020 social rents should increase by a maximum of CPI+1% for 5 years, the MTFS has historically been based on this assumption. For 2023/24 the Government, in light of the current inflation levels, imposed a cap on rent increases of 7%, as CPI +1% would have allowed rent increases of up to 11.1%. The Government's approach for 2024/25, and whether a further cap will be implemented is as yet unclear, in addition beyond 2025 when the 5-year period of increases at CPI+1% ends it is uncertain what Rent Guidelines may be in place.

Included in the Council's housing stock are a number of properties that were partly funded by HCA grants on the condition that they are to be let on the basis of an affordable rent rather than on social rents. In addition, there are a number of other dwellings that are let on the basis of an affordable rather than social rent. Affordable rents are not subject to Government Rent Restructuring Policies and are let at 80% of market rent levels in the local area. The MTFS assumes rental increases in line with social rents for its affordable rents.

With the exception of 2022/23, the Council has historically set the rent levels in line with the requirement to increase rents by CPI + 1% (CPI being as at September each year) for general purpose accommodation and also increase sheltered accommodation and affordable rents, by the same. With CPI +1 % as at September 2022 levels this would mean an increase in rents of 11.1%. An increase of this level, in light of other impacts on household incomes arising from the current economic climate, could have a severe impact on the Council's tenants and given the Governments cap of 7% it is proposed to increase rents by 6.5% for 2023/24. This increase aims to balance the pressures that household incomes are facing, particularly the most vulnerable in our community, but at the same time recognising the economic and financial pressures the HRA has in delivering services to its customers. This proposed increase also takes into consideration the lower level of rent increase last year (i.e. the actual increase was below CPI+1%) and that the HRA was subject to the government-imposed rent reduction policy between 2016/17 and 2019/20 which saw the council have to reduce rents by 1% per annum rather than increase at CPI plus 1% as previously agreed.

The average 52-week rent will be £81.18 per week for general purpose and sheltered accommodation, and £125.99 for affordable rents. The assumption in the MTFS from 2023/24 onwards reverts to CPI + 1%.

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

Average rent increase per property by number of bedrooms per week as 14/12/2022		
No. of beds	Increase per week for Affordable Housing	Increase per week for Social Housing

	£	£
1 & bedsits	7.10	4.28
2	7.32	4.86
3	7.92	5.37
4	9.16	5.72
5	0	5.96
6+	0	6.6

Whilst rent collection is currently performing slightly above target, the current cost-of-living crisis is likely to have a detrimental impact on household incomes reducing some tenant's ability to pay their rents, particularly with the proposed higher rent increase. Whilst the Council will continue to support tenants through Discretionary Housing Payments, the establishment of the new Tenancy Sustainment Team and through general advice and guidance it is likely that there will be an impact on collection rates.

Net Interest Receipts

The HRA receives investment interest on the balances it holds (HRA balances are made up of General Balances, earmarked reserves and the Major Repairs Reserve). The MTFS 2023-28 includes interest income into the HRA based on the level of HRA balances assumed in the MTFS 2023-28. The HRA is sensitive to changes in interest rates linked to its investments, as an indication a change in interest rates available on investments of +/- 0.5% would have an estimated combined impact of approximately £0.263m. A rise of 0.5% in the Bank of England base rate would not translate into a 0.5% increase in investment rates available.

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

Releasing Resources

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

Housing Revenue Account Forecast

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

Risks to the Housing Revenue Account Budget

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

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

- Risk of further government announcements limiting the flexibilities and freedoms offered by the HRA Self -Financing regime particularly housing rent levels
- Delivery of new build programme and associated rental streams
- Reduced rental income and increased arrears, particularly as a result of voids backlogs, RTB sales, reduced collection rates due to the impact of the cost-of- living-crisis etc
- Increased cost of repairs and maintenance to housing stock .
- Implications for service delivery arising from the Govt regulations.
- Fluctuations in key economic assumptions e.g. inflation, interest rates.
- Changes to key assumptions within the MTFS.
- Financial and budget management issues.

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

Section 6 – The Housing Investment Programme

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

Capital Spending Plans

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

The 5-year housing programme amounts to £62.529m and comprises the following main areas of work:

- Maintenance of the Decent Homes and the Lincoln Standard, £47.275m

- New Build Programme £5.187m – this includes the use of retained 1-4-1 right to buy receipts which are not yet allocated to specific schemes and will be dependent on approvals of individual business cases.

In terms of housing investment, the HIP will continue to focus on the allocation of resources to the key elements of decent homes (in line with the 2020 Stock Condition Survey) and supporting the Lincoln Standard. In relation to housing strategy, the focus continues to be on maximising the use of 1-4-1 retained right to buy receipts, assessing the use of prudential borrowing and seeking government grant funding for new build schemes or purchase & repair schemes that generate a positive net rental stream.

As set out in the Section 5 above the 30-year HRA Business Plan has undergone a high-level review during 2022 with a full review to be undertaken during 2023/24, to reflect the changes to the local, regional and national operating environment and to reflect the Councils current aims and ambitions in Vision 2025.

Spending Pressures

Impacts of current economic factors/construction industry

Similar to the General Investment Programme the Housing Investment Programme has been impacted as a result of the current economic factors and particularly the challenges in the construction sector particularly around supply of skilled labour, availability of materials and escalting costs of materials and labour. The Council has adopted a collaborative approach with contractors to ensure that the impacts are minimised using a range of mechanisms including; rescheduling the programme to absorb delays, changing materials, accepting time delay but without imposing a time penalty to counter cost increase, use of contingencies and sharing cost increase.

It is though inevitable that there will be cost impacts on both the housing investment programme as well as on specific schemes in the housing strategy programme that are currently being developed. Particularly in relation to new housing developments, these changes in underlying costs of delivery, as well as the rising cost of borrowing, may result in some schemes being no longer viable. As schemes are bought forward, they will be re-evaluated, this will ensure that they still demonstrate value for money and remain affordable. Given the importance of investment in the City, to support the local economy, all opportunities to contain costs and/or seek alternative funding to ensure schemes are delivered will be undertaken.

Resources

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

Major Repairs Reserve

The Major Repairs Reserve (MRR) is the main source of capital funding and the mechanism by which timing differences between resources becoming available and being applied are managed. The MRR may be used to fund capital expenditure and to repay existing debt. Depreciation is a real charge on the HRA and is paid into the MRR from the Housing Revenue Account to fund capital expenditure. The total charge to the revenue account over the 5-year MTFS period through depreciation is £38.694m.

Revenue Contributions

The 5-year MTFS includes contributions of £19.754m of direct revenue finance over the five-year period of which £11.744m is planned to be utilised.

Grants and Contributions

There are no grants and contributions included in the five year MTFS period.

Capital Receipts

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

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

The proceeds of dwelling sales under the Right-to-Buy scheme provide a regular source of capital receipts with the number of sales increasing in recent years. The MTFS assumes 50 sales per year. However, this is a difficult area to predict accurately as it is affected by external factors, such as interest rates, property prices and Government initiatives aimed at further stimulating Right-to-Buy sales. Receipts of £3.750m are assumed over the MTFS period.

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

Prudential Borrowing

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

The Capital Financing Requirement (CFR) is forecast to rise to £81m by the final year of the MTFS with additional borrowing included in the MTFS and no allowance made for the repayment of existing debt. Actual borrowing utilised will be £2.93m to fund the new build programme alongside 1:4:1 receipts and borrowing taken during the MTFS period will be £3m.

Projected Capital Resources

Resources to finance the proposed £62.529m Housing Investment Programme 2023/24 – 2027/28, are currently estimated to be as follows:

	£000
Major Repairs Reserve (depreciation)	45,836
Direct Revenue Financing	11,744
Grants and Contributions	0
Capital Receipts (inc RTBs)	2,019
Borrowing	2,930
TOTAL	**70,521**

Housing Investment Programme Forecast

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

Risks to the Housing Investment Programme

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

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

- Generation of sufficient revenue surpluses to resource required investment
- Achievement of capital receipts (including Right to Buy sales) targets
- Future building costs, particularly in light of the current challenges in the construction sector and levels of inflation
- Condition of existing stock
- Sustainability of contractors in construction industry
- Interest rate increases impacting on future borrowing costs
- Implications of Government Regulations e.g. the Building Fire Safety Bill & Fire Safety Act, and any new requirements arising in relation in mould/damp conditions

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

Section 7 – Reserves and Balances

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

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

Financial Resilience Index

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

	2017/18	2018/19	2019/20	2020/21	2021/22	Stress Compared to other Councils
Reserves Sustainability	23.47	100	100	100	100	
Level of Reserves as a ratio of net expenditure	65.28%	73.59%	99.40%	142.33%	116.95%	
Change in Reserves (over 3 year period)	-11.33%	-2.48%	22.79%	209.86%	70.95%	

Whilst full data is not available through the index it does highlight areas of potential financial risk, this is demonstrated in 2017/18 when there was a 11.33% reduction in the level of reserves (over the latest 3-year period), reducing in turn the reserves sustainability factor. However, this use of reserves was planned and provided for in the MTFS as the Council used its earmarked reserves to cushion the revenue impacts during the building of the transport hub, as well as a planned use of unallocated reserves whilst savings were delivered through the TFS Programme. The increase in 2019/20 was due to a planned contribution to General Balances (as the Council sought to increase it's level of Balances ahead of the planned funding reforms).

Covid19 has had an impact on the 2020/21 and 2021/22 resilience indexes, it should therefore be viewed in the context of these having been transitional years. The index continues to illustrate the financial resilience of authorities during the pandemic but figures on reserves have been affected by a series of Covid-related payments in relation to Business Rates reliefs and local authority funding support. The Council's reserves increased by £13m in 2020/21, primarily due to £11.5m of grant funding from Government to recompense for the lost income resulting from the Business Rates reliefs awarded due to the pandemic. The grant funding was received in 2020/21 however the corresponding losses on the Collection Fund were not declared until 2021/22 – 2023/23, the grant received will therefore be drawn down through reserves over this period. In addition, of the Covid19 grant support provided by Government in 2020/21 to support local authority pressures £0.622m was transferred to reserves to be used to mitigate the impacts of Covid19 in future years. A further £0.531m of was transferred to reserves from the Council Tax Hardship funding that was granted in 2020/21, for which the expenditure will be incurred in 2021/22. Whilst these reserves have unwound during 2021/22, a further year of Business Rates Reliefs has seen increased contributions of £3.8m in 2021/22, to be drawn down in 2022/23 to offset Collection Fund losses. These movements will further skew the resilience indicators, with perhaps more meaningful indicators emerging from 2023/24 onwards.

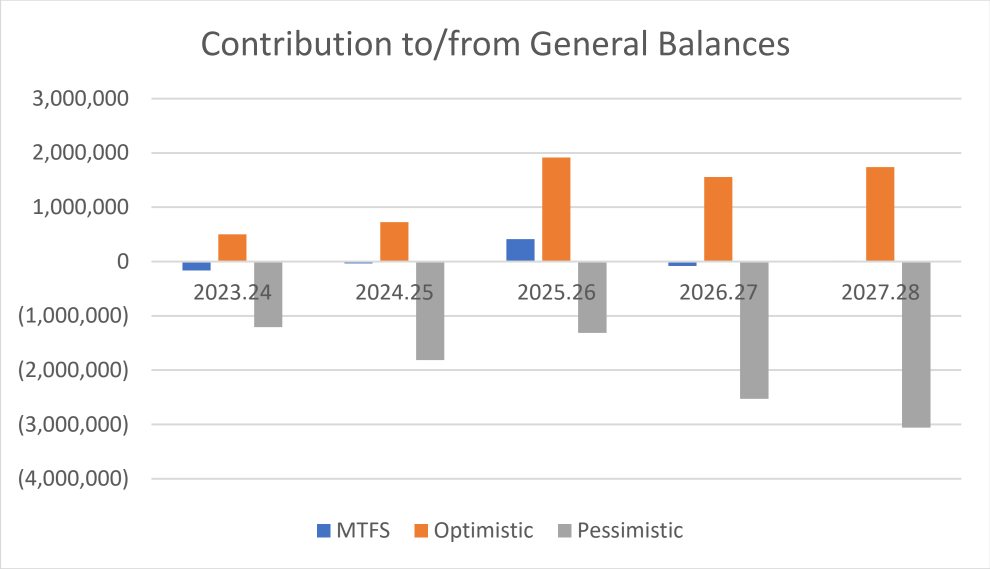
Management of Risk

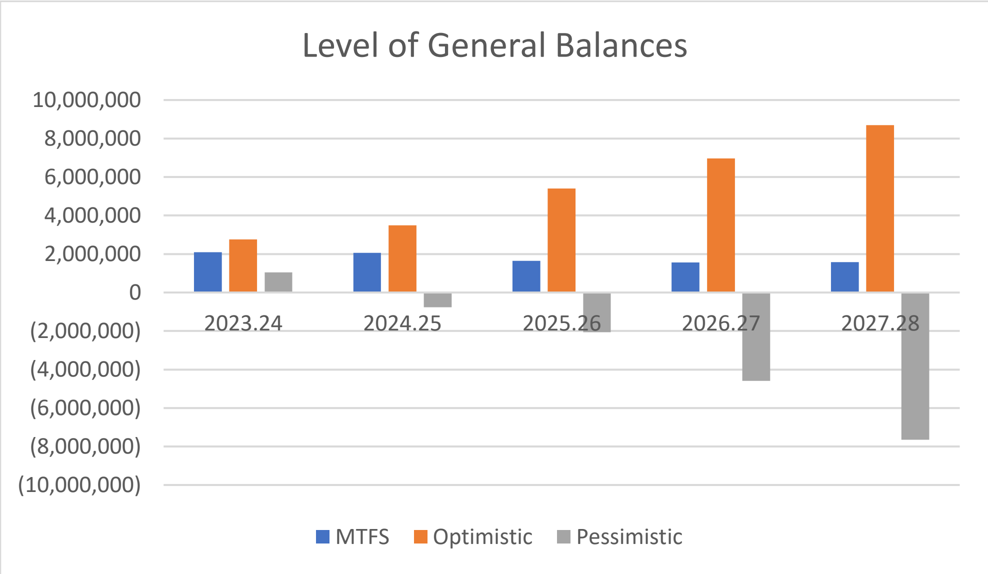
The Council has always maintained a very proactive approach to managing risk and there are effective arrangements for financial control already in place. However, as a result of the significant changes to local government funding, which saw a shift towards self –sufficiency and dependence on local funding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

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

Scenario Planning

A scenario planning approach is taken to assess the impact of changes in the key assumptions underpinning the revenue budgets. This is based on the assumptions in the MTFS being the most likely, set against an optimistic and pessimistic list of variables. At a high level the pessimistic scenario demonstrates a further significant financial challenge for the Council, primarily based on a reduction in income levels, higher than budgeted inflationary increases, as well increased costs towards the end the of the MTFS as key service contracts and leases are due to end. The optimistic scenario is based on the key assumption that the planned reforms to business rates are not progressed and the Council is able to retain it's accumulated growth.





As can be seen table above, under the pessimistic scenario the level of General Balances would be eliminated during 2025/26 if mitigations and/or savings could not be found. This emphasises the Council's sensitivity to changes in it's income levels and the level of inherent risk and volatility it faces.

Planned work is underway to establish scenario planning for the Housing Revenue Account as part of the Business Plan refresh.

Planned Use and Contribution to Reserves

The increase in the prudent level of reserves to be held has allowed the Council to be able to firstly cushion the impact that Covid19 has had on its finances, and continues to do so, and secondly to cushion the impact of some of the inflationary pressures that are now being incurred. Whilst the overall level of balances will still be maintained over the period of the MTFS there are planned uses of balances in the General Fund of £0.162 m in 2023/24, £0.037m in 2024/25, £0.415m for 2025/26 and £0.079m for 2026/27. The use in 2025/26 is as a result of the forthcoming funding reforms and the assumption that the accumulated gains on Business Rate income will be reset, leaving the Council at a significant financial detriment. Whilst the Council has assumed an increased level of savings will be required to mitigate the ongoing impacts of this income loss, in the short term the use of balances and earmarked reserves provides the Council the opportunity to deliver ongoing reductions in its net cost base, and also providing the flexibility to adjust the savings targets if there is a more positive outcome from the funding reforms. Based on the current trajectory of savings targets, by 2027/28 the General Fund will be in the position of making positive contributions to balances, with forecasted contributions of £0.013m in 2027/28.

The careful use of balances, along with earmarked reserves, in the supporting the General Fund is seen as a short-term measure only to ensure a balanced budget position is maintained whilst savings are delivered, it is not foreseen as a long-term solution.

The general reserves at the end of each year for 2023/24 to 2027/28 are summarised in the table below.

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
General Fund	2,100	2,064	1,649	1,570	1,583
Housing Revenue Account	1,007	1,007	1,008	1,009	1,011

The overall levels of General Fund and Housing Revenue Account balances in 2027/28 are in line with, and in excess of, the prudently assessed minimum level of balances.

Earmarked Reserves

Earmarked reserves are sums specifically held to enable funds to be built up to meet known or predicted liabilities. A review of reserves and balances has been undertaken as part of the budget process and a schedule presenting the estimated closing balances at the end of each of the next five financial years is contained within Appendix 6. This includes the application of a number of specific reserves to support the General Fund during 2025/26, during the anticipated first year of the Business Rates Reset, whilst the ongoing reductions in the net cost base are delivered.

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

GENERAL FUND BUDGET SUMMARY 2023/24 – 2027/28

	2023/24 Estimate £	2024/25 Estimate £	2025/26 Estimate £	2026/27 Estimate £	2027/28 Estimate £
Chief Executive & Town Clerk	4,345,580	4,571,120	4,556,700	4,830,220	4,952,040
Communities & Environmental Services	5,927,890	5,830,990	5,941,460	6,012,190	5,944,690
Major Developments	783,520	669,000	548,350	546,590	538,170
Housing & Regeneration	846,070	893,860	864,060	875,390	889,550
Corporate	1,221,880	1,257,210	1,286,880	1,300,740	1,314,050
	13,124,940	**13,222,180**	**13,197,450**	**13,565,130**	**13,638,500**
Capital Accounting Adjustment	2,210,850	2,461,270	2,468,080	2,256,410	2,415,950
Base Requirement	**15,335,790**	**15,683,450**	**15,665,530**	**15,821,540**	**16,054,450**
Specific Grants	(700,020)	(475,870)	(148,160)	(148,160)	(148,160)
Contingencies	(133,290)	(135,560)	(135,740)	(137,900)	(139,500)
Savings Targets	(185,210)	(500,000)	(1,000,000)	(1,750,000)	(1,750,000)
Transfers to/(from) earmarked reserves	705,860	(83,260)	(786,600)	69,990	272,370
Transfers to/(from) insurance reserve	(453,140)	45,400	43,860	42,210	40,520
Total Budget	**14,569,990**	**14,534,160**	**13,638,890**	**13,897,680**	**14,329,680**
Use of Balances	(162,340)	(36,620)	(414,660)	(79,430)	12,830
NET REQUIREMENT	**14,407,650**	**14,497,540**	**13,224,230**	**13,818,250**	**14,342,510**
Business Rates	6,130,470	6,455,580	4,939,380	5,251,700	5,492,260
Business Rates Surplus/(Deficit)	682,110	0	0	0	0
Revenue Support Grant	175,290	184,930	156,890	156,890	156,890
Council Tax Surplus/(Deficit)	(136,130)	0	0	0	0
Council Tax	7,555,910	7,857,030	8,127,960	8,409,660	8,693,360
Total Resources	**14,407,650**	**14,497,540**	**13,224,230**	**13,818,250**	**14,342,510**
Balances b/f @ 1st April	**2,262,761**	**2,100,421**	**2,063,801**	**1,649,141**	**1,569,711**
Increase/(Decrease) in Balances	(162,340)	(36,620)	(414,660)	(79,430)	12,830
Balances c/f @ 31st March	**2,100,421**	**2,063,801**	**1,649,141**	**1,569,711**	**1,582,541**

HOUSING REVENUE ACCOUNT SUMMARY 2023/24 - 2027/28

	2023/24 Estimate £	2024/25 Estimate £	2025/26 Estimate £	2026/27 Estimate £	2027/28 Estimate £
Income					
Gross Rental Income					
- Dwellings rents	(32,231,610)	(33,758,390)	(34,622,790)	(35,508,700)	(36,416,570)
- Non-Dwelling rents	(411,870)	(424,240)	(436,960)	(450,070)	(463,570)
Charges for Services & Facilities	(548,410)	(564,710)	(581,480)	(598,770)	(616,570)
General Income	(655,570)	(594,020)	(599,490)	(605,570)	(613,690)
Special Income	(39,440)	(39,440)	(39,440)	(39,440)	(39,440)
Contributions towards Expenditure	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Total Income	**(33,936,900)**	**(35,430,800)**	**(36,330,160)**	**(37,252,550)**	**(38,199,840)**
Expenditure					
Repairs Account Expenditure	10,833,960	11,008,670	11,222,320	11,402,750	11,619,310
Supervision & Management - General:	6,961,520	7,055,050	7,208,200	7,329,290	7,456,400
Supervision & Management – Special:	1,990,650	1,958,960	1,990,770	2,022,830	2,053,360
Contingencies	113,880	262,900	262,740	263,370	263,590
Rents, Rates and Other Premises	845,960	878,280	892,820	917,800	936,560
Insurance Claims Contingency	174,000	179,230	184,610	190,150	195,860
Depreciation of Fixed Assets	7,749,540	7,746,980	7,732,730	7,732,350	7,732,350
Debt Management Expenses	16,000	16,000	16,000	16,000	16,000
Increase in Bad Debt Provisions	250,000	250,000	250,000	250,000	250,000
Total Expenditure	**28,935,510**	**29,356,070**	**29,760,190**	**30,124,540**	**30,523,430**
Net cost of service	**(5,001,390)**	**(6,074,730)**	**(6,569,970)**	**(7,128,010)**	**(7,676,410)**
Loan Charges Interest	2,355,710	2,436,640	2,377,020	2,376,530	2,303,550
- Investment Interest	(340,010)	(230,790)	(192,330)	(228,870)	(293,250)
- Mortgages Interest	0	0	0	0	0
Surplus on HRA for the year	**(2,985,690)**	**(3,868,880)**	**(4,385,280)**	**(4,980,350)**	**(5,666,110)**
DRF used for Financing	3,029,520	3,744,170	4,263,420	4,863,800	5,553,800
Contribs to/(from) Reserves:					
- Insurance Reserve	76,000	70,770	65,390	59,850	54,140
- Invest To Save Reserve	(117,220)	(1,260)	0	0	0
- HRA I.T. Reserve	35,000	35,000	35,000	35,000	35,000
- NSAP/RSAP Sinking Fund Reserve	9,000	9,000	9,000	9,000	9,000
- De Wint Sinking Fund Reserve	10,610	10,930	11,260	11,600	11,950
(Surplus)/deficit in year	**57,220**	**(270)**	**(1,210)**	**(1,100)**	**(2,220)**
Balance b/f at 1 April	(1,063,872)	(1,006,652)	(1,006,922)	(1,008,132)	(1,009,232)
Balance c/f at 31 March	**(1,006,652)**	**(1,006,922)**	**(1,008,132)**	**(1,009,232)**	**(1,011,452)**

GENERAL INVESTMENT PROGRAMME - 2023/24 to 2027/28

	2023/24 Estimate £	2024/25 Estimate £	2025/26 Estimate £	2026/27 Estimate £	2027/28 Estimate £
Expenditure Programme					
Chief Executives	1,432,410	1,600,600	205,210	200,000	200,000
Directorate of Communities and Environmental Services	905,950	1,035,011	851,990	851,990	851,990
Directorate of Major Developments	11,237,300	433,457	59,220	0	0
Directorate of Housing	20,000	0	0	0	0
Externally Delivered Town Deal Schemes	3,745,272	1,233,118	207,077	0	0
Total Programme Expenditure	**17,340,932**	**4,302,186**	**1,323,497**	**1,051,990**	**1,051,990**
Capital Funding					
Contributions from Revenue					
Opening balance	0	0	0	0	0
Received in year	0	0	0	0	0
Used in financing	0	0	0	0	0
Closing balance	**0**	**0**	**0**	**0**	**0**
Capital receipts					
Opening balance	30,000	4,179,579	4,179,579	4,179,579	4,179,579
Received in year	12,771,600	0	0	0	0
Used in financing	(3,258,410)	0	0	0	0
Used to repay temporary borrowing	(5,363,611)	0	0	0	0
Used to reduce the CFR	0	0	0	0	0
Closing balance	**4,179,579**	**4,179,579**	**4,179,579**	**4,179,579**	**4,179,579**
Grants & contributions					
Opening balance	0	0	0	0	0
Received in year	8,555,982	3,729,165	1,123,497	851,990	851,990
Used in financing	(8,555,982)	(3,729,165)	(1,123,497)	(851,990)	(851,990)
Closing balance	**0**	**0**	**0**	**0**	**0**
Unsupported borrowing					
Opening balance	0	0	0	0	0
Received in year	5,526,540	573,021	200,000	200,000	200,000
Used in financing	(5,526,540)	(573,021)	(200,000)	(200,000)	(200,000)
Closing balance	0	0	0	0	0
Total Capital Funding	**(17,340,932)**	**(4,302,186)**	**(1,323,497)**	**(1,051,990)**	**(1,051,990)**
Available Resources c/f	**4,179,579**	**4,179,579**	**4,179,579**	**4,179,579**	**4,179,579**

Appendix 4

HOUSING INVESTMENT PROGRAMME - 2023/24 - 2027/28

	2023/24 Estimate £	2024/25 Estimate £	2025/26 Estimate £	2026/27 Estimate £	2027/28 Estimate £
Capital Programme					
Decent Homes	9,022,046	8,644,941	8,990,793	9,350,265	9,757,473
Health & Safety	420,303	427,310	448,675	471,109	494,665
New build programme	1,455,267	3,584,055	47,892	48,850	51,293
Lincoln Standard	275,000	286,450	300,773	315,811	331,602
Other schemes	237,085	0	0	115,299	121,064
Contingent capitalised repairs	298,687	250,000	250,000	250,000	262,500
Other	2,037,984	1,097,174	914,982	960,731	1,008,768
Total Programme Expenditure	**13,746,372**	**14,289,930**	**10,953,115**	**11,512,065**	**12,027,364**
Capital funding					
Major Repairs Reserve					
Opening balance	15,057,623	13,387,484	14,214,739	15,328,396	15,883,681
Depreciation received in year	7,749,540	7,746,980	7,732,730	7,732,350	7,732,350
Depreciation used in financing	(9,092,046)	(8,644,941)	(8,990,793)	(9,350,265)	(9,757,474)
DRF received in year	3,109,060	3,786,150	4,286,150	4,286,150	4,286,150.00
DRF used in financing	(3,436,693)	(2,060,933)	(1,914,430)	(2,112,950)	(2,218,598)
Closing balance	13,387,484	14,214,739	15,328,396	15,883,681	15,926,109
Capital receipts					
Opening balance	1,087,540	1,837,540	2,587,540	3,289,648	3,990,798
Received in year	750,000	750,000	750,000	750,000	750,000
Used in financing	0	0	(47,892)	(48,850)	(51,293)
Closing balance	1,837,540	2,587,540	3,289,648	3,990,798	4,689,506
1-4-1 receipts					
Opening balance	1,871,583	1,433,622	0	0	0
Used in financing	(437,961)	(1,433,622)	0	0	0
Closing balance	1,433,622	0	0	0	0
Grants & contributions					
Opening balance	0	0	0	0	0
Grants & contributions received in year	0	0	0	0	0
Used in financing	0	0	0	0	0
Closing balance	0	0	0	0	0
Borrowing					
Opening balance	127,884	3,212	2,779	2,779	2,779
Borrowing taken in year	655,000	2,150,000	0	0	0.00
Used in financing	(779,672)	(2,150,433)	0	0	0.00
Closing balance	3,212	2,779	2,779	2,779	2,779
Total Capital funding	**(13,746,372)**	**(14,289,930)**	**(10,953,115)**	**(11,512,065)**	**(12,077,364)**
Available Resources c/f	**16,661,858**	**16,805,058**	**18,620,823**	**19,877,258**	**20,618,394**

Appendix 5

BUDGET RISK ASSESSMENT

No.	Budget Item	Risk	2023/24 Risk Score	2024/25-2027/28 Risk Score	Containment
1	Capital Expenditure	Project slippage Increased project costs including labour and material costs post Brexit/Covid19 Inflationary impacts on materials and labour costs Failure of contractor i.e. contractor goes into liquidation. Demand for improvement grants. Sunk costs of aborted schemes Achieving levels of projected costs in the HRA Business plan	**Total Score: 12** Likelihood: 4 Impact: 3	**Total Score: 12** Likelihood: 4 Impact: 3	• Regular budget monitoring and reporting to Capital Programme Board and Housing Delivery Group • Ensure correct project management procedures followed (Lincoln Model) • Quarterly budget monitoring and reporting to Performance Scrutiny and the Executive • Financial procedure rules are followed, including financially vetting of all contractors • Use of collaborative contracts/framework agreements where possible e.g. EMPA • Support from Procurement engaged at an early stage • Carry out post implementation reviews • Ensure risk assessments completed for all significant schemes before commencing • Value engineering used to contain project costs • Cost estimates obtained ahead of procurement exercises. • Consideration of Fixed Price Contracts and/or Risk Sharing • Consideration of alternative/cheaper materials • PGC's/Bonds to be obtained on key contracts
2	Income from Fees & Charges/ Rents: • Car Parking • Crematorium / Cemeteries • Development Control	Reduction in the usage of the service/activity levels due to economic factors and cost of living crisis Over optimistic income targets	**Total Score: 12** Likelihood: 4 Impact: 3	**Total Score: 12** Likelihood: 4 Impact: 3	• Car Parking Strategy to be refreshed. • Regular monitoring statements for major income sources which are reported monthly to Corporate Management Team. • Identify reasons for any income reductions and take corrective action where possible

BUDGET RISK ASSESSMENT

	• Building Control • Land Charges • Control Centre • Lincoln Properties • Industrial Estates • Xmas Market	Increasing reliance on income within the MTFS New competitors entering the market Increased fees and charges levels reduces demand Changes in treatment of VAT status of individual fees and charges. Impact of wider policy changes on demand for services e.g. Lincoln Transport Strategy impact on car usage			• Report quarterly to the Executive and Performance Scrutiny Committee on forecast for key income streams • Specific projects/business plans in progress to sustain income streams. • Investment in key income generating assets • Delegated powers to portfolio holder to make responsive changes to fees and charges • Rebase income budgets to reflect current trends and impact of economic factors • Active void management • Watching brief on CIPFA Committee/HMRC discussions
3	General Budget Assumptions	CPI and RPI inflation exceed rates assumed in the budget Actual establishment exceeds 99% Implications from Government Policy in response economic factors Increased pension contributions as a result of triennial valuation (next valuation in 2025) Pay inflation exceeds rates assumed in the budget	**Total Score: 12** Likelihood: 4 Impact: 3	**Total Score: 12** Likelihood: 4 Impact: 3	• Set prudent but realistic projections based on analysis of economic commentators and Bank of England predictions – projections fundamentally updated/increased in latest MTFS • Monthly monitoring of RPI and CPI index changes • Make use of expert forecasts of future RPI and CPI trends • Produce regular budget monitoring reports – report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Monitor significant changes in economic indicators • Monitor the pension fund position through discussions with Lincolnshire County Council and Lincolnshire Finance Officers

BUDGET RISK ASSESSMENT

					• Pension Fund Stabilisation Approach adopted • Report any changes to Members as soon as officers become aware
4	Demand for services	Impact of cost-of-living crisis on service demands, e.g. homelessness, revenues and benefits, customer services, council housing etc Impact of Social Housing White Paper on requirements of housing function The increase in property numbers and development of the City Centre results in additional cost pressures within the Services that have not been built into the budget Increasing demands for housing tenant support as other providers withdraw services	**Total Score: 12** Likelihood: 4 Impact: 3	**Total Score: 12** Likelihood: 4 Impact: 3	• Identification and drawdown of additional funding made available from Government and others to support additional demand • Lean systems approach taken to identify efficiencies in service delivery (e.g. benefits service) • Collaboration and joint working arrangement opportunities identified with local partners to help meet additional service demands • Consistent monitoring of service demands and needs of the city through data analysis and key indicators • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee and key service performance indicators • Interventions, as part of housing supply, to be developed to respond to temporary accommodation shortages. • Key housing developments in the City, e.g. WGC to be factored into operational service budgets as homes bought forward. • Cross directorate cost-of-living group established with a range of interventions to be implemented, including delivery of Government initiatives.
5	HRA Repairs and Maintenance Costs	Reduced ability to recruit and retain skilled workforce in HRS,	**Total Score: 9**	**Total Score: 9**	• Produce regular budget monitoring reports and HRA revenue and capital budgets reported and monitored together

Appendix 5

BUDGET RISK ASSESSMENT

		increased reliance on sub-contractors Sub-contractors prices significantly increasing Sub-contractor unable to meet demands. Increased cost of materials as a result of Covid/Brexit/economic factors Failure of contractor i.e. contractor goes into liquidation.	Likelihood: 3 Impact: 3	Likelihood: 3 Impact: 3	• Report quarterly to Departmental Management Team, Corporate Management Team, Executive and Performance Scrutiny Committee • Results of recent stock condition surveys informing future maintenance requirements • Significant increased costs factored into latest MTFS • Consider alternative recruitment options • Use of collaborative contracts/framework agreements where possible • Seek efficiencies within HRS i.e scheduled repairs pilot • Significant rebasing of the budget has taken place in light of the current economic factors.
6	Business Rates Base	Reduction and/or fluctuations in income against budget variation in: – Recovery/growth compared to forecasts – Changes in the NNDR base – Changes in rateable values (e.g. appeals, economic downturn, changes in use, material change in circumstances) – Collection rates – Ongoing impact on the NNDR base of successful appeals - Estimates of appeals provision higher/lower than actually required	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 12** Likelihood: 4 Impact: 3	• In year monitoring of the NNDR base, Collection Fund, collection rates, growth assumptions and rateable value appeals. • Produce monthly collection rate statements – monitored via the Revenues and Benefits Operational Board, and Revenues and Benefits Management Team. Also report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee if targets are not being met, increased recovery action or further initiatives to increase collection • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • A Business Rate Volatility Reserve is maintained to provide a degree of protection from fluctuations in Business Rate Income

BUDGET RISK ASSESSMENT

		– Changes nationally to the valuation assessments of certain property/infrastructure – Reset of the Business Rates Retention system from 2025/26			• Quarterly monitoring of the Lincs NNDR Pool by Lincs Finance Officers • Independent specialist assessment made of the required level of NNDR appeals provision • Specialist advice sought to assist in budgeting assumptions and assessment of implications of changes to the funding system • Delivery of key schemes in Vision 2025 to support recovery of the High Street, City and the economy, including direct investment by the Council.
7	Housing Rents and Property Voids	Increased arrears due to impact of cost-of-living crisis and the rent increase on household incomes More Council House disposals than anticipated and/or slower than anticipated progress on the council house new build programme Void properties exceeding the allowance included in the budget (particularly due to impacts of turnaround times and resourcing/contractor issues in HRS). CPI inflation less than budgeted rate (from 2024/25)– reducing rental income	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Produce regular budget monitoring reports • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Directorate ongoing monitoring is a performance indicator • Monthly monitoring of RPI and CPI index changes • Make use of expert forecasts of future RPI and CPI trends and the impact on housing rents • 30-year Business Plan to undergo full refresh. • Continual monitoring of arrears and void positions. • Consideration to be given to re-establishing Housing Rents Hardship Fund • Work closely with Benefits Team to consider use of DHP’s where appropriate. • Monthly New Homes Board meeting of cross directorate officers monitoring progress of New Build programme and capital & revenue funding

BUDGET RISK ASSESSMENT

		Impact of future interventions by Govt to alter Social Rent Policy, particularly any rent caps and future policy direction beyond 2025.			• Analysis of factors driving voids increases, now assessing how these can be mitigated • Investment in tenancy sustainment officers • New subcontractors engaged to support the void process • Respond to future consultations on social rent policy.
8	Repairs & Maintenance on Corporate Properties	Unplanned emergency maintenance is required on the Council's Corporate Properties Increase in demands to meet statutory requirements and to minimise risks of adverse claims. Increase in demands to maintain operational service assets Increased investment required in natural assets. Impact of works on income and service delivery.	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Updated stock condition surveys for all corporate properties to undertaken in 2023/24 • Asset management planning in place (including identifying assets with large repairs and maintenance liabilities for disposal) • Produce regular budget monitoring reports – report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Properties with large maintenance liabilities are reviewed for potential disposal • New capital schemes allow for whole life costing. • Responsible Officer system in place.
9	External Funding of Capital Programme	Loss of anticipated external resource to support the capital programme. Changes to the allocation of grant funding for Disabled Facilities Grants (DFG) from the City Council to County Council,	**Total Score: 6** Likelihood: 2 Impact: 3	**Total Score: 12** Likelihood: 3 Impact: 4	• Ensure grant conditions are complied with throughout scheme • Continue to seek and identify alternative funding sources and make appropriate grant applications. • Continue to work with partner organisations to secure additional funding opportunities.

BUDGET RISK ASSESSMENT

		while the City Council retains statutory duty to provide services. Inability to attract/gain further external grant funding/partner contributions to deliver schemes included in Vision 2025 and future investment plans.			• Produce regular grant monitoring statements • Regular budget monitoring and reporting to Capital Programme Board • Ongoing discussions with the County Council to ensure the provision of DFG's meet the Council's funding requirements. • New schemes not approved until external funding secured.
10	Capital Financing - Long Term Borrowing	Balances unavailable for internal borrowing External borrowing costs above interest rates in MTFS	**Total Score: 6** Likelihood: 2 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Continue to monitor the cost effectiveness of utilising internal balances instead of taking external borrowing • Actively monitor the achievement of the capital receipts target and potential additional borrowing requirement • Actively monitor the cost effectiveness of asset disposals compared to Prudential Borrowing • Ongoing monitoring of cashflows from major sources of income • Regular review of current and future predicted borrowing rates to inform timing of borrowing decisions • Actively monitoring the cash flow on a daily basis.
11	Council Tax Base & Council Tax Support Scheme	In year variations to budget not containable within Collection Fund balances Costs to Council increased due to (including impact of cost-of-living crisis): – Actual CT base different to estimate	**Total Score: 6** Likelihood: 3 Impact: 2	**Total Score: 6** Likelihood: 3 Impact: 2	• Monthly monitoring of the Collection Fund - collection rates, CT discount caseload, council tax base. • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Produce quarterly collection rate statements – monitored via the Revenues and Benefits

BUDGET RISK ASSESSMENT

		– Collection rates/bad debt provisions – Increase in LCTS caseload or reduction not as anticipated. – Referendum rate of CT increases below budgeted rate			Operational Board, and Revenues and Benefits Management Team. Also report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee if targets are not being met, increased recovery action or further initiatives to increase collection • Annual increases in Council Tax considered alongside national expected increases. • Council Tax Support scheme still provides for a maximum of 100% of support, with no changes proposed for 2023/24. • Council Tax Hardship Fund in place. • New Government Hardship Fund to be delivered for 2023/24.
12	Housing Investment Requirements	Implications arising from Social Housing White Paper including additional investment requirements and pledge to revise Decent Homes Standard. Implications arising from Building & Fire Safety regs. Any implications arising from new damp and mould potential regulations/legislation.	**Total Score: 6** Likelihood: 2 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Assessment of White Paper implications • Assessment of Building and Fire Safety implications • Stock condition surveys undertaken 2020 • Refresh of HRA Business Plan for 2023/24 • Revised Lincoln Decent Homes Standard to be developed • Project team in place and managing insourcing of planned maintenance programme. • Use of collaborative contracts/framework agreements where possible e.g. EMPA • Ensure risk assessments completed for all significant schemes before commencing • Value engineering used to contain project costs • Cost estimates obtained ahead of procurement exercises.

BUDGET RISK ASSESSMENT

13	Housing Benefits/Subsidy	Increase in payments that do not attract 100% subsidy i.e. overpayments and local authority errors Failure to comply with complex legislative requirements Lack of audit trail to substantiate grant claim Backlog of work Pressures from customer demands and complex enquiries due to welfare changes Issues arising from increased use of Bed and Breakfast Accommodation which is capped at LHA levels.	**Total Score: 6** Likelihood: 3 Impact: 2	**Total Score: 9** Likelihood: 3 Impact: 3	• Regular monitoring of claims being processed • Undertake staff training and sample accuracy checks • Ensure system backups are carried out and historic information is recoverable • Continue to lobby/raise awareness with Government of issues arising from use of temporary accommodation and levels of LHA rates. • Close monitoring of temporary accommodation between Housing and Benefits Team. • Links to wider issue around the availability of temporary accommodation within the City and interventions that are being sought.
14	Sundry Debtors and Housing Benefit Overpayments	The Council's existing Bad Debt provision proves insufficient to meet any increase in the value of debts written off.	**Total Score: 6** Likelihood: 3 Impact: 2	**Total Score: 6** Likelihood: 3 Impact: 2	• Follow established debt recovery and write off procedures • Specific monitoring in place for key rentals/leases • Monitor age debt profile of debts against bad debt provision
15	Revenue Savings Targets	The required savings targets are not achieved nor required efficiencies delivered	**Total Score: 4** Likelihood: 2 Impact: 2	**Total Score: 12** Likelihood: 3 Impact: 4	• TFS7 programme developed with timescales agreed. • TFS7 delivery is a priority in Vision 2025, year 3 Annual Delivery Plan

Appendix 5

BUDGET RISK ASSESSMENT

					• Report monthly to Programme Board (CMT) and quarterly to Executive and Performance Scrutiny Committee • Further work to be undertaken to develop programme of reviews beyond 2023/24 and to achieve higher savings targets.
16	Capital Funding	Shortfall in the actual amount of Capital Receipts (i.e. Council House Sales, other HRA assets, GF assets) against the targets set within the HIP & GIP Revenue contributions are not sustainable in the revenue accounts of the HRA or General Fund Increase in borrowing costs (covered in separate risk – see no. 10) Reductions in grant funding (covered in separate risk – see no. 9).	**Total Score: 4** Likelihood: 2 Impact: 2	**Total Score: 9** Likelihood: 3 Impact: 3	• Undertake regular monitoring of the capital receipts position • Capital Receipts targets incorporated in the Capital Strategy • Property Section fully informed of current targets within the GIP & HIP (no specific target set for the GIP) • Review of the most cost-effective funding options (e.g. capital receipts compared to prudential borrowing) • Monitor and report on the revenue and capital budgets together to ensure both capital and revenue impacts are identified • HRA Business plan includes allowance for full funding of capital requirements over 30 years, including revenue contributions. • Maximise where possible housing rent increases to maintain base and ensure resources available for future investment, •
17	Cashflow Management (Investments and short-term borrowing)	Available cash flow surpluses less than anticipated and/or interest rates lower than forecast Reduction in cash flow results in deficits and/or rising interest rates	**Total Score: 3** **Likelihood: 3** **Impact: 1**	**Total Score: 6** Likelihood: 3 Impact: 2	• Monitor the average interest rate being achieved against the budget target and the level of balances available for investment • Actively monitoring the cash flow on a daily basis • Ongoing monitoring of cashflows from Business rates

BUDGET RISK ASSESSMENT

		Impact of major sources of income not being received when expected.			• Quarterly monitoring of Collection Fund forecast balances • Take account of economic analysts and Bank of England predictions and advice from Treasury Management Consultants • Hold regular Treasury Management meetings • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee
18	Government Grants (including RSG, Services Grant, New Homes Bonus, Minimum Funding Guarantee)	Cash reductions in Government Grant which are in excess of the levels assumed in the MTFS	**Total Score: 2** Likelihood: 1 Impact: 1	**Total Score: 3** Likelihood: 3 Impact: 1	• Regular review of grant figures and distribution mechanisms. • Lobby through national groups, respond to national consultations • Work with Association of Lincolnshire Finance Officers and the Society of District Treasures • Budget assumptions assume limited funding beyond 2024/25

Appendix 6

GENERAL FUND EARMARKED RESERVES FORECAST 2022/23 – 2027/28

Description	Balance @ 31.03.23	Balance @ 31.03.24	Balance @ 31.03.25	Balance @ 31.03.26	Balance @ 31.03.27	Balance @ 31.03.28
Carry Forwards	535,200	456,190	395,700	395,700	395,700	395,700
Active Nation Bond	180,000	180,000	180,000	180,000	180,000	180,000
AGP Sinking Fund	102,440	152,440	202,440	252,440	302,440	352,440
Air Quality Initiatives	21,590	27,100	32,610	38,120	43,630	49,140
Birchwood Leisure Centre	85,970	105,970	125,970	145,970	165,970	185,970
Business Rates Volatility	140,110	622,220	622,220	622,220	622,220	622,220
Christmas Decorations	13,870	13,870	13,870	13,870	13,870	13,870
City Hall Sinking Fund	60,460	60,460	60,460	60,460	60,460	60,460
Commons Parking	700	700	700	700	700	700
Corporate Training	60,300	60,300	60,300	60,300	60,300	60,300
Covid-19 Recovery	1,047,230	1047,230	847,230	0	0	0
Covid-19 Response	353,650	353,650	353,650	200,890	0	0
DRF Unused	1,600	1,600	1,600	1,600	1,600	1,600
Electric Van replacement	28,220	32,650	37,080	41,510	45,940	50,370
HiMO CPN Appeals	47,080	47,080	47,080	47,080	47,080	47,080
Grants & Contributions	1,876,400	1,806,730	1,759,400	1,738,950	1,738,950	1,738,950
Income Volatility Reserve	320,000	320,000	320,000	320,000	320,000	320,000
Inflation Volatility Reserve	150,000	150,000	150,000	150,000	150,000	150,000
Invest to Save	100,780	500,780	500,780	500,780	500,780	500,780
IT Reserve	284,070	349,070	414,070	479,070	544,070	609,070
Lincoln Lottery	8,930	8,930	8,930	8,930	8,930	8,930
Mayoral Car	27,100	27,100	27,100	27,100	27,100	27,100
MSCP & Bus Station Sinking Fund	149,210	195,160	242,030	289,840	338,610	388,360
Private Sector Stock Condition Survey	51,460	3,460	15,460	27,460	39,460	51,460
Residents Parking Scheme	0	0	0	0	18,130	83,810
Revenues & Benefits Community Fund	25,450	25,450	25,450	25,450	25,450	25,450
Section 106 interest	31,570	31,570	31,570	31,570	31,570	31,570
Strategic Growth Reserve	5,090	5,090	5,090	5,090	5,090	5,090
Tank Memorial	10,000	10,000	10,000	10,000	10,000	10,000
Tree Risk Assessment	100,140	92,270	83,670	74,570	78,390	78,390
Vision 2025	595,300	432,710	462,060	500,260	543,480	543,480
Western Growth Corridor Planning	49,410	49,410	49,410	49,410	49,410	49,410
TOTAL GENERAL FUND	**6,463,330**	**7,169,190**	**7,085,930**	**6,299,340**	**6,369,330**	**6,641,700**

HOUSING REVENUE ACCOUNT EARMARKED RESERVES FORECAST 2022/23 to 2027/28

Description	Forecast Balance 31.03.23 £	Forecast Balance 31.03.24 £	Forecast Balance 31.03.25 £	Forecast Balance 31.03.26 £	Forecast Balance 31.03.27 £	Forecast Balance 31.03.28 £
Capital Fees Equalisation	110,034	110,034	110,034	110,034	110,034	110,034
De Wint Court Reserve	73,480	73,480	73,480	73,480	73,480	73,480
De Wint Court Sinking Fund	0	10,610	21,540	32,800	44,400	56,350
Disrepairs Management	300,000	300,000	300,000	300,000	300,000	300,000
Housing Business Plan	18,559	18,559	18,559	18,559	18,559	18,559
Housing Repairs Service	125,713	125,713	125,713	125,713	125,713	125,713
HRA IT	0	35,000	70,000	105,000	140,000	175,000
HRA Repairs Account	1,350,645	1,350,645	1,350,645	1,350,645	1,350,645	1,350,645
HRA Strategic Priority Reserve	515,723	515,723	515,723	515,723	515,723	515,723
HRA Invest to Save	162,248	45,028	43,768	43,768	43,768	43,768
RSAP/NSAP Sinking Fund	0	9,000	18,000	27,000	36,000	45,000
Strategic Growth Reserve (WGC)	4,872	4,872	4,872	4,872	4,872	4,872
TOTAL HOUSING REVENUE ACCOUNT	**2,661,275**	**2,598,665**	**2,652,335**	**2,707,595**	**2,763,195**	**2,819,145**

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CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2022/23 £	
GUILDHALL				
ROOM HIRE:				
Guildhall Room Hire Fee	212.00	218.40	**218.40**	
Private & Specialist Tours (Charge per person)				
- Classification 1 (minimum booking of 10 people) *				
Monday to Saturday 60-90 minutes	5.40	5.60	**5.60**	**inc VAT**
Monday to Saturday 120-180 minutes	9.60	9.90	**9.90**	**inc VAT**
- Classification 2 (minimum booking for 15 people)**				
Monday to Sunday 60-90 minutes	8.00	8.20	**8.20**	**inc VAT**
Monday to Sunday 120-180 minutes	8.30	8.60	**8.60**	**inc VAT**
CITY HALL				
ROOM HIRE:				
Charities & organisations with Council representation (per half day)				
- City Hall (Large Committee rooms, 1 and 2)	35.00	37.00	**39.00**	**inc VAT**
- City Hall (Small Committee rooms, 3 and 4)	25.00	26.00	**27.50**	**inc VAT**
Lincs non-profit making organisations (per half day)				
- City Hall (Large Committee rooms, 1 and 2)	60.00	62.00	**65.50**	**inc VAT**
- City Hall (Small Committee rooms, 3 and 4)	35.00	37.00	**39.00**	**inc VAT**
Other users including Government and Court use (per half day)				
- City Hall (Large Committee rooms, 1 and 2)	140.00	145.00	**152.50**	**inc VAT**
- City Hall (Small Committee rooms, 3 and 4)	95.00	98.00	**103.00**	**inc VAT**
Supplement for evening use	50%	50%	**50%**	
Drinks (per delegate per half day)	2.60	3.00	**3.20**	**inc VAT**
Cancellation Fee	10.00	12.00	**12.50**	
COMMITTEE SERVICES				
- Supplying a copy of or extract from a document (excluding site plans or planning decision notices) (plus postage)	8.00	8.20	**8.60**	**inc VAT**
- Council Summons (per year) (Incl postage & packing)	202.80	-	**-**	

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

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2022/23 £	
ELECTORAL SERVICES				
STATUTORY:				
Public Sales				
- Sale of Electoral Register per 1000 names, or part (plus cost postage & packing)				
Paper copy				
- initial fee	10.00	10.00	**10.00**	
- per 1000 names, or part	5.00	5.00	**5.00**	
Data				
- initial fee	20.00	20.00	**20.00**	
- per 1000 names, or part	1.50	1.50	**1.50**	
- Sale of Marked Register per 1000 names, or part (plus cost postage & packing)				
Paper copy				
- initial fee		10.00	**10.00**	
- per 1000 names, or part		2.00	**2.00**	
Data				
- initial fee		10.00	**10.00**	
- per 1000 names, or part		1.00	**1.00**	
- Copies of Candidate's Expenses (per side)	0.20	0.20	**0.20**	
NON-STATUTORY:				
- Postage & Packing of Register of Electors	23.20	-	**-**	
- Hire of Ballot Boxes	9.40	-	**-**	**inc VAT**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	**CURRENT 2022/23 £**	**PROPOSED 2022/23 £**	

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

HACKNEY CARRIAGES

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2022/23 £	
- Vehicle Licence/Renewal (one year)	137.00	137.00	**149.00**	
- Plates Deposit (refundable)	13.00	13.00	**13.00**	
- Replacement Plate(s)	16.00	16.00	**20.00**	
-Test Certificate admin fee	17.00	17.00	**19.00**	
- Change of Vehicle/HV/Reg	70.00	70.00	**75.00**	
-Change of Owner (Previously in above)	46.00	46.00	**51.00**	
- Driver Licence (one year)	129.00	129.00	**139.00**	
- Driver Licence (three year)	229.00	229.00	**257.00**	
- Drivers Knowledge Test	37.00	37.00	**41.00**	
-DBS check (enhanced)	40.00	40.00	**Recharged at cost**	
-DBS check (standard)	23.00	23.00	**Recharged at cost**	
-DVLA Check	3.00	3.00	**Recharged at cost**	**plus VAT**
-DVLA Check - (Non UK driving licences)	15.00	15.00	**Recharged at cost**	**plus VAT**
- Badge Deposit (refundable)	6.00	6.00	**6.00**	
- Badge Replacement (previously in above)	8.00	8.00	**15.00**	

PRIVATE HIRE

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2022/23 £	
- Vehicle Licence/Renewal (one year)	113.00	113.00	**122.00**	
- Plates Deposit (refundable)	13.00	13.00	**13.00**	
- Replacement Plate(s)	16.00	16.00	**20.00**	
-Test Certificate admin fee	17.00	17.00	**19.00**	
- Change of Vehicle/Operator/HV/Reg	70.00	70.00	**75.00**	
-Change of Owner (Previously in above)	46.00	46.00	**51.00**	
- Driver Licence (one year)	95.00	95.00	**106.00**	
- Driver Licence (three year)	195.00	195.00	**228.00**	
- Drivers Knowledge Test	37.00	37.00	**41.00**	
-DBS check (enhanced)	40.00	40.00	**Recharged at cost**	
-DBS check (standard)	23.00	23.00	**Recharged at cost**	
-DVLA Check	3.00	3.00	**Recharged at cost**	**plus VAT**
-DVLA Check - (Non UK driving licences)	15.00	15.00	**Recharged at cost**	**plus VAT**
- Badge Deposit (refundable)	6.00	6.00	**6.00**	
- Badge Replacement (previously in above)	8.00	8.00	**15.00**	
- Operators Licence (five years) 10 Vehicles or More	1,071.00	1,071.00	**1,171.00**	
- Operators Licence (five years) less than 10 Vehicles	347.00	347.00	**381.00**	

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2022/23 £	
LICENCES AND CERTIFICATES				
Dangerous Wild Animals	488.00	488.00	**523.00**	
Dangerous Wild Animals Renewal	201.00	201.00	**220.00**	
Horse Registration Fee	62.00	62.00	**68.00**	
Sex Establishment New Licence Application Fee	504.00	504.00	**539.00**	
Sex Establishment New Licence Issue Fee	209.00	209.00	**229.00**	
Sex Establishment Renewal Application Fee	201.00	201.00	**220.00**	
Sex Establishment Renewal Issue Fee	186.00	186.00	**203.00**	
Sex Establishment Transfer Application Fee	85.00	85.00	**93.00**	
Sex Establishment Transfer Issue Fee	201.00	201.00	**220.00**	
Sex Establishment Variation Application Fee	349.00	349.00	**370.00**	
Sex Establishment Variation Issue Fee	31.00	31.00	**34.00**	
STREET TRADING				
Street Trading Consent - Initial Applicaction				
- Initial Administration Fee	318.00	318.00	**336.00**	
- Initial Annual Consent Fee	31.00	31.00	**34.00**	
Renewal Consent Fee				
- Renewable Annual Administation Fee	31.00	31.00	**34.00**	
- Renewable Annual Consent Fee	31.00	31.00	**34.00**	
ANIMAL ACTIVITIES LICENCE				
Animal Activities Licence	300.00	300.00	**315.00**	plus Vet Fees
Request Re-Inspection for Star Review	130.00	130.00	**137.00**	
Requesting Variation of the Licence	118.00	118.00	**124.00**	
Performing Animals Licence*	255.00	255.00	**268.00**	plus Vet Fees

* 10% Discount for Charities

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2022/23 £
LICENCES AND CERTIFICATES			
Scrap Metal Dealers & Motor Salvage Operators			
New Application	948.00	948.00	**1,016.00**
Site Renewal	743.00	743.00	**813.00**
Collectors Licence	271.00	271.00	**288.00**
Variations			
- Add New Site Manager (Existing within LA area)	10.50	10.50	**10.50**
- Add New Site Manager (Not Existing within LA area	69.00	69.00	**69.00**
- Remove Site Manager (Existing within LA area)	10.50	10.50	**10.50**
- Duplicate Licence	10.50	10.50	**10.50**
- Change of Trading Name	10.50	10.50	**10.50**
Remove a Site			
- Refund In Year 1**	284.00	284.00	**313.00**
- Refund In Year 2**	129.00	129.00	**144.00**
- In Year 3	15.00	15.00	**15.00**
Add a Site			
- In Year 1	511.00	511.00	**542.00**
- In Year 2	344.00	344.00	**372.00**
- In Year 3	201.00	201.00	**203.00**
Collectors Licence to Site Licence			
- In Year 1	630.00	630.00	**688.00**
- In Year 2	497.00	497.00	**535.00**
- In Year 3	351.00	351.00	**383.00**
Site Licence to Collectors Licence			
- Refund In Year 1**	13.00	13.00	**25.00**
- In Year 2**	142.00	142.00	**144.00**
- In Year 3	271.00	271.00	**288.00**
Surrender Collectors Licence			
- Refund In Year 1**	124.00	124.00	**135.00**
- Refund In Year 2**	62.00	62.00	**68.00**

**** This is a Refund**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2022/23 £
LICENCES AND CERTIFICATES			
Premises Licence - Grant/Variation (Not change of name/address or premises supervisor)			
- NDRV £0 - £4,300	100.00	100.00	**100.00**
- NDRV £4,301 - £33,000	190.00	190.00	**190.00**
- NDRV £33,001 - £87,000	315.00	315.00	**315.00**
- NDRV £87,001 - £125,000	450.00	450.00	**450.00**
- NDRV £125,001 and over	635.00	635.00	**635.00**
Premises Licence - Annual			
- NDRV £0 - £4,300	70.00	70.00	**70.00**
- NDRV £4,301 - £33,000	180.00	180.00	**180.00**
- NDRV £33,001 - £87,000	295.00	295.00	**295.00**
- NDRV £87,001 - £125,000	320.00	320.00	**320.00**
- NDRV £125,001 and over	350.00	350.00	**350.00**
Premises Licence - Variation Fee in Transition			
- NDRV £0 - £4,300	20.00	20.00	**20.00**
- NDRV £4,301 - £33,000	60.00	60.00	**60.00**
- NDRV £33,001 - £87,000	80.00	80.00	**80.00**
- NDRV £87,001 - £125,000	100.00	100.00	**100.00**
- NDRV £125,001 and over	120.00	120.00	**120.00**
For premises used exclusively or primarily in the business of selling alcohol for consumption on the premises and within bands D & E - the following multiplier applies - Band D x 2, Band E x 3			
Premises Licence - Grant/Variation (Not change of name/address or premises supervisor)			
- NDRV £87,001 - £125,000	900.00	900.00	**900.00**
- NDRV £125,001 and over	1,905.00	1,905.00	**1,905.00**
Premises Licence - Annual			
- NDRV £87,001 - £125,000	640.00	640.00	**640.00**
- NDRV £125,001 and over	1,050.00	1,050.00	**1,050.00**
Club Premises Certificates -Grant/Variation (Not change of name, alteration of club rules or registered address)			
- NDRV £0 - £4,300	100.00	100.00	**100.00**
- NDRV £4,301 - £33,000	190.00	190.00	**190.00**
- NDRV £33,001 - £87,000	315.00	315.00	**315.00**
- NDRV £87,001 - £125,000	450.00	450.00	**450.00**
- NDRV £125,001 and over	635.00	635.00	**635.00**
Club Premises Certificates - Annual			
- NDRV £0 - £4,300	70.00	70.00	**70.00**
- NDRV £4,301 - £33,000	180.00	180.00	**180.00**
- NDRV £33,001 - £87,000	295.00	295.00	**295.00**
- NDRV £87,001 - £125,000	320.00	320.00	**320.00**
- NDRV £125,001 and over	350.00	350.00	**350.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2022/23 £
LICENCES AND CERTIFICATES			
Copy of Licence/Certificate/Notice or Summary on theft or loss of:			
- Premises Licence or Summary	10.50	10.50	**10.50**
- Club Premises Certificate or Summary	10.50	10.50	**10.50**
- Personal Licence	10.50	10.50	**10.50**
- Temporary Events Notice	10.50	10.50	**10.50**
Change of name or address			
- Holder of Premises Licence	10.50	10.50	**10.50**
- Personal Licence	10.50	10.50	**10.50**
Change of name or alteration to club rules	10.50	10.50	**10.50**
Change of relevant registered address of club	10.50	10.50	**10.50**
Vary specific individual as premises supervisor	23.00	23.00	**23.00**
Transfer Premises Licence	23.00	23.00	**23.00**
Interim Authority Notice	23.00	23.00	**23.00**
Provisional Statement	315.00	315.00	**315.00**
Temporary Events Notice	21.00	21.00	**21.00**
Personal Licences			
- Grant/Renewal	37.00	37.00	**37.00**
Minor Variation of a Premises Licence/Club Premises Certificate	89.00	89.00	**89.00**
Notification of Interest	21.00	21.00	**21.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2022/23 £
GAMBLING ACT - PERMIT FEES			
FEC Gaming Machine -			
- Application Fee	300.00	300.00	**300.00**
- Renwal Fee	300.00	300.00	**300.00**
Prize Gaming -			
- Application Fee	300.00	300.00	**300.00**
- Renewal Fee	300.00	300.00	**300.00**
Alcohol Licences Premises - Notification of less than 2 Machines			
- Application Fee	50.00	50.00	**50.00**
Alcohol Licences Premises - More than 2 Machines			
- Application Fee	150.00	150.00	**150.00**
- Annual Fee	50.00	50.00	**50.00**
- Transitional Application Fee	100.00	100.00	**100.00**
Club Gaming Permit -			
- Application Fee	200.00	200.00	**200.00**
- Annual Fee	50.00	50.00	**50.00**
- Renewal Fee	200.00	200.00	**200.00**
- Transitional Application Fee	100.00	100.00	**100.00**
Club Gaming Machine Permit -			
- Application Fee	200.00	200.00	**200.00**
- Annual Fee	50.00	50.00	**50.00**
- Renewal Fee	200.00	200.00	**200.00**
- Transitional Application Fee	100.00	100.00	**100.00**
Club Fast-track for Gaming Permit or Gaming Machine Permit -			
- Application Fee	100.00	100.00	**100.00**
- Annual Fee	50.00	50.00	**50.00**
- Renewal Fee	100.00	100.00	**100.00**
- Transitional Application Fee			
Small Society Lottery Registration -			
- Application Fee	40.00	40.00	**40.00**
- Annual Fee	20.00	20.00	**20.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2022/23 £
GAMBLING ACT - PERMIT FEES cont.			
FEC Permits -			
- Change of Name	25.00	25.00	**25.00**
- Copy of Permit	15.00	15.00	**15.00**
Prize Gaming Permits -			
- Change of Name	25.00	25.00	**25.00**
- Copy of Permit	15.00	15.00	**15.00**
Alcohol Licences Premises - Notification of More than 2 Machines -			
- Change of Name	25.00	25.00	**25.00**
- Copy of permit	15.00	15.00	**15.00**
- Variation	100.00	100.00	**100.00**
- Transfer	25.00	25.00	**25.00**
Club Gaming Permit -			
- Copy of Permit	15.00	15.00	**15.00**
- Variation	100.00	100.00	**100.00**
Club Gaming Machine Permit			
- Copy of Permit	15.00	15.00	**15.00**
- Variation	100.00	100.00	**100.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2022/23 £
GAMBLING ACT - APPLICATION FEES			
Classes of Premises Licence -			
Regional Casino Premises Licence -			
- Application Fee in respect of Provisional statement premises	8,000.00	8,000.00	**8,000.00**
- Fee in respect of other premises	15,000.00	15,000.00	**15,000.00**
- Annual Fee	15,000.00	15,000.00	**15,000.00**
- Application to vary licence	7,500.00	7,500.00	**7,500.00**
- Application to transfer a licence	6,500.00	6,500.00	**6,500.00**
- Application for reinstatement of a licence	6,500.00	6,500.00	**6,500.00**
- Application for provisional statement	15,000.00	15,000.00	**15,000.00**
Large Casino Premises Licence -			
- Application Fee in respect of Provisional statement premises	5,000.00	5,000.00	**5,000.00**
- Fee in respect of other premises	10,000.00	10,000.00	**10,000.00**
- Annual Fee	10,000.00	10,000.00	**10,000.00**
- Application to vary licence	5,000.00	5,000.00	**5,000.00**
- Application to transfer a licence	2,150.00	2,150.00	**2,150.00**
- Application for reinstatement of a licence	2,150.00	2,150.00	**2,150.00**
- Application for provisional statement	10,000.00	10,000.00	**10,000.00**
Small Casino Premises Licence -			
- Application Fee in respect of Provisional statement premises	3,000.00	3,000.00	**3,000.00**
- Fee in respect of other premises	8,000.00	8,000.00	**8,000.00**
- Annual Fee	5,000.00	5,000.00	**5,000.00**
- Application to vary licence	4,000.00	4,000.00	**4,000.00**
- Application to transfer a licence	1,800.00	1,800.00	**1,800.00**
- Application for reinstatement of a licence	1,800.00	1,800.00	**1,800.00**
- Application for provisional statement	8,000.00	8,000.00	**8,000.00**
Converted Casino premises licence -			
- Annual Fee	3,000.00	3,000.00	**3,000.00**
- Application to vary licence	2,000.00	2,000.00	**2,000.00**
- Application to transfer a licence	1,350.00	1,350.00	**1,350.00**
- Application for reinstatement of a licence	1,350.00	1,350.00	**1,350.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2022/23 £
GAMBLING ACT - APPLICATION FEES			
Bingo Premises Licence -			
- Application Fee in respect of Provisional statement premises	1,200.00	1,200.00	**1,200.00**
- Fee in respect of other premises	3,500.00	3,500.00	**3,500.00**
- Annual Fee	1,000.00	1,000.00	**1,000.00**
- Application to vary licence	1,750.00	1,750.00	**1,750.00**
- Application to transfer a licence	1,200.00	1,200.00	**1,200.00**
- Application for reinstatement of a licence	1,200.00	1,200.00	**1,200.00**
- Application for provisional statement	3,500.00	3,500.00	**3,500.00**
Adult Gaming centre Premises Licence -			
- Application Fee in respect of Provisional statement premises	1,200.00	1,200.00	**1,200.00**
- Fee in respect of other premises	2,000.00	2,000.00	**2,000.00**
- Annual Fee	1,000.00	1,000.00	**1,000.00**
- Application to vary licence	1,000.00	1,000.00	**1,000.00**
- Application to transfer a licence	1,200.00	1,200.00	**1,200.00**
- Application for reinstatement of a licence	1,200.00	1,200.00	**1,200.00**
- Application for provisional statement	2,000.00	2,000.00	**2,000.00**
Betting premises (track) Licence -			
- Application Fee in respect of Provisional statement premises	950.00	950.00	**950.00**
- Fee in respect of other premises	2,500.00	2,500.00	**2,500.00**
- Annual Fee	1,000.00	1,000.00	**1,000.00**
- Application to vary licence	1,250.00	1,250.00	**1,250.00**
- Application to transfer a licence	950.00	950.00	**950.00**
- Application for reinstatement of a licence	950.00	950.00	**950.00**
- Application for provisional statement	2,500.00	2,500.00	**2,500.00**
Family Entertainment centre premises licence:			
- Application Fee in respect of Provisional statement premises	950.00	950.00	**950.00**
- Fee in respect of other premises	2,000.00	2,000.00	**2,000.00**
- Annual Fee	750.00	750.00	**750.00**
- Application to vary licence	1,000.00	1,000.00	**1,000.00**
- Application to transfer a licence	950.00	950.00	**950.00**
- Application for reinstatement of a licence	950.00	950.00	**950.00**
- Application for provisional statement	2,000.00	2,000.00	**2,000.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2021/22 £	**CURRENT 2022/23 £**	**PROPOSED 2022/23 £**
GAMBLING ACT - APPLICATION FEES			
Betting premises (other) Licence			
- Application Fee in respect of Provisional statement premises	1,200.00	1,200.00	**1,200.00**
- Fee in respect of other premises	3,000.00	3,000.00	**3,000.00**
- Annual Fee	600.00	600.00	**600.00**
- Application to vary licence	1,500.00	1,500.00	**1,500.00**
- Application to transfer a licence	1,200.00	1,200.00	**1,200.00**
- Application for reinstatement of a licence	1,200.00	1,200.00	**1,200.00**
- Application for provisional statement	3,000.00	3,000.00	**3,000.00**
Change of Circumstance fee	50.00	50.00	**50.00**
Copy of Licence Fee	25.00	25.00	**25.00**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2023/24 £	
INTERMENTS				
Child up to sixteen years	No Charge	No Charge	**No Charge**	
Person over sixteen years	1,175.00	1,210.00	**1,270.00**	
Preparation for Exhumation	2,195.00	2,260.00	**2,375.00**	
Grave Purchase (50 Year Lease)**	1,145.00	1,180.00	**1,240.00**	
Grave Purchase (Baby)	300.00	310.00	**325.00**	
Interments of cremated remains:				
- From Lincoln Crematorium*	88.00	90.00	**95.00**	
- From Other Crematorium*	120.00	125.00	**135.00**	
Preparation for Exhumation of Ashes	310.00	320.00	**340.00**	
Cremation Plot Purchase	300.00	310.00	**320.00**	
Body Parts/blocks/slides*	76.00	78.00	**82.00**	
50% Discount for City of Lincoln Residents (Excluding those marked with *)				
**Fee is non-transferable to anyone other than the purchasee/designated person.				
If the intention is to transfer onto a non-city resident then charge will be doubled.				
MONUMENTS, GRAVE STONES, TABLETS & INSCRIPTIONS				
Monumental Mason Headstone	118.00	120.00	**125.00**	**inc VAT**
MISCELLANEOUS				
Levelling and re-turfing of graves	50.00	51.00	**54.00**	**inc VAT**
Burial records search fee where appropriate	6.00	6.00	**7.00**	**inc VAT**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2023/24 £
INTERMENTS			
Child up to sixteen years	No Charge	No Charge	**No Charge**
Person over sixteen years			
- Resident	760.00	780.00	**820.00**
- Non-resident	1,520.00	1,560.00	**1,640.00**
Interments of cremated remains			
- From Lincoln Crematorium *	105.00	110.00	**115.00**
- From Other Crematorium *	130.00	135.00	**145.00**
PURCHASE OF GRAVE PLOT			
Grave Purchase (50 Year Lease) **			
- Resident	660.00	680.00	**715.00**
- Non-resident	1,320.00	1,360.00	**1,430.00**
Grave Purchase (Baby)			
- Resident	160.00	165.00	**175.00**
- Non-resident	320.00	330.00	**350.00**
Cremation Plot Purchase			
- Resident	160.00	165.00	**175.00**
- Non-resident	320.00	330.00	**350.00**

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

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 01/04/22 - 30/11/22 £	CURRENT 2022/23 01/12/22 - 31/03/23 £	PROPOSED 2023/24 £	
CREMATION FEES					
Body Parts/Slides/Blocks	83.00	85.00	95.00	**98.00**	
Child up to sixteen years	No Charge	No Charge	No Charge	**No Charge**	
Person over sixteen years	805.00	830.00	935.00	**960.00**	
(Fee inclusive of Urn, Medical Refs Fee & Cremation Certificate)					
Charge for non-city residents :					
Person over sixteen years	805.00	830.00	935.00	**960.00**	
(Fee inclusive of Urn, Medical Refs Fee & Cremation Certificate)					
Service Extension (20 min period)	185.00	190.00	215.00	**220.00**	
MEMORIALS AND INSCRIPTIONS					
Book of Remembrance					
2 Lines	100.00	105.00	105.00	**115.00**	**inc VAT**
5 Lines	131.00	135.00	135.00	**145.00**	**inc VAT**
8 Lines	160.00	165.00	165.00	**175.00**	**inc VAT**
Miniature Books					
2 Lines	110.00	115.00	115.00	**125.00**	**inc VAT**
5 Lines	120.00	125.00	125.00	**135.00**	**inc VAT**
8 lines	135.00	140.00	140.00	**150.00**	**inc VAT**
Remembrance cards					
2 Lines	67.00	70.00	70.00	**75.00**	**inc VAT**
5 Lines	77.00	80.00	80.00	**85.00**	**inc VAT**
8 Lines	93.00	95.00	95.00	**100.00**	**inc VAT**
Additional lines to existing books and cards per line	19.00	19.60	19.60	**20.00**	**inc VAT**
MISCELLANEOUS CHARGES					
- Caskets	57.00	59.00	59.00	**62.00**	
- Extract from Register of Cremations	12.00	12.00	12.00	**13.00**	
Memorial Service (when space available)	370.00	380.00	380.00	**400.00**	
DEPOSIT OF ASHES					
- Temporary deposit of ashes per month after one month	15.00	16.00	16.00	**17.00**	
- For burying of ashes in Garden of Remembrance where cremation carried out at other crematorium	95.00	100.00	100.00	**105.00**	**inc VAT**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	**CURRENT 2022/23 £**	**PROPOSED 2023/24 £**	
MEMORIAL GARDEN				
Wall Tablet (10 year lease)	241.66	250.00	**262.50**	**plus VAT**
Bench Tablet (10 year lease)	333.33	341.67	**358.34**	**plus VAT**
Kerb Tablet (10 year lease)	358.33	366.67	**383.34**	**plus VAT**
Vault Tablet (20 year lease)	800.00	816.67	**858.34**	**plus VAT**
Designer images on plaques - from	120.83	125.00	**133.34**	**plus VAT**
Ceramic Photo Plaques				
4cm x 3cm	112.50	116.67	**125.00**	**plus VAT**
7cm x 5cm	154.17	158.33	**166.67**	**plus VAT**
Renewal of Wall Tablet (10 year lease)		150.00	**158.34**	**plus VAT**
Renewal of Bench Tablet (10 year lease)		233.33	**245.84**	**plus VAT**
Renewal of Kerb Tablet (10 year lease)		250.00	**262.50**	**plus VAT**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2023/24 £	
BREAVEMENT SERVICES				
Witnessed burial in the Garden of Remembrance	31.00	32.00	**35.00**	
Direct Cremation Service	480.00	495.00	**520.00**	
Change of fees for a memorial permit to make it a clear price	118.00	120.00	**125.00**	
WESLEY SYSTEM				
Audio recording supplied on CD - 1st Copy	60.00	62.00	**65.00**	**inc VAT**
Audio recording supplied on CD - subsequent copies	29.00	30.00	**32.00**	**inc VAT**
Video recording supplied on DVD - 1st copy	60.00	62.00	**65.00**	**inc VAT**
Video recording supplied on DVD - subsequent copies	29.00	30.00	**32.00**	**inc VAT**
Video recording supplied on download		30.00	**30.00**	**inc VAT**
VISUAL TRIBUTES				
Visual tribute - 1 photograph	25.00	26.00	**27.00**	**inc VAT**
Visual tribute - 2-5 photographs	35.00	36.00	**38.00**	**inc VAT**
Visual tribute - 6-10 photographs	46.00	47.00	**50.00**	**inc VAT**
Visual tribute – 10+ photographs subsequent per photograph)	3.00	3.00	**3.00**	**inc VAT**
Video tribute - up to 2 minutes	35.00	36.00	**38.00**	**inc VAT**
Video tribute - over 2 minutes to 5 minutes	46.00	47.00	**50.00**	**inc VAT**
DVD containing the tribute - 1st copy	35.00	36.00	**38.00**	**inc VAT**
DVD containing the tribute - subsequent copies	29.00	30.00	**32.00**	**inc VAT**
Tribute embedded into video of the service	80.00	82.00	**86.00**	**inc VAT**
WEBCASTING				
Webcasting of Service	60.00	62.00	**65.00**	**inc VAT**
MEMORIAL TREE				
Memorial Leaf (Name Only)*	155.00	162.50	**170.84**	**plus VAT**
Memorial Leaf (Name & Inscription)*	180.00	187.50	**195.84**	**plus VAT**

*Subject to a 10 year lease

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2023/24 £
LICENCES, CERTIFICATES AND AUTHORISATIONS			
Food Certificates			
- Condemned food	44.10	45.40	**48.50**
(No charge for single items)			
- Consignments for Export	77.70	80.00	**85.50**
Authorisations *- Prescribed Processes (All subject to notification by DEFRA) :			
- Application Fees			
- Standard	1,579.00	1,579.00	**1,579.00**
- Additional Fee for Operating without a Permit	1,137.00	1,137.00	**1,137.00**
- PVRI, SWOB's and Dry Cleaners	148.00	148.00	**148.00**
- PVR Combinded I & II	246.00	246.00	**246.00**
- VR & other Reduced Fee Activities	346.00	346.00	**346.00**
- RFA Additional Fee for no Permit	68.00	68.00	**68.00**
- Mobile Plant **	1,579.00	1,579.00	**1,579.00**
- for 3rd to 7th Applications	943.00	943.00	**943.00**
- for 8th & Subsequent Applications	477.00	477.00	**477.00**
Where an Application for any of the above is for a combined Part B and Waste Application add extra £297 to Amount shown			
- Subsistence charges			
- Standard - Low	739.00	739.00	**739.00**
- Standard - Med	1,111.00	1,111.00	**1,111.00**
- Standard - High	1,672.00	1,672.00	**1,672.00**
- PVRI, SWOB's and Dry Cleaners Low	76.00	76.00	**76.00**
- PVRI, SWOB's and Dry Cleaners Med	151.00	151.00	**151.00**
- PVRI, SWOB's and Dry Cleaners High	227.00	227.00	**227.00**
- PVR I & II Combined Low	108.00	108.00	**108.00**
- PVR I & II Combined Med	216.00	216.00	**216.00**
- PVR I & II Combined High	326.00	326.00	**326.00**
- VRs & other Reduced Fees Low	218.00	218.00	**218.00**
- VRs & other Reduced Fees Med	349.00	349.00	**349.00**
- VRs & other Reduced Fees High	524.00	524.00	**524.00**
- Mobile Plants for 1st & 2nd Permits Low **	618.00	618.00	**618.00**
- Mobile Plants for 1st & 2nd Permits Med **	989.00	989.00	**989.00**
- Mobile Plants for 1st & 2nd Permits High **	1,484.00	1,484.00	**1,484.00**
- For the 3rd to 7th Permits Low	368.00	368.00	**368.00**
- For the 3rd to 7th Permits Med	590.00	590.00	**590.00**
- For the 3rd to 7th Permits High	884.00	884.00	**884.00**
- For the 8th and Subsequent Permits Low	189.00	189.00	**189.00**
- For the 8th and Subsequent Permits Med	302.00	302.00	**302.00**
- For the 8th and Subsequent Permits High	453.00	453.00	**453.00**
- Late Payment Fee	50.00	50.00	**50.00**

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

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2023/24 £	
LICENCES, CERTIFICATES AND AUTHORISATIONS				
- Transfer & Surrender				
- Standard Process Transfer	162.00	162.00	**162.00**	
- Standard Process Partial Transfer	476.00	476.00	**476.00**	
- New Operator - Low risk Fee	75.00	75.00	**75.00**	
- Reduced Fee Activities Partial Transfer	45.00	45.00	**45.00**	
- Temporary Transfer for Mobiles				
- First Transfer	51.00	51.00	**51.00**	
- Repeat following Enforcement or Warning	51.00	51.00	**51.00**	
- Substantial Change				
- Standard Process	1,005.00	1,005.00	**1,005.00**	
- Standard Process where result in a new PPC Activity	1,579.00	1,579.00	**1,579.00**	
- Reduced Fee Activities	98.00	98.00	**98.00**	
Local Government Misc Provisions- Skin Piercers (including Tattooing & Acupuncture)				
- Premises	169.90	175.00	**187.30**	
- Persons	32.60	34.00	**36.50**	
Re-issue of Skin Piercers Registration Certificate	15.50	16.00	**30.00**	

* 10% discount for registered charities

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2023/24 £	
PUBLIC CONVENIENICES				
Castle Hill	0.20	0.20	**0.20**	
Tentercroft Street	0.20	0.20	**0.20**	
Westgate	0.20	0.20	**0.20**	
Bus Station	0.20	0.20	**0.20**	
Lucy Tower	0.20	0.20	**0.20**	
E-Access Card	5.00	5.00	**5.00**	**inc VAT**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2023/24 £	
Dogs :				
- Penalty for Strays *(Set by EPA & charged on 2nd continuing offence.)	25.00	25.00	**25.00**	
- Housing of Strays (Kennel fee per day) (Cost + Handling Charge)	12.80	13.20	**13.90**	**inc VAT**
- Acceptance of, for Destruction	85.90	88.50	**93.00**	
OTHER				
Provision of Information				
- Photograph (Each additional photo £1.30)	14.40	14.80	**15.80**	**inc VAT**
- Documents	13.10	13.50	**14.50**	**inc VAT**
- Factual Statement & Report of Investigations	143.50	147.80	**158.00**	**inc VAT**
- Food Safety Act Register (25 entries or part)	5.00	5.20	**5.50**	**inc VAT**
- Information on Former Use of Land (Charge per hour, or part thereof)	87.40	90.00	**94.50**	
- Provision of Information - Outstanding Notices Administration Charge	43.70	45.00	**47.30**	
- Default Works (incl Intruder Alarm Disconnection)	Cost + 10%	Cost + 10%	**Cost + 10%**	
Safer Food Better Business Management System	6.70	7.00	**10.00**	
Safer Food Better Business Daily Diary	4.70	5.00	**7.00**	
Re-inspection of Food Business	155.00	160.00	**171.50**	
- Graffiti Busting per hour	45.00	46.40	**48.70**	**plus VAT**

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

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2023/24 £	
ENFORCEMENT OFFICER				
Fixed Penalty Notices				
- Littering*	75.00	75.00	**75.00**	
- Dog Fouling	50.00	50.00	**50.00**	
- Breach of Community Protection*	75.00	75.00	**75.00**	
- Breach of a Public Space Protection Order*	75.00	75.00	**75.00**	
- Breach of S46 Notice (Presentation of Waste)*	75.00	75.00	**75.00**	
*** Discount of £25 given if paid within 10 days of receiving the fine**				
GREEN WASTE				
Green Waste Bin Collection				
- Annual Fee	39.00	39.00	**39.00**	
- Additional Bin	15.00	15.00	**15.00**	
- Delivery Fee	15.00	15.00	**15.00**	
DEVELOPER BIN CHARGES				
Charges per bin				
- 140 Litre Bin	22.70	23.40	**24.60**	**plus VAT**
- 240 Litre Bin	26.80	27.60	**29.00**	**plus VAT**
- Communal Bin (Usually 660l or 1100l)	153.50	158.10	**166.00**	**plus VAT**
- Delivery Charge	10.30	10.60	**11.10**	**plus VAT**
Admin Charge		**10% of total charge**	**10% of total charge**	

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HOUSING- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/23 £	CURRENT 2022/23 £	PROPOSED 2023/24 £	
HOUSING ADVANCES				
- Second mortgage enquiry fee	107.50	110.70	**116.20**	**inc VAT**
- Transfer of mortgage fee	160.00	164.80	**173.00**	
- Business rate enquiry fee	34.80	35.80	**37.60**	
- Council Tax enquiry fee	27.50	28.30	**29.70**	
- Right to Buy leaseholders repair loan	208.70	215.00	**225.80**	
HOUSES IN MULTIPLE OCCUPATION				
Premises Licence Fee*				
- Basic (up to 5 Bedrooms)	900.00	927.00	**973.00**	
- 6 to 10 Bedrooms	Basic + 10%	Basic + 10%	**Basic + 10%**	
- 11 to 15 Bedrooms	Basic + 20%	Basic + 20%	**Basic + 20%**	
- 16 to 20 Bedrooms	Basic + 30%	Basic + 30%	**Basic + 30%**	
- For every 5, or part thereof, over 20	Additional 10%	Additional 10%	**Additional 10%**	
Variation to Licence				
Trusted Landlord Scheme Discount (must be accredited on the date of the completed application)	**35% of Basic**	**35% of Basic**	**100.00**	

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

GARAGES				
Garage transfer fees	22.60	23.30	**24.50**	**inc VAT**
Garage sites	80.00	82.40	**86.50**	**inc VAT**
Garage access fees	80.00	82.40	**86.50**	**inc VAT**

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

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

	PREVIOUS 2021/23 £	CURRENT 2022/23 £	PROPOSED 2023/24 £
HOUSING ACT 2004			
Health & Environment Enforcement Policy			
- Charge for enforcement activity	336.63	336.63	**336.63***
* Minimum fine for a 1/2 bedroom property with one hazard identified The charge will vary upwards depending on the number of bedrooms and the number of hazards identified at the property			
- Civil Penalty Notice	30,000.00	30,000.00	**30,000.00***
* Maximum fine of £30,000 - will be dependant on individual circumstances			
- Penalty Charge Notice for Smoke & Carbon Monoxide Alarms	5,000.00	5,000.00	**5,000.00***
* £5,000 for first breach discounted to £2,500 if paid within 14 days. Repeat Breaches £5,000 with no discount for early payment			

HOUSING- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/23 £	**CURRENT 2022/23 £**	**PROPOSED 2023/24 £**	
SUPPORTED HOUSING				
Community Alarms Service	155.00	160.00	**168.00**	
SHELTERED ACCOMMODATION				
Service charges, per rent week (50 weeks) - residents :				
- 1 person flat				
Derek Miller Ct	9.10	9.40	**9.90**	
St.Botolphs	9.10	9.40	**9.90**	
- 2 person flat				
Derek Miller Ct	12.90	13.30	**14.00**	
St.Botolphs	12.90	13.30	**14.00**	
- Electricity				
Derek Miller Court (only)	4.40	4.50	**4.70**	
Service charges, per rent week (50 weeks) - wardens :				
- 2 bed accommodation	10.30	10.60	**11.10**	
- 3 bed accommodation				
Lenton Green	12.50	12.90	**13.60**	
Others	12.30	12.70	**13.30**	
De Wint Court				
- Service charge		88.33	**95.88**	
- Electric (based on sub metered usage)		Variable	**Variable**	
- Water & Heating (based on apportioned variable cost)		Variable	**Variable**	
- Guest Room		25.00	**26.30**	**inc VAT**
Concessionary TV Licences	7.50	7.50	**7.50**	
Next Steps Accommodation Programme (NSAP) – Service Charge		£5,670**	**£5,670****	
Rough Sleeping Accommodation Programme (RSAP) – Service Charge		£5,670**	**£5,670****	
MISCELLANEOUS				
Additional keys for door entry	14.40	14.80	**15.50**	**inc VAT**
Building Society enquiry fees	85.80	88.40	**92.80**	**inc VAT**

****The charge will vary up/down depending on the property value at time of acquitison**

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2023/24 £	
ALLOTMENTS				
Standard rent for allotment				
51 to 100 sq yards	47.70	47.70	50.10	
101 to 150 sq yards	50.40	50.40	52.90	
151 to 200 sq yards	53.30	53.30	56.00	
201 to 250 sq yards	56.10	56.10	58.90	
251 to 300 sq yards	58.70	58.70	61.60	
301 to 350 sq tards	61.50	61.50	64.60	
351 to 400 sq yards	64.70	64.70	67.90	
401 to 450 sq yards	67.20	67.20	70.60	
451 to 500 sq yards	69.90	69.90	73.40	
501 to 550 sq yards	72.80	72.80	76.40	
551 to 600 sq yards	75.50	75.50	79.30	
601 to 650 sq yards	78.30	78.30	82.20	
651 to 700 sq yards	81.50	81.50	85.60	
701 to 750 sq yards	84.00	84.00	88.20	
751 to 800 sq yards	86.60	86.60	90.90	
801 to 850 sq yards	89.60	89.60	94.10	
851 to 900 sq yards	92.40	92.40	97.00	
901to 950 sq yards	95.30	95.30	100.10	
951 to 1000 sq yards	98.00	98.00	102.90	
Water supply to allotment				
- minimum charge	20.90	21.50	22.60	
Garage site				
- Rents and access charge	44.40	45.70	48.10	**inc. VAT**
Discounts				
6 - 10 allotments	10%	10%	**10%**	
11+ allotments	20%	20%	**20%**	
Means tested benefits	50%	50%	**50%**	
Pensioners	0%	-	**-**	

CONDITIONS

***Concessions apply to persons in receipt of a means tested benefit**

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2023/24 £	
ALL CENTRES				
Room Hire (per hour)				
- Main Hall/Weighing Room				
Commercial	20.50	21.00	**22.10**	
Standard	16.40	17.00	**17.90**	
Supported	8.10	9.00	**9.50**	
- Small Meeting Rooms				
Commercial	10.70	11.00	**11.60**	
Standard	6.80	7.00	**7.40**	
Supported	4.00	4.50	**4.70**	
- Large Meeting Rooms				
Commercial	16.90	17.50	**18.40**	
Standard	13.50	14.00	**14.70**	
Supported	7.90	8.50	**8.90**	
Surcharge after 11pm	100%	100%	**100%**	
Projector/Screen Hire				
- Per Hour	5.00	5.00	**5.30**	
- Per day	25.00	25.00	**26.30**	
Service Charge (Caretaker fee)	Cost	Cost	**Cost**	**plus VAT**
Surcharge after 11pm (Caretaker	Cost	Cost	**Cost**	**plus VAT**
Call out recharges	Cost	Cost	**Cost**	**plus VAT**
Additional Cleaning	Cost	Cost	**Cost**	**plus VAT**
Flip chart hire/paper		5.00	**5.00**	
Other Charges				
Activities (per hour)				
- Badminton per court	9.40	10.00	**10.50**	**inc VAT**
- Table Tennis per table	4.00	5.00	**5.30**	**inc VAT**
- Carpet Bowls per carpet	5.80	6.00	**6.30**	**inc VAT**
- Booking Fee**	5.00	5.00	**5.30**	
- Amendment Fee	3.00	3.00	**3.20**	
- PRS	Cost + 50%	Cost + 50%	**Cost + 50%**	**plus VAT**

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

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2023/24 £	
COMMONS				
- Impounding of Horses on City Commons	Contract Price + 15%	Contract Price + 15	**Contract Price + 15%**	**plus VAT**
RECREATION GROUNDS				
- Cricket, pitch and accommodation				
Weekend match				
Adult teams	38.80	41.50	**43.60**	**inc VAT**
Youth teams	22.30	24.00	**25.20**	**inc VAT**
Weekday match (evening)				
Adult teams	26.20	28.00	**29.40**	**inc VAT**
Youth teams	18.80	20.00	**21.00**	**inc VAT**
- Rounders (Per pitch Per match)	Cost	Cost	**Cost**	**plus VAT**

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

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2023/24 £	
RECREATION GROUNDS				
- Football (per pitch)				
Per game with attended changing facilities				
Adult teams	66.00	70.00	**73.50**	**inc VAT**
Youth teams	33.00	35.00	**36.80**	**inc VAT**
Junior Pitches (9v9)			**33.90**	**inc VAT**
Junior Pitches (7v7)	27.60	29.50	**31.00**	**inc VAT**
Mini Pitches (5v5)	16.60	17.50	**18.40**	**inc VAT**
Per game for keyholders (Skellingthorpe Rd and King George's Field)				
Adult teams	55.00	58.50	**61.40**	**inc VAT**
Youth teams	28.60	30.50	**32.00**	**inc VAT**
Junior Pitches	22.00	23.50	**24.70**	**inc VAT**
Per season (16 Bookings**) with attended changing facilities				
Adult teams	495.00	524.50	**550.70**	
Youth teams	242.00	256.50	**269.30**	
Junior Pitches (9v9)			**235.80**	
Junior Pitches (7v7)	181.60	192.50	**202.10**	
Mini Pitches (5v5)	132.00	140.00	**147.00**	
Per season (16 Bookings*) for key holders (Skellingthorpe Rd and King George's Field)				
Adult teams	385.00	408.00	**428.40**	
Youth teams	192.60	204.00	**214.20**	
Junior Pitches (9v9)			**183.80**	
Junior Pitches (7v7)	137.60	146.00	**153.30**	
Mini Pitches (5v5)	82.60	87.50	**91.90**	
Additional Cleaning	Cost	Cost	**Cost**	**plus VAT**

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

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	**CURRENT 2022/23 £**	**PROPOSED 2023/24 £**	
Conference / Meeting Room				
Tenants (Inc Post Box Holders) - **SEE FOOTNOTE BELOW**				
Per Hour	15.50	15.50	**16.30**	**excl VAT**
Per ½ Day	46.40	46.40	**48.70**	**excl VAT**
Per Day	82.40	82.40	**86.50**	**excl VAT**
Non Tenants				
Per Hour	30.90	30.90	**32.50**	**excl VAT**
Per ½ Day	92.70	92.70	**97.30**	**excl VAT**
Per Day	164.80	164.80	**173.00**	**excl VAT**
Projector/Lap Top available at additional cost of £5 per hour or £25 per day				
Faxing (Per Page)				
Inward / Outward	0.50	0.50	**-**	**excl VAT**
Overseas	1.00	1.00	**-**	**excl VAT**
- Laminating				
A4 (Per Sheet)	1.30	1.30	**1.30**	**excl VAT**
A3 (Per Sheet)	2.15	2.15	**2.15**	**excl VAT**
Photocopying (Per Sheet)				
A4 Paper	0.10	0.10	**0.10**	**excl VAT**
A3 Paper	0.15	0.15	**0.15**	**excl VAT**
A4 Paper - Coloured	0.50	0.50	**0.50**	**excl VAT**
A3 Paper - Coloured	1.00	1.00	**1.00**	**excl VAT**
Bulk Copying (50+)				
Own Paper	0.05	0.05	**0.05**	**excl VAT**
Telephone Answering Service				
Monthly Rate	15.00	15.00	**15.80**	**excl VAT**
Price is based on a calendar month and is exclusive to VAT.				
- Virtual Mailbox				
Annual	304.00	304.00	**310.00**	**excl VAT**
Replacement keys				
Unit Key				
Security Access Key	11.50	11.50	**12.00**	**excl VAT**

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2023/24 £	PROPOSED 2023/24 £	
HARTSHOLME COUNTRY PARK					
- Overnight stay, incl use of showers (per night)					
Standard non-electric price for a pitch in the tent only area (apart from backpack tent).					
- High Season *	18.50	19.00	**20.00**	**21.00**	**inc VAT**
- Low Season	16.50	17.00	**18.00**	**20.00**	**inc VAT**
Electric included in pitch price for all other pitches					
Four berth caravan, motorhome or tent and car					
- High Season *	21.00	21.50	**22.50**	**23.50**	**inc VAT**
- Low Season	19.00	19.50	**20.50**	**21.50**	**inc VAT**
Dogs (each per stay)	1.00	1.00	**1.00**	**1.00**	**inc VAT**
Backpack Tent	12.50	13.00	**14.00**	**14.50**	**inc VAT**
Overflow Pitch	10.50	11.00	**12.00**	**13.00**	**inc VAT**
Camping Pod Single Night	40.00	41.00	**42.00**	**43.00**	**inc VAT**
Camping Pod 2 nights or more	35.00	36.00	**37.00**	**38.00**	**inc VAT**
Camping Pod Christmas Market	50.00	50.00	**50.00**	**50.00**	**inc VAT**
Non-refundable deposit - (included within price)					
Bank Holiday Weekends only					
Single night	10.00	10.00	**12.00**	**12.00**	**inc VAT**
Two or more nights	25.00	25.00	**25.00**	**25.00**	**inc VAT**
Full Awning	3.00	3.00	**3.00**	**3.00**	**inc VAT**
Additional Adult	3.00	3.00	**3.00**	**3.00**	**inc VAT**
Additional Car parking	3.00	3.00	**3.00**	**3.00**	**inc VAT**
- Christmas Market period, per pitch *					
Non-refundable deposit - (included within price)					
Two - four nights	25.00	25.00	**25.00**	**25.00**	**inc VAT**
With electric hook-up					
Single night Thur/Fri/Sat	31.00	31.00	**32.50**	**34.00**	**inc VAT**
Five nights	135.00	135.00	**138.00**	**144.00**	**inc VAT**
Single night Wed/Sun	26.00	26.00	**28.00**	**29.00**	**inc VAT**

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

- Activity/Visit (tier 1)					
Per Person	3.50	3.50	**3.70**	**4.00**	**inc VAT**
Group of 30 (can be broken down into £40 per hour)	84.00	86.50	**91.00**	**96.00**	**inc VAT**
- Activity/Visit (tier 2) (Rangers Club per activity)	5.00	5.50	**6.00**	**6.50**	**inc VAT**
- Hire of Activity Box	25.00	26.00	**27.30**	**28.70**	**inc VAT**
- Wreath Making	25.00	26.00	**27.30**	**28.70**	**inc VAT**
- Willow Weaving	25.00	26.00	**27.30**	**28.70**	**inc VAT**
- Meeting Room	10.00	10.50	**11.00**	**11.50**	**inc VAT**

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22	CURRENT 2022/23 01/04/22 - 14/12/22	CURRENT 2022/23 15/12/22 - 31/03/23	PROPOSED 2023/24	
	£	£	£	£	
- Lucy Tower Street					
1 hour	1.80	1.80	2.20	**2.20**	**inc VAT**
2 hours	3.40	3.50	3.90	**3.90**	**inc VAT**
3 hours	5.00	5.00	5.50	**6.00**	**inc VAT**
4 hours	6.40	6.50	6.70	**7.00**	**inc VAT**
Over 4 hours and up to 8am next da	8.50	8.50	9.00	**9.00**	**inc VAT**
Evening Charge	4.00	4.00	4.50	**4.50**	**inc VAT**
- City Hall (Season Tickets Prohibited)					
1 hour	1.80	1.80	2.20	**2.20**	**inc VAT**
2 hours	3.40	3.50	3.90	**3.90**	**inc VAT**
3 hours	5.00	5.00	5.50	**6.00**	**inc VAT**
4 hours	6.40	6.50	6.70	**7.00**	**inc VAT**
Over 4 hours and up to 8am next da	8.50	8.50	9.00	**9.00**	**inc VAT**
Evening Charge	4.00	4.00	4.50	**4.50**	**inc VAT**
- Motherby Lane (Season Tickets Prohibited)					
1 hour	1.80	1.80	2.20	**2.20**	**inc VAT**
2 hours	3.40	3.50	3.90	**3.90**	**inc VAT**
3 hours	5.00	5.00	5.50	**6.00**	**inc VAT**
4 hours	6.40	6.50	6.70	**7.00**	**inc VAT**
Over 4 hours and up to 8am next da	8.50	8.50	9.00	**9.00**	**inc VAT**
Evening Charge	4.00	4.00	4.50	**4.50**	**inc VAT**
- Flaxengate					
1 hour	1.80	1.80	2.20	**2.20**	**inc VAT**
2 hours	3.40	3.50	3.90	**3.90**	**inc VAT**
3 hours	5.00	5.00	5.50	**6.00**	**inc VAT**
4 hours	6.40	6.50	6.70	**7.00**	**inc VAT**
Over 4 hours and up to 8am next da	8.50	8.50	9.00	**9.00**	**inc VAT**
Evening Charge	4.00	4.00	4.50	**4.50**	**inc VAT**
- Tentercroft Street					
1 hour	1.80	1.80	2.20	**2.20**	**inc VAT**
2 hours	3.40	3.50	3.90	**3.90**	**inc VAT**
3 hours	5.00	5.00	5.50	**6.00**	**inc VAT**
4 hours	6.40	6.50	6.70	**7.00**	**inc VAT**
Over 4 hours and up to 8am next da	8.50	8.50	9.00	**9.00**	**inc VAT**
Evening Charge	4.00	4.00	4.50	**4.50**	**inc VAT**
- Lincoln Central Car Park					
1 hour	1.80	1.80	2.20	**2.20**	**inc VAT**
2 hours	3.40	3.50	3.90	**3.90**	**inc VAT**
3 hours	5.00	5.00	5.50	**6.00**	**inc VAT**
4 hours	6.40	6.50	6.70	**7.00**	**inc VAT**
Over 4 hours and up to 8am next da	8.50	8.50	9.00	**9.00**	**inc VAT**
Evening Charge	4.00	4.00	4.50	**4.50**	**inc VAT**
- Castle (Season Tickets Prohibited)					
1 hour	1.90	1.90	2.00	**2.00**	**inc VAT**
2 hours	3.20	3.20	3.50	**3.50**	**inc VAT**
3 hours	5.20	5.50	5.50	**6.00**	**inc VAT**
4 hours	6.00	6.20	6.50	**7.00**	**inc VAT**
Over 4 hours and up to 8am next da	8.80	9.00	9.00	**9.50**	**inc VAT**
Evening Charge	3.80	4.00	4.50	**4.50**	**inc VAT**

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	CURRENT 2022/23 £	PROPOSED 2023/24 £	
- Westgate (Season Tickets Prohibited)					
1 hour	1.90	1.90	2.00	**2.00**	**inc VAT**
2 hours	3.20	3.20	3.50	**3.50**	**inc VAT**
3 hours	5.20	5.50	5.50	**6.00**	**inc VAT**
4 hours	6.00	6.20	6.50	**7.00**	**inc VAT**
Over 4 hours and up to 8am next da	8.80	9.00	9.00	**9.50**	**inc VAT**
Evening Charge	3.80	4.00	4.50	**4.50**	**inc VAT**
- The Lawn Complex					
1 hour	1.90	1.90	2.00	**2.00**	**inc VAT**
2 hours	3.20	3.20	3.50	**3.50**	**inc VAT**
3 hours	5.20	5.50	5.50	**6.00**	**inc VAT**
4 hours	6.00	6.20	6.50	**7.00**	**inc VAT**
Over 4 hours and up to 8am next da	8.80	9.00	9.00	**9.50**	**inc VAT**
Evening Charge	3.80	4.00	4.50	**4.50**	**inc VAT**
- Langworthgate					
1 hour	1.90	1.90	2.00	**2.00**	**inc VAT**
2 hours	3.20	3.20	3.50	**3.50**	**inc VAT**
3 hours	5.20	5.50	5.50	**6.00**	**inc VAT**
4 hours	6.00	6.20	6.50	**7.00**	**inc VAT**
Over 4 hours and up to 8am next da	8.80	9.00	9.00	**9.50**	**inc VAT**
Evening Charge	3.80	4.00	4.50	**4.50**	**inc VAT**
- St Pauls (Season Tickets Prohibited)					
1 hour	1.90	1.90	2.00	**2.00**	**inc VAT**
2 hours	3.20	3.20	3.50	**3.50**	**inc VAT**
3 hours	5.20	5.50	5.50	**6.00**	**inc VAT**
Evening Charge	3.80	4.00	4.00	**4.50**	**inc VAT**
- Broadgate					
1 hour	1.50	1.60	1.80	**2.00**	**inc VAT**
2 hours	3.00	3.00	3.00	**3.00**	**inc VAT**
3 hours	4.30	4.50	4.50	**5.00**	**inc VAT**
Over 4 hours and up to 8am next da	6.00	6.00	6.80	**6.80**	**inc VAT**
Evening Charge	2.80	3.00	3.00	**3.50**	**inc VAT**
- Chaplin Street					
1 hour	1.50	1.60	1.80	**2.00**	**inc VAT**
2 hours	3.00	3.00	3.00	**3.00**	**inc VAT**
3 hours	4.30	4.50	4.50	**5.00**	**inc VAT**
Over 4 hours and up to 8am next da	6.00	6.00	6.80	**6.80**	**inc VAT**
Evening Charge	2.80	3.00	3.00	**3.50**	**inc VAT**
- Rosemary Lane (Season Tickets Prohibited)					
1 hour	1.50	1.60	1.80	**2.00**	**inc VAT**
2 hours	3.00	3.00	3.00	**3.00**	**inc VAT**
3 hours	4.30	4.50	4.50	**5.00**	**inc VAT**
Over 4 hours and up to 8am next da	6.00	6.00	6.80	**6.80**	**inc VAT**
Evening Charge	2.80	3.00	3.00	**3.50**	**inc VAT**
- Weekend/Bank Holiday					
Up to 2 Hours	2.80	3.00	3.00	**3.00**	**inc VAT**
24 hours	4.00	4.50	5.00	**5.00**	**inc VAT**
Evening Charge	2.80	3.00	3.00	**3.00**	**inc VAT**
- Motorcycle parking where available	2.50	2.50	3.00	**3.00**	**inc VAT**

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	**CURRENT 2022/23 £**	**CURRENT 2022/23 £**	**PROPOSED 2023/24 £**	
OTHER					
- Car Park Evening Permit	100.00	103.00	103.00	**103.00**	**inc VAT**
- 7 Day Scratch Cards	45.00	45.00	45.00	**45.00**	**inc VAT**
- Evening Scratch Card (All sites)	25.00	25.00	25.00	**25.00**	**inc VAT**
- Hampton/Hermit Street Compound	145.00	149.00	149.00	**149.00**	**inc VAT**
- Motorcycle parking where available	2.50	2.50	3.00	**3.00**	**inc VAT**

Additional Information:

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

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

Special Offer Tariffs

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

SCHOOL'S OUT
(Rosemary Lane Only) £5 all day during the months of July and August

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

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	CURRENT 2022/23 £	PROPOSED 2023/24 £	
OTHER					
- Season Tickets and Excess Charge Notices					
Annual (Valid for Broadgate, Lawn, King/Chaplin St/Langworthgate)					
Monday to Sunday	985.50	1,020.00	1,020.00	**1,071.00**	**inc VAT**
Monthly (Valid for Broadgate, Lawn, King/Chaplin St, Langworthgate)					
Monday to Sunday	83.30	90.00	90.00	**95.00**	**inc VAT**
Annual Premium Rate (Tentercroft St/Lucy Tower/Lincoln Central - max of 60 Annual/Monthly issued)					
Monday to Sunday	1,251.70	1,300.00	1,300.00	**1,365.00**	**inc VAT**
Monthly Premium Rate (Tentercroft St/Lucy Tower/Lincoln Central - max of 60 Annual/Monthly issued)					
Monday to Sunday	108.20	115.00	115.00	**121.00**	**inc VAT**
Lucy Tower St Long Stay Corporate User					
City Council staff (60 max)	907.20	951.00	951.00	**1,002.00**	**inc VAT**
County Council staff (40 max)	907.20	951.00	951.00	**1,002.00**	**inc VAT**
Corporate User, 100+ tickets					
Broadgate, King St/Chaplin St, Langworthgate and City Council staff	742.80	771.00	771.00	**810.00**	**inc VAT**
School Drop Off Pass					
Per Term	105.00	105.00	105.00	**110.00**	**inc VAT**
All 3 Terms	299.00	299.00	299.00	**314.00**	**inc VAT**
Admin Charge on Refunds	15.00	15.00	15.00	**15.00**	**inc VAT**
Replacement of Lost/Stolen Tkts	10.00	10.00	10.00	**10.00**	**inc VAT**
- Higher rate PCN contravention	70.00	70.00	70.00	**70.00**	**inc VAT**
- Higher rate PCN contravention - Discount	35.00	35.00	35.00	**35.00**	**inc VAT**
- Lower rate PCN contravention	50.00	50.00	50.00	**50.00**	**inc VAT**
- Lower rate PCN contravention - Discount	25.00	25.00	25.00	**25.00**	**inc VAT**

Discount only applies if PCN is paid within 14 days

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

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	CURRENT 2022/23 £	PROPOSED 2023/24 £	
CITY BUS STATION					
- Departure Fees :					
Notified timetable departures					
Departures over 100,000	0.82	0.85	0.85	**0.94**	**inc VAT**
Departures under 100,000	0.82	0.85	0.85	**0.94**	**inc VAT**
- Layover Bay Per Bay Per Quarter :	1,072.20	1,115.00	1,115.00	**1,170.00**	**inc VAT**
RESIDENTS PARKING SCHEMES					
- Private Residents					
1st permit	26.00	26.00	26.00	**26.00**	*
2nd permits	52.00	52.00	52.00	**52.00**	*
- Houses in Multiple Occupation (HIMO)					
max. of 2 per dwelling (each)	52.00	52.00	52.00	**52.00**	*
- Residents Parking Concessions					
permit (each)	No Charge	No Charge	No Charge	No Charge	
- Business Permits					
max. of 2 per business	52.00	52.00	52.00	**52.00**	*
(only issued to businesses in the residents parking zones with no off-street parking)					
- Business Permits (Support Agencies)	70.00	70.00	70.00	**70.00**	*
- Daily Visitor Permits					
per 10	17.00	17.00	17.00	**17.00**	*
- Replacement Permits					
Change of vehicle registration	5.00	5.00	5.00	**5.00**	*
Damaged or lost	5.00	5.00	5.00	**5.00**	*
- Emissions Permit					
Low Emissions 1st Permit	13.00	13.00	13.00	**13.00**	
Low Emissions Subsequent Permit	26.00	26.00	26.00	**26.00**	
- Administration Charge on Refunds	5.00	5.00	5.00	**5.00**	

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

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

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PLANNING SERVICES- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	**CURRENT 2022/23 £**	**PROPOSED 2023/24 £**	
Research and Supply of Information/Questions and Answers (per item)	46.00	47.40	50.00	inc VAT
Copies of Approvals, Permissions and associated documents (per item and electronic)				
Microfiche	95.00	95.00	105.60	inc VAT
Standard Copy	-	-	-	plus VAT
Visit to site to check buildings erected in accordance with Permission				
- minimum charge	98.40	101.40	106.50	inc VAT
- or per property	27.40	28.20	29.60	inc VAT
Checking compliance with planning permission and/or legal agreement				
- minimum charge	70.60	72.70	76.30	inc VAT
- or per property	18.00	18.50	19.40	inc VAT
Advertisements erected in accordance with Advertisement Consent	50.30	51.80	54.40	inc VAT
Supply of Technical Information/Site visit reports	Cost+25%	Cost+25%	Cost+25%	inc VAT
Photocopies (per A4 sheet)	-	-	-	
Copies of Plans				
A4	2.20	2.30	2.40	
A3	4.00	4.10	4.30	
A2	10.50	10.80	11.30	
A1	10.50	10.80	11.30	
A0	10.50	10.80	11.30	
Document & Advice notes	Cost+25%	Cost+25%	Cost+25%	
Copies of Planning decision notices (prior to 1993)			40.00	
Copies of Section 106 Agreements			60.00	
Copies of Tree Preservation Orders and Planning decision notices (1993 onwards)			20.00	

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

PLANNING SERVICES- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	**CURRENT 2022/23 £**	**PROPOSED 2023/24 £**	
Local Authority Land Charges				
- Standard Search Fees				
LLC1 only	20.20	20.80	-	
Con.29R	125.00	128.80	135.20	inc VAT
- Con. 29R individual questions				
Administration Fee	10.00	10.30	16.00	inc VAT
Question 3.5	3.00	3.10	3.30	inc VAT
Question 3.7 a	5.00	5.20	5.50	inc VAT
Question 3.7 b, c, f	5.00	5.20	5.50	inc VAT
Question 3.7 d	5.00	5.20	5.50	inc VAT
Question 3.8	3.60	3.70	3.90	inc VAT
Question 3.12	3.00	3.10	3.30	inc VAT
Question 3.13	3.00	3.10	3.30	inc VAT
- Part II enquiries	25.00	25.80	27.10	inc VAT
- Solicitors own enquiries	22.00	22.70	23.80	inc VAT
- Extra parcel of land	22.00	22.70	23.80	inc VAT
- Personal Search (Statutory)				
Street Naming and Numbering				
Issue/Change of House Name	16.00	16.50	17.30	
- Application Fee	53.00	54.60	57.30	
- Per Plot	13.30	13.70	14.40	

REGENERATION & TOURISM- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2023/24 £
CENTRAL MARKET			
Daily Lettings	25.50	25.50	**25.50**
TEMPORARY MARKETS :			
- Charitable organisations	No Charge	No Charge	**No Charge**
- Professional traders (per stall)	10.30	10.30	**10.30**
PROMOTIONS :			
- Advertising on Council Assets	Price on Application	Price on Application	**Price on Application**
MARKET LICENSE CHARGES			
Commercial Food			
-Per Stall	17.00	17.00	**17.00**
- Per Table / Car Boot	8.80	8.80	**8.80**
Commercial Retail Goods			
-Per Stall	11.75	11.75	**11.75**
- Per Table / Car Boot	6.30	6.30	**6.30**
Craft items/home made goods			
-Per Stall	6.30	6.30	**6.30**
- Per Table / Car Boot	3.40	3.40	**3.40**
Second Hand Goods			
-Per Stall	6.30	6.30	**6.30**
- Per Table / Car Boot	3.40	3.40	**3.40**
Charitable/fundraising Markets			
-Per Stall	-	-	**-**
- Per Table / Car Boot	-	-	**-**
Car Boot			
- Per Table / Car Boot	2.90	2.90	**2.90**

Per Stall (up to 8 m^2)
Per Table/Car boot (up to 2 m^2)

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

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

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SOCIAL INCLUSION- FEES AND CHARGES WEF 01/04/2023 - 31/03/2024

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

	PREVIOUS 2021/22 £	CURRENT 2022/23 £	PROPOSED 2023/24 £
OTHER			
- Housing Benefit Landlord Enquiry per year	168.00	173.00	**182.00**

DRAFT Capital Strategy

2023/24 - 2027/28

Contents

Section 1 - Introduction

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

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

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

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

The Council's capital programme consists of two elements:

- The General Investment Programme (GIP) with a budget for 2023-28 of £25.071m

- The Housing Investment Programme (HIP) with a budget for 2023-28 of £62.529m

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

The Council has at 1 April 2022 a diverse asset portfolio including, 7,797 council dwellings, 3,622 car parking spaces, 2 sports and leisure centres, 1,131 acres of parks and recreation grounds, and 5 community centres. There is also a sizable commercial property portfolio including industrial units and shops.

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

31/3/2021 £000		31/3/2022 £000
393,123	Property, Plant & Equipment	416,478
2,768	Heritage Assets	2,768
34,203	Investment Property	36,016
191	Intangible Assets	207
0	Assets held for sale	1,500
430,285	**Total assets**	**456,969**

Section 2 - Purpose and Objectives

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

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

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

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

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

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

- Use strategic procurement and new ways of procuring to drive up "value for money" and 'get more for the same money'.

Section 3 - Policy and Financial Planning Framework

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

The Council's capital programme and its subsequent revenue implications form part of the Medium Term Financial Strategy (MTFS) 2023-28 and as such is one of a suite of plans and strategies that sit within the Council's Policy and Financial Planning Framework.

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

There is clearly a link between long term capital planning and treasury management with the council's debt portfolio containing loans which mature up to 2076/77. The profile of debt repayment needs to be managed alongside other long term capital expenditure and funding forecasts.

Linkages with other key strategies and plans are identified below:

Vision 2025

The Councils Vision 2025 sets out the Council's vision for the future of the City, strategic priorities and core values.

The Council's current vision for 2025 is;

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

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

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

These five strategic priorities will be supported in Vision 2025 by a programme called One Council. One Council is made up of the following pillars:

- Organisational development
- Best use of assets
- Technology

- Create value processes

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

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

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

The detail of what needs to be done each year to work towards the end goal of the vision, is set out in a specific Annual Delivery Plan, in which individual projects are agreed for each priority.

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 work, the effect of Covid19 on the physical and mental health of residents was considered – and as a result revenue resources were refocused towards prevention and addressing those areas.

In addition, a change now in place is that instead of an annual delivery programme, a three-year plan was developed which will be resourced as appropriate over the three-year period to 2025.

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

- Let's drive inclusive economic growth
    - Delivery of Western Growth Corridor – completion of phase 1, delivering 300 homes by 2025

- City Centre Vibrancy: Central Market & City Square – restoring the Central Market and City Square to create a sustainable indoor/outdoor market offer as an anchor destination
- City Centre Vibrancy: Tentercroft Street - transforming this area of the city into a new “city living” concept
- Becoming a Digital City - working with partners to implement a digital network to ensure access for all across the city
- Small Business Growth - continuing to develop the workspaces and business premises offer so that businesses of all sizes and types can make Lincoln their home.
- Town Deal Programme – manage, monitor and evaluate the Town Deal Programme as Accountable Body
- Heritage Asset Programme: Deliver plans for the Heritage Action Zone - maintaining, protecting and restoring city centre shop fronts, historical buildings and heritage sites at risk.
- Waterside East – regeneration of this area of the city.
- Public Toilet Provision to Support the Tourism Economy – improve things to the extent of making Lincoln a top destination for disabled access/baby changing facilities etc.

- Let’s reduce all kinds of inequality
    - Championing co-location with health through One Public Estate - through the Greater Lincolnshire One Public Estate partnership, seek opportunities to share facilities and assets with the health sector to improve access for communities.

- Let’s deliver quality housing
    - Continue to increase net council house numbers – delivery of affordable housing scheme at Rookery Lane.
    - Continue to increase net council house numbers – retain and develop a new pipeline, e.g., Queen Elizabeth Road, Searby Road.
    - Housing Standards in new builds - in addition to standards that meet climate change objectives, new builds will also meet “Lifetime” homes, minimum space standards and health equality objectives and will include the quality of the environment in which new homes are built.
    - Improve Temporary Accommodation options across all sectors - considering the use of additional furnished accommodation to raise the standard of homes offered e.g RSAP
    - Estate Improvements – taking a new approach to communal gardens, green spaces, communal entrances, landscaping and the links between the natural and build environments and reviewing car parking and traffic management issues within estates.
    - Respond to regeneration need in Sincil Bank area, including remodelling of existing stock and developing garage sites - including looking at garage sites and communal (potentially green) areas, to address long standing issues of ASB and criminal activity. Examples of

such opportunities will centre on proposals for Hermit Street garages and surrounding areas

- Let's enhance our remarkable place
  - Heritage Asset Programme – including Re-imagining Greyfriars and further development of options for the 21/22 Steep Hill.
  - Finalise the play area strategy - using the financial contributions from developers arising from new housing schemes to invest in existing sites such as Whitton's Park.

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

Local Plan

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

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

Specifically, the Local Plan:

- is underpinned by an aspiration for sustainable growth in homes, jobs, services and facilities;
- is aiming to deliver many new homes between now and 2036;
- is seeking to attract new businesses and jobs;
- sets out policies to ensure development is of high quality, sustainable and meets the needs of everyone;

- sets out policies to ensure all the infrastructure, such as play areas, roads, new schools and upgraded sewage disposal, are provided at the same time as the new homes;
- is complemented by a separate Policies Map, which sets out where development should take place.

The current Local Plan was adopted in April 2017 and continues to perform well in making decisions on development, however, in response to significant changes to national policy and to ensure the guidance is updated so that ambitions of the city can be delivered a new Draft Local Plan was published for consultation in June 2021. This was then followed by consultation on a Proposed Submission Local Plan during March and May 2022. Following consultation the Local Plan Review was submitted to the Planning Inspectorate in July 2022 in order for it to commence its examination.

Asset Management Plan

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

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

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

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

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

HRA Business Plan

The HRA Business Plan sets out how the Council will deliver its vision for the HRA including, investment in the housing stock, maintaining all homes to the Lincoln Homes Standard and the process of tenant consultation to agree priorities for investment in existing stock over and above the Decent Homes Standard. It also demonstrates that the proposed investment programme is financially viable by indicating that the underlying HRA debt is repayable within the 30-year period of the Business Plan, should the Council choose to do so. There is, however, no obligation to repay debt and the MTFS does not assume this is the case. Further borrowing to fund HRA investment is now limited by prudence rather than the old system of an imposed borrowing cap. Currently the HRA borrowing requirement stands at £74m and is expected to increase to £78m by the end of 22/23 and £81m by the end of the MTFS period. This additional borrowing is being used to fund new build expenditure.

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

- Decent Homes and Lincoln Standards Programme
- Council House New Build Programme

The current Business Plan is due to be fundamentally refreshed during 2023/24 to reflect the changes to the local, regional and national operating environment and to reflect the Councils current aims and ambitions in Vision 2025.

Treasury Management Strategy

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

Section 4 - Financing the Capital Programmes

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

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

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

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

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

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

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

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

The City Council's General Investment Programme and Housing Investment Programme for the period 2023/24 – 2027/28, are set out in the MTFS 2023-28.

Section 5 - Capital Prioritisation

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

Project Managers are required prepare project briefs, which must go through five essential steps to initiate a project, with the clear intention of effectively demonstrating how the project will support the achievement of both their service area aims and the Council's strategic priorities.

The five essential steps are as follows:

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

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

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

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

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

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

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

The entire process conforms to both the Council’s project management methodology (The Lincoln Project Management Model) and also the Performance Management Framework adopted by the Council, which ensures schemes are not progressed for Member deliberation and support unless they are deliverable within the context of other competing pressures.

Section 6 - Capital and Project Monitoring

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

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

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

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

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

Section 7 – Commercial Activity and Investment Property

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

The Council has previously invested in property to secure the economic wellbeing of the City by generating additional income for the provision of services, for the purpose of economic development or regeneration, or a combination of both. Historically the Council could fund the purchase of property through borrowing (through the PWLB or as part of cash flow borrowing). Under the new CIPFA Prudential Code borrowing it is no longer deemed prudent for authorities to undertake borrowing that has the main aim of producing commercial income. The new code states that authorities "must not borrow to invest primarily for financial return". It also states that it is not prudent for authorities to make any investment or spending decision that could increase the need for borrowing, unless related to the functions of the authority and where financial returns are "either related to the financial viability of the project in question or otherwise incidental to the primary purpose". In addition, the PWLB have revised their lending terms which now prohibits authorities from accessing PWLB funds to finance debt-for-yield schemes. As a result of these changes the Council's GIP and Capital Strategy do not include any proposals to investment in any new commercial property. The Council will though continue to progress opportunities for regeneration and housing developments, in accordance with the revised guidance and lending terms.

Historically the council's property investments have provided strong returns in terms of capital growth and generation of stable income. Property investments are not without risk as property values are subject to many national and other external factors which are outside the control of the council. Where possible investments of this type will also have a 'fall back' position in addition to their expected commercial arrangement e.g. the council has purchased the freehold of a car park which it leases to a large, national company however should the company surrender the lease or not meet the lease payments the council could operate the car park themselves or seek an alternative tenant.

At 31/3/2022 the council has £36.016m of investment properties on the balance sheet with no further investment planned in the current General Investment Programme. The income from investment properties is predominantly derived from ground rent and land leases. Further details relating to investment properties are given below:

Total value of investment properties	£36.016m
Value of properties held for rental income	£35.394m
Value of properties earning rental income	£34.760m
Income from properties earning rental income	£2.248m
Yield from properties earning rental income	6.47%
Value of properties held for capital appreciation or where the freehold has a market value*	£0.622m

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

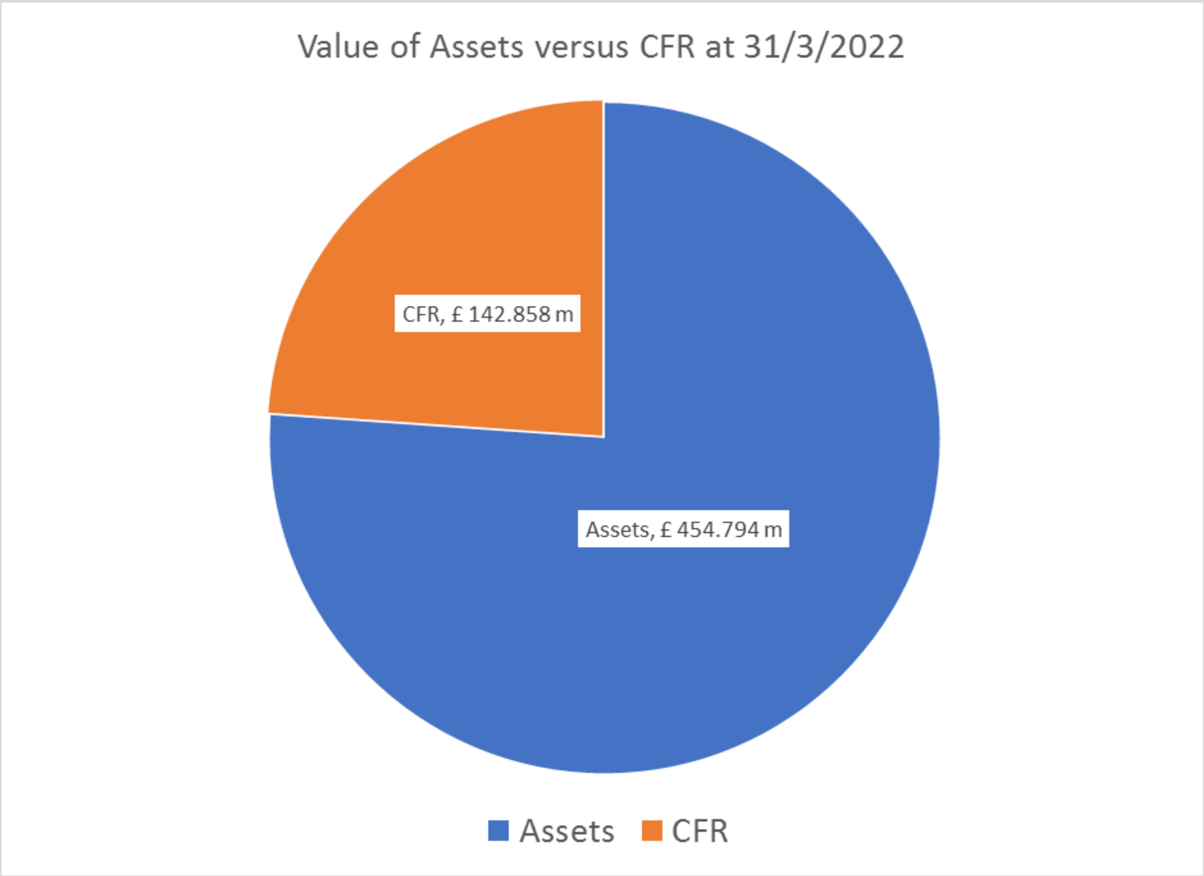
For the year 2023/24 the anticipated income from investment properties represents less than 4% of the council's gross expenditure.

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

Asset type	Value at 31.03.22	Annual income Anticipated (22/23)	Yield on value of assets	Borrowing costs	Annual surplus
Car Parks	£5,529,000	£350,898	6.35%	£192,180*	£158,718
Freehold property	£12,190,000	£762,015	6.25%	£499,697	£262,318
Retail units	£6,312,000	£445,500	7.06%	£334,551*	£110,949

*assumed in business cases

A graph illustrating the value of the council's assets compared to the capital financing requirement (the underlying need to borrow to fund capital investment) at 31 March 2022 is given below:



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

Current budgeted cost of borrowing					
	2023/24	**2024/25**	**2025/26**	**2026/27**	**2027/28**
GENF borrowing cost as a % of revenue expenditure	8.68%	9.84%	9.68%	8.02%	8.42%
Limit of GENF borrowing cost as a % of revenue expenditure	15%	15%	15%	15%	15%
HRA borrowing cost as a % of revenue expenditure	8.14%	8.30%	7.99%	7.89%	7.55%
Limit of HRA borrowing cost as a % of revenue expenditure	14%	14%	14%	14%	14%

Section 8 – Loans and investments in local businesses and organisations

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

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

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

Section 9 – Knowledge and Skills

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

Section 10 - Conclusion

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

Item No. 4

EXECUTIVE **16 JANUARY 2023**

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

1. Purpose of Report

1.1 To inform Members of the estimated balance for the Business Rates element of the Collection Fund and the surplus or deficit to be declared for 2022/23.

2. Executive Summary

2.1 Prior to setting the Council Tax for 2023/24 the City Council is required to estimate whether there is to be a surplus or deficit on both the Council Tax and Business Rates elements of the Collection Fund for the current financial year (2022/23).

2.2 At the Executive meeting on 3rd January 2022 the Council declared a deficit on Council Tax of £926,896 for the financial year 2022/23, of which it's share was £136,126. The Council will declare a surplus on the Business Rates Collection Fund of £2,908,114 for 2022/23 subject to the confirmation of the Business Rates base by 31st January 2023, of which its share is £1,163,246.

2.3 Whilst this is a significant surplus, £1,637,799 (£655,120 City Council share) of the surplus is offset by Government grants provided to compensate local authorities in respect of the business rate reliefs awarded to business in 2022/23. The remaining balance of £1,207,315 surplus, of which the Council's share is £508,126, has arisen due to the final year end position on the 2021/22 Collection Fund, which was more positive than previously estimated.

2.4 In addition, as part of a spreading adjustment in respect of 2020/21 deficits, a deficit of £1,202,848, with the City Council's share being £481,139, will be distributed in 2023/24.

2.5 The net position to be distributed in 2023/24, for the City Council's share, is therefore a surplus of £682,107, as set out below:

	2023/24 CoLC Share £
Business Rates – 22/23 estimated surplus	(675,333)
Business Rates - prior years surplus	(487,912)
Total Surplus Declared for 22/23	**(1,163,246)**
Business Rates – spreading adjustment 20/21	481,139
Total Deficit to be distributed in 23/24	**(682,107)**

3. Background

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

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

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

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

3.4 Under normal circumstances a surplus or deficit reported in year is carried forward in the Collection Fund into the following financial year, when it then impacts on the General Fund budget. However, on 1st December 2020 the Local Authorities (Collection Fund: Surplus and Deficit) (Coronavirus) (England) Regulations 2020 came into effect. These regulations, which are mandatory, amend the rules governing the apportionment of Collection Fund surpluses and deficits for Council Tax and Non-domestic Rates. The key element of the Regulations is that Collection Fund deficits arising in 2020/21 could be spread over the following three years, rather than the usual period of one year. The amended legislation stated that the Council is required to estimate an ‘exceptional balance’ for each of the Council Tax and Business Rates 2020/21 position: for Business Rates, this excludes amounts in respect of expanded Business Rates relief to businesses to support them during the pandemic and is net of any previous year’s surplus/deficit. If this ‘exceptional balance’ is in deficit, the deficit phasing provisions within the amended legislation are triggered and the amount must be spread and reimbursed to the Collection Fund in three equal portions over the next three financial years.

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

4. Estimated Surplus/Deficit for 2022/23 – Business Rates

4.1 As at 31st March 2023 the Collection Fund is estimated to have a surplus of £1,688,333 for business rates relating to the financial year 2022/23, the City Council's share of this being £675,333. Of the Council's share of this surplus, £655,120 (£1,637,799 total) has arisen due a lower level, than estimated, of business rates reliefs being applicable in 2022/23. A compensating amount of grant will therefore be repayable to the Government. The remaining balance of the surplus of £50,535, of which the Council's share is £20,214, has arisen due to in year fluctuations in the levels of business rates due.

4.2 In addition to declaring the estimated deficit position on the Collection Fund for the current financial year the Council is also required to declare any surplus or deficit relating to the difference between previously declared surplus/deficit positions and the actual outturn position as reported in the Council's Statement of Accounts. In 2022/23 there is a surplus balance of £1,219,781 in the Collection Fund relating to previous years, the City Council's share of this being £487,912.

4.3 Based on the forecast position of the in-year Collection Fund as at 31st March 2023 and taking into account an adjustment for the difference between prior year estimates compared to the actual outturn it is estimated that there will be a surplus of £2,908,114 on the business rates element of the Collection Fund in 2022/23.

5. Spreading Adjustment

5.1 As set out in paragraph 3.4 above under normal circumstances a surplus or deficit reported in year is carried forward in the Collection Fund into the following financial year, when it is distributed and then impacts on the General Fund budget. However, on 1st December 2020 the Local Authorities (Collection Fund: Surplus and Deficit) (Coronavirus) (England) Regulations 2020 came into effect, requiring Collection Fund deficits arising in 2020/21 be spread over the following three years, rather than the usual period of one year.

5.2 As a result of this the deficit that the Council declared in relation to 2020/21 was spread over three year as follows:

	2021/22 £	**2022/23 £**	**2023/24 £**	**Total £**
City of Lincoln Council	481,139	481,139	481,139	**1,443,417**
Lincolnshire County Council	120,285	120,285	120,285	**360,855**
Central Government	601,424	601,424	601,424	**1,804,272**
Total 2020/21 estimated deficit	**1,202,848**	**1,202,848**	**1,202,848**	**3,608,544**

The deficit of £1,202,848 will therefore also be distributed in 2023/24, in addition to the surplus of £2,908,114, a total position of a £1,705,266 surplus.

6. Strategic Priorities

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

7. Organisational Impacts

7.1 Finance

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

	2023/24 £
Business Rates – 22/23 estimated surplus	(675,333)
Business Rates - prior years surplus	(487,912)
Total Surplus Declared for 22/23	**(1,163,246)**
Business Rates – spreading adjustment 20/21	481,139
Total Deficit to be distributed in 23/24	**(682,107)**

The Council's share of the estimated surplus will be distributed as set out in the above table and will form part of the Medium Term Financial Strategy 2023-28.

7.2 Legal Implications incl Procurement Rules

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

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

9. Recommendations

9.1 The Executive are recommended to confirm the action of the Chief Finance Officer in declaring a business rates surplus of £2,908,114 for 2021/22 subject to the confirmation of the business rates base by 31st January 2023. Any amendments to the declared deficit will be notified to the relevant preceptors and be included in the Final MTFS 2023-28 to be presented to the Executive 20th February 2023.

9.2 The Executive are asked to note the spreading adjustment of a £1,202,848 deficit to be distributed in 2023/24.

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

Item No. 5

EXECUTIVE **16 JANUARY 2023**

SUBJECT:	**PAY POLICY STATEMENT 2023/24**
DIRECTORATE:	**CHIEF EXECUTIVE AND TOWN CLERK**
REPORT AUTHOR:	**CLAIRE BURROUGHS - HR AND WBL MANAGER**

1. Purpose of Report

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

2. Background

2.1 Section 38 (1) of the Localism Act 2011 requires local authorities to produce a Pay Policy Statement for each financial year. This must be approved by Council by the end of March.

2.2 The Government requires local authorities to produce pay policy statements which articulate an authority's own policies towards a range of issues relating to pay of its workforce, particularly its senior staff and its lowest paid employees.

2.3 The Government also considers that decisions on pay policies should be taken by elected members, as those directly accountable to local communities. The Act therefore requires the pay policy statement and any amendments to be considered by a meeting of full Council and cannot be delegated to any committee.

3. Pay Policy 2023/24

3.1 In order to comply with the Act, the pay policy statement must include the Council's policy on:

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

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

3.2 The Pay Policy Statement must be:-

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

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

4. Strategic Priorities

4.1 Let's reduce inequality

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

5. Organisational Impacts

5.1 Finance

As identified in the attached statement.

5.2 Legal Implications including Procurement Rules

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

5.3 Equality, Diversity and Human Rights

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

6. Recommendation

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

Is this a key decision?	No
Do the exempt information categories apply?	No
Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?	No
How many appendices does the report contain?	One
List of Background Papers:	None
Lead Officer:	Claire Burroughs, HR and WBL Manager Telephone (01522) 873856

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Appendix 1

City of Lincoln Council Pay Policy Statement 2023/24

1. Introduction

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

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

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

2. Legislation

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

The Pay Policy Statement must be:

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

3. Context

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

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

It has taken sensible steps to comprehensively review the services it delivers, and the way that it delivers them, so that its limited resources are used to maximum effect, and it will continue to build on its record of delivering new and better ways of doing things.

4. Scope

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

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

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

5. Senior Pay

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

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

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

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

Chief Executive	-	£112,988	-	£127,367
Strategic Directors	-	£86,720	-	£100,904
Statutory Officers	-	£74,123	-	£79,652
Assistant Directors	-	£64,748	-	£71,204

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

Executives bandings for Statutory Officers and 70 to 74% Strategic Directors bandings for Assistant Directors.

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

5.1 Current Salary Levels for Chief Officers

Chief Executive annual salary bands

CX01 £112988
CX02 £117095
CX03 £121196
CX04 £125306
CX05 £127367

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

CD01 £86720
CD02 £90908
CD03 £95093
CD04 £99284
CD05 £100904

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

SO01 £74123
SO02 £75503
SO03 £76886
SO04 £78266
SO05 £79652

Assistant Directors annual bands (70 to 74% of Strategic Directors pay bandings and 55 – 57% of Chief Executive pay bandings)

CO01 £64748
CO02 £66362
CO03 £67976
CO04 £69596
CO05 £71204

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

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

- Salary levels in a previous role

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

5.2 Allowances and benefits for the Chief Executive and Chief Officers

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

5.3 Severance of Chief Officers contracts

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

5.4 Publication of information relating to Chief Officer Pay

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

5.5 Additional Fees

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

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

6. Pay Structure

The pay structure for employees who are covered by the National Joint Council for local Government Services (Green Book) are calculated using the Greater London Provincial Council Job Evaluation Scheme. Employees only receive a pay rise when it has been agreed nationally with the Joint

Negotiating Committee. Employees can move up a spinal column point within their grade after each year of service until the highest spinal column point is reached.

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

Employees only receive a pay rise when it has been agreed nationally with the Joint Negotiating Committee.

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

7. Living Wage

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

The Council has previously implemented the living wage increases. Depending on the outcome of the pay award negotiations for 2022/23 will determine whether the Council would progress to seek approval to implement the latest living wage rate. The Council implemented the living wage increase of £9.90 in April 2022.

8. Relationship between pay rates

The lowest paid employee within the Council is on a scale S1B and is paid £20,408. The hourly rate for this lowest scale is currently above the living wage rate (£10.578).

The highest graded post is that of Chief Executive of £127,367 per annum.

Therefore, the ratio between the Chief Executives pay and the lowest paid employees is 6.2:1. This is considered to be acceptable at this time and lower than previous years.

9. Pension contributions

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

Local Government Pension Scheme – contribution bands with effect from the 1 April 2022.

Band	Salary Range	Contribution Rate
1	£0 - £15,000	5.5%
2	£15,001 - £23,600	5.8%
3	£23,601 - £38,300	6.5%
4	£38,301 - £48,500	6.8%
5	£48,501 - £67,900	8.5%
6	£67,901 - £96,200	9.9%
7	£96,201 - £113,400	10.5%
8	£113,401 - £170,100	11.4%
9	More than £170,101	12.5%

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

10. Travel

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

11. Professional fees

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

12. Market Supplements

No market supplements are paid.

13. Discretionary Payments

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

14. Decision Making

Decisions on remuneration are made by Executive.

15. Disclosure

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

16. Review

This Pay Policy will be reviewed annually in line with the Localism Act and any guidance issued by the DCLG. *(December 2022)*

Item No. 6

EXECUTIVE **16 JANUARY 2023**

SUBJECT:	**COUNCIL HOUSE AND GARAGE RENTS 2023/24**
DIRECTORATE:	**HOUSING AND INVESTMENT**
REPORT AUTHOR:	**FRANCES JELLY, HOUSING BUSINESS SUPPORT MANAGER.**

1. Purpose of Report

1.1 To propose an increase in council house rents of 6.5% within the terms of the Government's Rent Policy for social housing (April 2020 updated 15 November 2021) and to seek approval for the introduction of revised rents from Monday 3rd April 2023.

1.2 To seek members approval for an increase of 5% on Council garage rents for 2023/24 in line with other fees and charges revisions by the Council.

2. Executive Summary

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

2.2 In keeping with the current Housing Business Plan approved by Council and the Governments Rent Guidelines, the formula rent rise for 2023/24 should be based on CPI in the previous September (September 2022 = 10.1%) plus 1.0% as stated above.

2.3 As a result of the national economic situation (and the resultant cost of living crisis) the Government consulted (during Nov/Dec 22) on a range of potential capped increases of between 3 and 7% for Social Housing rents for the next financial year.

Following that national consultation, Government have stated that the rent increase in social housing would be capped at 7% for the year 2023/24. Thereby stepping away from the previously agreed CPI plus 1%.

2.4 The Council, having considered the impact on our tenants, other pressures that household incomes are facing, particularly the most vulnerable in our community, and at the same time recognising the economic and financial pressures it has in delivering services to its customers, is proposing to apply a lower level of rental increase than stated in 2.3 above of 7%.

The proposed level of rent increase for 2023/24 will be 6.5%. This will come into effect from Monday 3 April 2023. Budgeted rental income for the year, subject to approval, will be £32,231,610

In making this recommendation officers are proposing elected members consider a lower level of increase than last year (IE lower that CPI plus 1%) and the government-imposed rent reduction policy between 2016/17 and 2019/20 which saw the council have to reduce rents by 1% per annum rather than increase at CPI plus 1% as previously agreed.

The average weekly social housing rent for the City of Lincoln Council based on data as of 14 December 2022, for net social housing rent (calculated over 52 weeks) will increase by an average of between £4.28 and £6.60 per week for 2023/24. As shown in table 1 below

Table 1.

Property type	Average Increase	New average rent	No properties
1 Bed	£4.28	£70.98	3034
2 bed	£4.86	£79.67	2633
3 Bed	£5.37	£88.00	1601
4 bed	£5.72	£93.68	116
5 bed	£5.96	£97.69	4
6+ bed	£6.60	£108.60	8
		Total Properties	**7396**

There are currently 375 properties charged at an Affordable Rent which is higher than social housing rent. Based on data as at 14 December 2022 the increase, on the average weekly net rent (calculated over 52 weeks) will be between £7.10 and £9.16 for 2023/24. As shown in table 2 below: -

Table 2.

Property type	Average Increase	New average rent	No properties
1 Bed	£7.10	£116.34	102
2 bed	£7.32	£120.02	135
3 Bed	£7.92	£129.85	107
4 bed	£9.16	£150.12	31
5 bed	£0.00	£0.00	0
6+ bed	£0.00	£0.00	0
		Total Properties	**375**

Note: affordable rent properties, each time they become void, have a new market rent valuation completed each time and the rent is charged at 80% of the market rent.

2.5 Council Garage Rents 2023/24

An increase in garage rents of 5% is proposed in line with the Authority's Fees and Charges increase. This would result in an average increase in the rent charged to £8.67 per week for 2023/24 (based on a calculated 52-week charge period), an increase of £0.43 per week.

Research has shown that the garage rents in Lincoln are mid-range when compared to similar locations in the East Midlands. A review of garage provision is currently underway.

2.6 The Lincoln Tenants' Panel (LTP) will be consulted on this report at their meeting on 10 January 2023. Their comments and observations will be reported verbally during the Executive Committee meeting.

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

3. Background

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

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

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

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

3.3 On 15 November 2021, the Department for Levelling Up, Housing and Communities (DLUHC) formerly Ministry of Housing, Communities & Local Government (MHCLG) updated the Rent Standard guidance that registered providers of social housing must stay within.

The Rent Standard is one of three economic standards that the Regulator of Social Housing (RSH) expects private registered providers of social housing to comply with, this also applies to Local Authority providers of social housing. It sets the requirements around how registered providers set and increase rents for social housing in line with government policy as set out in DLUHC's Policy Statement on Rents for Social Housing.

In September, each year the annual Consumer Price Index (CPI) figure is recorded. this is used to establish the limit on annual rent increases for social housing. The limit on annual rent increases for the financial year 2023/24, would ordinarily be CPI (September 2022 set at 10.1%) plus 1%. Therefore, a potential 11.1% maximum increase.

As a Local Authority we have incurred huge extra costs as a result of the current economic conditions; interest rates have increased, inflation has increased material, employee, and transport costs. The City of Lincoln like most households and businesses is dealing with exponential increases in energy costs. All of these drive up the costs of providing housing services. However, we must also consider the impact our rent increase has on our tenants particularly the most vulnerable who are bearing the brunt of the cost-of-living crisis. As such we are recommending an increase which will be 0.5% below the 7% cap being 6.5%.

3.4 As at week commencing 13 December 2022 there are currently 7846 council housing rent properties of those that have a current active tenancy: -

- 25% (27% previously reported in February 2022) are in receipt of full housing benefit payment
- 10% (12% previously reported in February 2022) are in receipt of partial housing benefit payment
- 36% (32% previously reported in February 2022) are in receipt of Universal Credit
- 29% do not receive any of the above

Councils continue to increase rents on those housing properties that are currently below the 'formula rent' (or convergence amount) on re-letting to new tenants before applying the 6.5% increase. For the City of Lincoln Council at the date of this report**,** 733 properties (that are 10 pence or more below target rent) were not at formula rent and thus when these properties become available for re-letting the rent can be increased to the formula amount plus 6.5% for 2023/24.

4. Impact of Government Policy on the Housing Revenue Account (HRA)

4.1 Contextually it should be noted that in July 2015 the Government announced that Social Housing rents would be reduced by 1% year on year from 2016 for four years. The impact/loss created from this is compounded by the fact that Local Authorities would have been increasing rents in line with guidance, IE CPI plus 1% over the period not reducing by 1%.

The impact on the City of Lincoln's HRA is an estimated rent loss of £17,000,000 over that four-year period. This income would have been spent on improving existing stock and adding homes to our stock which are desperately needed by our community.

Had this rent reduction not been imposed and the rents were increased as per the HRA Business Plan (CPI+1%) the average weekly rent for social housing rent would now be approximately £9 per week more.

4.2 The Government's Right to Buy (RTB) programme sales have negatively impacted on the council's current stock and therefore rental income. To date (April to December 2022) the Council have received 62 RTB applications (72 RTB applications in the same period last year).

Table 3.

2021/22 RTB Applications		2022/23 RTB Applications	
Received Apr-Dec 21	70	Received Apr-Dec 22	62
1 bed	3	1 bed	4
2 bed	9	2 bed	16
3 bed	15	3 bed	19
4 bed	1	4 bed	0
Total sold to date	28	Total sold to date	39

Note: ***the loss of 3+-bedroom homes has a significant impact on our ability to provide family homes.***

4.3 During the last nine months we have continued to add to our housing stock via the buy-back programme using the Purchase and Repair Scheme and the NSAP/RSAP process as follows: -

01 April 2022 to 13 December 2022 – total of 8 properties have been purchased.

Table 4.

Bedrooms		Number of P&R Properties
1		3
2		3
3		2
4		0
	Total:	8

4.4 The Council continues to add high quality new homes to its stock in order to negate the impact of the RTB scheme. (see Para 4.2 above). During the last year 70 extra care home have been built at De Wint Court and in March 23 we will add another 42 homes at our Rookery Lane development, which is made up of a mix of 2-, 3- and 4-bedroom properties.

5. Strategic Priorities

5.1 **<u>Let's reduce all kinds of inequality</u>**

The Government policy is primarily about reducing the welfare benefits bill**,** but it does help those just above benefit thresholds. Council house rents remain significantly lower than the rent levels in the private rented sector in the city.

5.2 **<u>Let's deliver quality housing</u>**

The new rent policy recognises the need for a stable financial environment to support the delivery of new homes and to increase resources available to maintain current homes.

6. Organisational Impacts

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

Council Housing Rents 2023/24

The impact of this change as of 14 December 2022 will be an increase to the current average calculated 52-week net social housing rent, from £73.44 per week to £78.17 per week – an average increase of £4.71 per week, and an increase on affordable rent from £116.91 per week to £124.31 an average increase of £7.58 per week.

(Please note that affordable rent properties, each time they become void have a new market rent valuation completed and the rent is charged at 80% of the market rent.)

Appendix 1.
Impact of increases on rent per bedroom size of property.

6.2 Council Garage Rents 2023-24

An increase in garage rents of 5% is proposed in line with the Authority's Fees and Charges increase. This would bring the charge to £8.67 for 2023/24 (based on a calculated 52-week charge period), an increase of £0.43 per week. Research has shown that the garage rents in Lincoln are mid-range when compared to similar locations in the East Midlands.

6.3 **Legal Implications**

There are no legal implications arising from this report.

6.4 **Equality, Diversity and Human Rights**

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

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

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

When proposals of rent chargeable on social housing are recommended, they are applied across the board to all properties irrespective of any equality characteristic of the tenant.

There are policies that allow tenants to claim monetary assistance to pay their rent, for example Housing Benefit and Universal Credit for such things as age and disability. Thus, there are no direct equality, diversity, or human rights implications in this report"

7. Risk Implications

7.1 (i) Options Explored

Options explored; to calculate the rent at rates at 6.5% and the impact on the HRA.

7.2 (ii) Key Risks Associated with the Preferred Approach

The main risks are:-

- That the Government make further changes to the Rent Guidelines which will undermine the Business Plan,
- That Government intervention in capping future CPI levels at rates lower than those assumed in the MTFS and HRA Business Plan**.**

8. Recommendations.

8.1 To agree the basis of rent calculation for changes to individual Council house rents as set out in paragraph 6 of this report, which represents an increase in the average calculated 52-week council house net rent in 2023/24 of 6.5% for social housing rents (£4.71 p/w) and affordable rents (£7.58 p/w) increase per property.

This is in accordance with Government policy.

8.2 To increase Council garage rents for 2023/24 in accordance with the proposal in paragraph 6.1 above by 5%.

8.3 To refer this report and recommendations to Full Council on Tuesday 17 January 2023.

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

APPENDIX 1

IMPACT OF INCREASES ON ALL TENANTS – APRIL 2023
(Based on an average 52 week rent year inclusive of all rent types)

Average rent increase per property by number of bedrooms per week	
No. of beds	Increase per week
1 & bedsits	£4.42
2	£4.98
3	£5.53
4	£6.44
5	£5.96 *
6+	£6.60 *
* No affordable rents for 5 or 6 + bed properties	

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Item No. 7

EXECUTIVE **16 JANUARY 2023**

SUBJECT:	**COUNTY HOMELESSNESS STRATEGY 2022-2027**
DIRECTORATE:	**HOUSING AND INVESTMENT**
REPORT AUTHOR:	**ALISON TIMMINS - HOUSING SOLUTIONS MANAGER**

1. Purpose of Report

1.1 To consider the Lincolnshire Homelessness Strategy 2017-2021 review document, to consider the consultation summary document and to seek approval for the new Lincolnshire Homelessness Strategy 2022-2027

2. Background

2.1 The Homelessness Act 2002 requires that all Local Authorities carry out a review of homelessness in their areas, formulate and publish a strategy based on the findings of this review, keep the strategy under review and consult with other local or public authorities and voluntary organisations before modifying or adopting a strategy.

2.2 The strategy should:

- Assess the levels of homelessness now, and the factors likely to impact on future levels of homelessness
- Ensure that there is sufficient accommodation available for people who are, or may become, homeless
- Provide services that help to prevent people becoming homeless
- Ensure that through effective partnerships, support services can be accessed for those people who are, or who may become, homeless – or to prevent them from becoming homeless again
- Promote a cultural change so that homelessness is viewed in a wider context than just lack of accommodation

2.3 This strategy (attached at Appendix 1) is the fifth document that has been developed by all Lincolnshire Housing Authorities, in partnership with our stakeholders and has been formulated following our strategy review (attached at Appendix 2).

2.4 An extensive consultation (attached at Appendix 3) with stakeholders collated the achievements of the last strategy and shaped the strategic direction of this document. A series of focus groups, one-to-one meetings and a survey collated vital feedback, which will enable this strategy to meet the aims of not only the seven district councils but our partners.

2.5 To allow us to form a collective and robust approach to homelessness, we have incorporated our Rough Sleeper Strategy into this this document as opposed to having a separate document.

2.6 This strategy informs of the current position and challenges for homelessness across the County, sets out the priorities and actions that together aims to prevent homelessness and reduce rough sleeping across the County.

3. Priorities

3.1 The strategy demonstrates that we are committed to the Government's vision that homelessness should be rare, brief and non-recurring

3.2 Building on the successes of the last strategy and taking account of new challenges the new priorities for the next 5 years will be:

Prevent – identify those that are at risk of becoming homeless as early as possible and through the Duty to Refer work with them to prevent homelessness or rough sleeping

Protect – identifying the most vulnerable and ensuring individuals are safe from harm, and have access to the support and services to maintain their health and wellbeing

Partnerships – strengthen and maintain relationships to bring together resources and knowledge to prevent and relieve homelessness

Place – ensure accommodation is both available and suitable for those that need it and explore opportunities to increase the supply of accommodation

Plan – take a proactive and joined up approach to tackling rough sleeping and homelessness and explore funding opportunities to ensure we meet the needs of all client groups

3.3 These priorities have been chosen to reflect the issues highlighted through the consultation process with our stakeholders and the challenges we face going forward.

4. Developing the Strategy

4.1 A through consultation was completed throughout the development of the strategy. A review of the previous strategy provided a basis on which the new strategy could be formulated along with stakeholder comments from the consultation.

4.2 A series of focus groups and one-to-one meetings ensured the views of our stakeholders were captured into order to highlight the challenges we face together and ideas to resolve them.

4.3 Strategic leads were consulted on the final draft before going out to public consultation. A total of 22 responses were received to the consultation and a collective response from Lincolnshire County Council. The comments shaped the final version and further details can be found in the summary document at Appendix 3.

5. Pathways

5.1 There are many people that can experience or be threatened with homelessness in their lifetime all of which will have different reasons and situations. Whilst each person receives a housing and support plan specific to their needs the strategy identifies the main groups of people that to help and support;

- Single people
- Families
- Rough sleepers
- Those with complex and/or specific needs
- Priority groups at risk

5.2 Identifying the main barriers that these groups are facing allows us to produce tailored approaches to ensure our services offer a tailored and consistent approach across the county. These pathways are detailed in the strategy.

6. Monitoring

6.1 The strategy will be reviewed annually by both the Strategic Leads group represented by all district councils and the Lincs Housing Partnerships Manager

6.2 Each priority will have an action group responsible for the delivery of the ambitions and each will create a detailed implementation plan.

6.3 Representatives of the action groups will include the District Councils, Lincolnshire County Council, housing providers, voluntary sector and health professionals who will work collaboratively.

6.4 The action groups will be coordinated by the Lincs Homelessness Partnership group made up of all representatives, organisations and individuals involved in the remit of homelessness across the County.

6.5 Progress on the actions from the implementation plans will be reported to Lincs Housing Health Co-ordination Group and Housing Health Care Delivery Group.

7. Strategic Priorities

7.1 <u>Let's reduce inequality</u>

Delivery of the Lincolnshire Homeless Strategy will have a positive impact on this strategic priority by working to support the most disadvantaged groups within our community.

7.2 <u>Let's deliver quality housing</u>

Working with partners to maximise the availability of affordable housing across the city will reduce homelessness and rough sleeping.

8. Organisational Impacts

8.1 Finance

No financial implications.

8.2 Legal Implications including Procurement Rules

As set out in the report, the Homelessness Act 2002 Section 1 (1) requires all local authorities to complete a homelessness review and Section 1 (4) to have a Homelessness Strategy.

8.3 Equality, Diversity and Human Rights

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

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

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

An Equality Impact Assessment has been produced on behalf of the partnership which identifies this Strategy will not have a detrimental impact on any group, rather the Strategy will positively impact disadvantaged groups.

8.4 Human Resources

It is anticipated that commitment to review the strategy and action plan can be met within existing resources. Each Local Authority currently contributes to the post of Lincs Housing Partnerships Manager, which is hosted by North Kesteven District Council on behalf of the 7 Lincolnshire Authorities.

.

8.5 Land, Property and Accommodation

No implications.

8.6 Significant Community Impact

No significant community impact.

9. Risk Implications

9.1 i. Options Explored

a) Develop a City of Lincoln Homelessness Strategy

9.2 **ii. Key Risks Associated with the Preferred Approach**

The preferred approach is (a) as there is no associated risk. Whilst City of Lincoln Council will develop its own individual homelessness action plan, which will take additional time to develop, there is an established and effective partnership in place with positive outcomes achieved to date.

10. Recommendation

10.1 It is recommended that the Lincolnshire Homelessness Strategy 2022-2027 be approved.

Is this a key decision?	Yes
Do the exempt information categories apply?	No
Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?	No
How many appendices does the report contain?	4
List of Background Papers:	None
Lead Officer:	Alison Timmins Housing Solutions Manager Telephone (01522 873402)

Appendix 1

Lincolnshire Homelessness and Rough Sleeper Strategy 2022-2027

City of Lincoln Council

North Kesteven District Council

South Holland District Council

Boston Borough Council

East Lindsey District Council

served by One Team

South & East Lincolnshire Councils Partnership

South Kesteven District Council

West Lindsey District Council

Appendix 1

Contents

Appendix 1

Welcome

Welcome to the fifth Lincolnshire Homelessness Strategy developed by all Lincolnshire Housing Authorities, in partnership with our stakeholders.

This strategy informs of the current position and challenges across the county and identifies the priorities and actions that together aim to prevent homelessness and reduce rough sleeping across the county.

Homeless is not just a term for someone that is rough sleeping, but covers those that are in temporary accommodation, are at risk of losing their home, are in unsuitable accommodation or cannot afford to remain in their current home.

Tackling rough sleeping and preventing homelessness is a challenge for all local authorities as homeless covers a wider range of factors and many caused by no fault of their own. Many of those rough sleeping or that are homeless are vulnerable due to having mental health issues, complex needs or substance misuse. These vulnerabilities need to be considered when planning to accommodate their needs. Additionally the impact of many economic and social factors including availability of accommodation, cost of living, housing affordability and individual circumstances which change over time add to these challenges.

Across Lincolnshire, there are many common challenges in tackling homelessness but also some more specific issues that only affect pockets of the county. As homelessness is not just about the provision of accommodation and is caused by many other factors, partnership working is key to responding to these challenges.

Having worked together as seven district councils along with Lincolnshire County Council, Housing Providers, Probation service, Voluntary and Community sector organisations and health professionals, there have been huge improvements to homeless services and many initiatives have been successfully implemented which have resulted in:

- A significant number of homelessness preventions
- Joint development of commissioned services
- Increase in access to funding opportunities
- An increase in the provision of specialist accommodation and support for those sleeping rough or at risk of becoming homeless
- More support to help individuals sustain their tenancies

Government policy focuses on the prevention of homelessness and the increasing funding available drives and enables services to be more proactive rather than reactive at point of homeless crisis. The specialist funding opportunities for rough sleepers has also contributed to reducing numbers of those on the streets.

The Covid-19 pandemic and the rise in the cost of living is now presenting new challenges especially around sustainment and availability of accommodation. The county recognises the need to continue to work together to maximise the impact of limited resources. This strategy aims to tackle these issues in a practical and effective way, recognising our roles and opportunities in working together.

We believe this strategy demonstrates that we are committed to the government's vision that homelessness should be rare, brief and non-recurring

Homelessness in Lincolnshire will be:

Rare

Brief

Appendix 1

Non-recurring

1 Developing the Strategy

The Homelessness Act 2002 requires that all Local Authorities carry out a review of homelessness in their areas and formulate and publish a strategy based on the findings of this review. It is also required that the strategy is kept under review and consultation occurs with other local or public authorities and voluntary organisations before modifying or adopting a strategy.

The strategy should:

- Assess the levels of homelessness now, and the factors likely to impact on future levels of homelessness
- Ensure that there is sufficient accommodation available for people who are, or may become, homeless
- Provide services that help to prevent people becoming homeless
- Ensure that through effective partnerships, support services can be accessed for those people who are, or who may become, homeless – or to prevent them from becoming homeless again
- Promote a cultural change so that homelessness is viewed in a wider context than just lack of accommodation

This strategy has been formulated following the strategy review, with particular emphasis on the consultation with stakeholders on the achievements of the last strategy, and input into the strategic direction of this new strategy. A series of focus groups, one-to-one meetings and a survey collated vital feedback, which will enable this strategy to meet the aims of not only the seven district councils but also our partners. This strategy will be supported by a more detailed action plan that can evolve to reflect local and changing factors.

To allow us to form a collective and robust approach to homelessness, we will incorporate our Rough Sleeper Strategy into this this document instead of having a separate document.

2 Legal Framework

As already stated homelessness is not something that can be tackled in isolation, this is reflected further in the key legislation for tackling homelessness:

- **Housing Act 1996 (as amended) Part 7.**

The overarching piece of legislation used by councils in determining the way in which they respond to homelessness. The Act has been amended by:

- **The Homelessness Act 2002.**

Included notable changes in the way Councils use temporary accommodation, with greater emphasis on the role of prevention.

- **The Homelessness Reduction Act 2018**

Brought new legal duties to Councils so that everyone who is homeless or at risk of homelessness will have access to support, irrespective of their priority need status, as long as they are eligible for assistance.

- **The Domestic Abuse Act 2021**

Introduced to address the needs of people experiencing domestic abuse, the act imposes a duty on local authorities to provide support in safe accommodation.

- **The Care Act 2014**

Sets out a wider framework with the expectation that agencies would work together to protect children, young adults and people with care and support needs

- **The Armed Forces Bill 2021**

Places a new Duty of Due Regard on statutory authorities to recognise the Armed Forces Covenant in their policies as well as the delivery of front line services

Appendix 1

3 National picture

Over the last six years we have seen the introduction of new government policy and initiatives for rough sleepers throughout the pandemic.

The Homelessness Reduction Act 2017 (HRA) was the first major piece of homelessness legislation that was introduced in 15 years. The Act places new duties on local authorities to help prevent and relieve homelessness. It is designed to provide support for anyone threatened with homelessness.

Key measures include:

- Extending the period during which an authority should treat someone as threatened with homelessness from 28 to 56 days.
- A new duty to prevent homelessness for all eligible applicants threatened with homelessness, regardless of priority need.
- A new duty to relieve homelessness for all eligible homeless applicants, regardless of priority need. This help could be, for example, the provision of a rent deposit or debt advice.
- A new duty on public services to notify a local authority if they come into contact with someone they think may be homeless or at risk of becoming homeless.

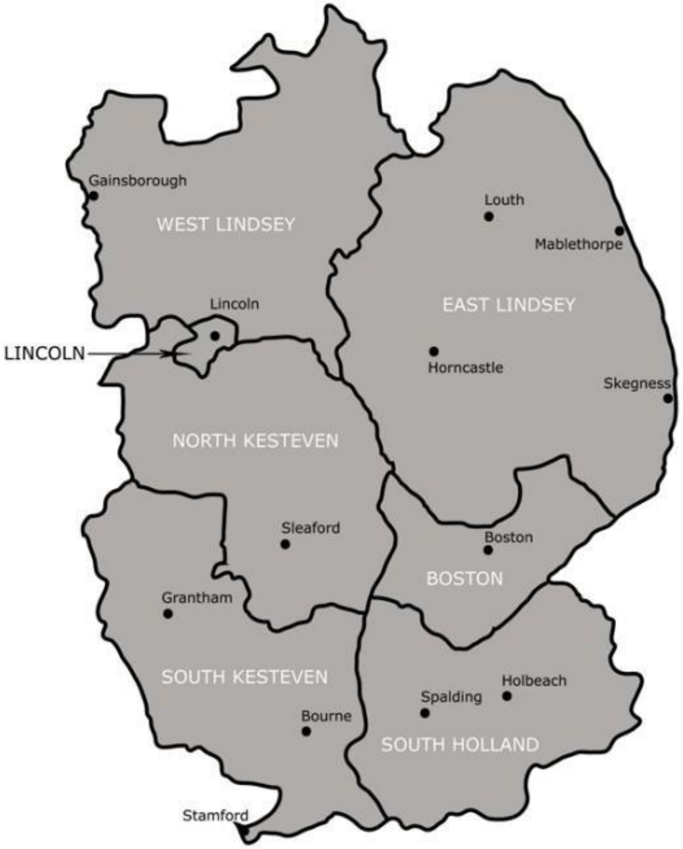
The "Everyone In" initiative prompted by the Covid-19 pandemic accommodated over 37,000 individuals experiencing or at risk of rough sleeping between March 2020 and January 2021 across the UK. This early response is calculated to have prevented substantial numbers of COVID-19 infections, hospitalisations, and deaths among the target cohort.
Substantial reductions in rough sleeping of 37% and radically reduced reliance on the use of night shelters were also achieved as a result.

The pandemic response also improved joint working between the homelessness and health sectors.

The Protect and Vaccinate initiative prompted by the Plan B restrictions gave £24.9m to support all local authorities across England to find appropriate accommodation for people sleeping rough and boosting vaccination rates across this vulnerable population.

A further £3.2m was made available to encourage the uptake of vaccination amongst people sleeping rough and others at risk in the single homeless cohort.

4 Introduction to Lincolnshire



Lincolnshire is made up of 7 Councils all of which have unique characteristics and includes urban, rural and coastal areas. Due to the diverse nature of the county there are a number of challenges that all the councils face and some that are exclusive to one or two areas.

Lincoln being the city has a large University that impacts on the availability of accommodation and has high house prices due to the historic nature of the uphill cathedral area. There are many services and accommodation provisions available and many rough sleepers migrate here to access them. This however adds pressures onto services creating supply issues.

Boston as a borough, has a high level of migrant and Eastern European workers creating a diverse population of cultures. The area has significant agricultural employment attracting seasonal workers and high levels of poor-quality housing but with disproportionately high rents. The borough has seen an increase in individuals who have no recourse to public funds, causing additional issues.

East Lindsey has coastal and rural areas presenting differing challenges of seasonal employment and access to services. The coastal towns of Skegness and Mablethorpe see an increase of rough sleepers over the summer months. The area is an appealing location for people to retire to which presents challenges in finding suitable adapted accommodation.

North Kesteven has one of the lowest rates of rough sleeping and has seen an increase in economic activity over recent years. North Hykeham which borders Lincoln is popular with developers and businesses for new housing and business parks which, has an impact on the affordability of housing. Sleaford in stark contrast has lower house prices but not many accessible services.

South Holland shares many characteristics with Boston with a high proportion of agricultural employment and migrant workers. Wages are low which presents affordability challenges. There are many employment opportunities in neighbouring Peterborough. Having seen an increase in housing development accommodation is still unaffordable to those in need which has led to an increase in rough sleeping.

Appendix 1

South Kesteven has two main towns Grantham and Stamford which have very different housing markets and issues. Grantham has a higher level of deprivation and high numbers of rough sleepers with a variety of housing options. Stamford in contrast has very high house prices creating affordability issues.

West Lindsey also has one of the lowest levels of rough sleeping across Lincolnshire but with high levels of deprivation in some parts of the largest town of Gainsborough. House prices are lower in Gainsborough compared with the other market towns in the district but the villages on the Lincoln border present housing affordability challenges. Low turnover of social housing and lack of private rented housing presents issues with availability of suitable housing to rent.

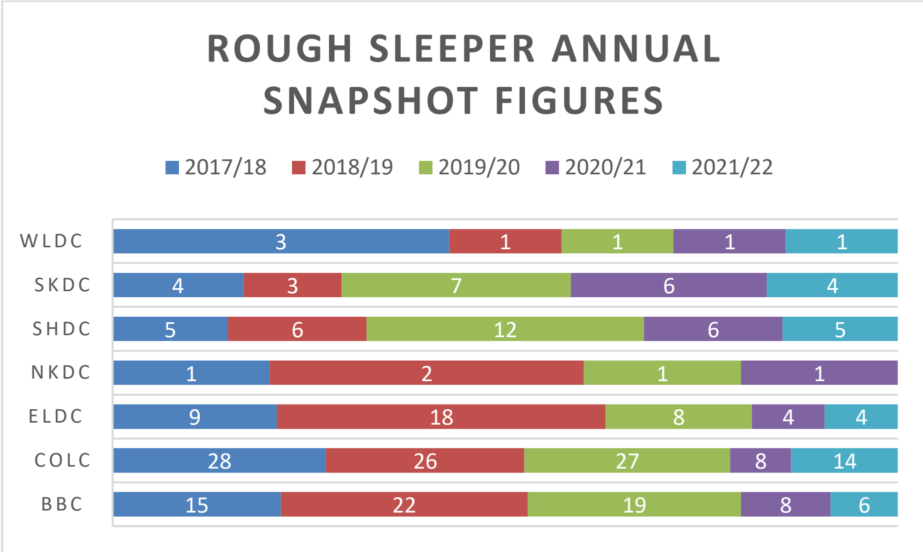
Adding to the unique challenges around access to housing and differences in housing markets, only four of the Councils still hold their own housing stock. West Lindsey, East Lindsey and Boston transferred their stock to registered providers. Despite this, all districts councils have secured new social housing including units specifically for rough sleepers and homelessness people. However, housing demand is still high and there is an ever-increasing reliance on the private rented sector for accommodation.

5 Our Data

This section provides key data to demonstrate the local position with homelessness. Reviewing the dataset of what Lincolnshire has achieved is important to identify our current position and what actions the strategy may need to address.

Rough sleeping

The number of rough sleepers is always fluctuating and cannot be predicted accurately due to the nature of homelessness and the variety of causes.



Numbers have decreased by over 50% since 2019 showing the success of initiatives to engage with individuals and to access more permanent accommodation and support. Lincoln and Boston have the highest rough sleeper numbers as they are the largest urban areas and have the most services available.

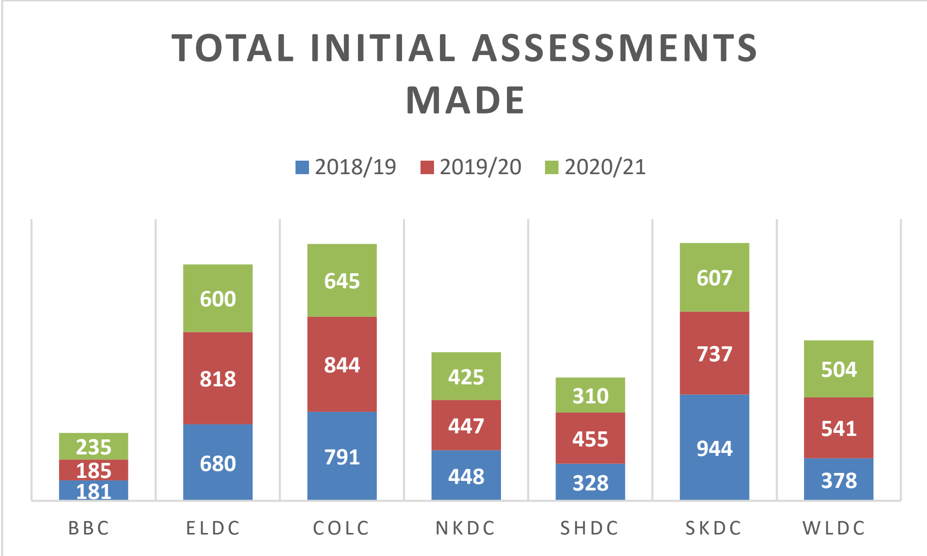
Rough sleeper numbers may be lower in Lincolnshire compared to other counties but still presents a challenge locally, particularly given the rural nature of the county in terms of provision and accessibility of services. The issue, no matter how great needs to be addressed, and Lincolnshire has tackled this head on with three rough sleeper initiatives operating across the county.

Rough sleeper projections

Predicting the number of rough sleepers based on reported Rough Sleeper Autumn Count figures is difficult due to data being affected by the pandemic. Based on recent reported figures around 35-40 individuals are expected to be rough sleeping at any one time in Lincolnshire. It is worth noting that if any funding for Rough Sleeper Initiatives and/or partner organisations was reduced or unavailable then rough sleeping numbers would increase.

Initial assessments

A total of 11,103 initial assessments were completed between 2018 and 2021 to determine if a duty was owed to those presenting as homeless or threatened with homelessness.



Prevention and Relief of Homelessness

Following those initial assessments 14,364 cases were owed a prevention or relief duty to try and resolve their housing issue.

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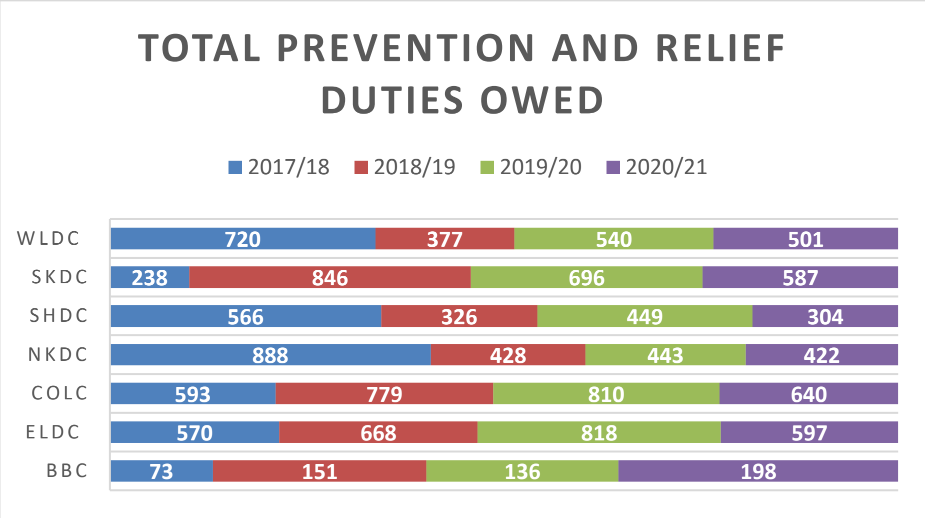
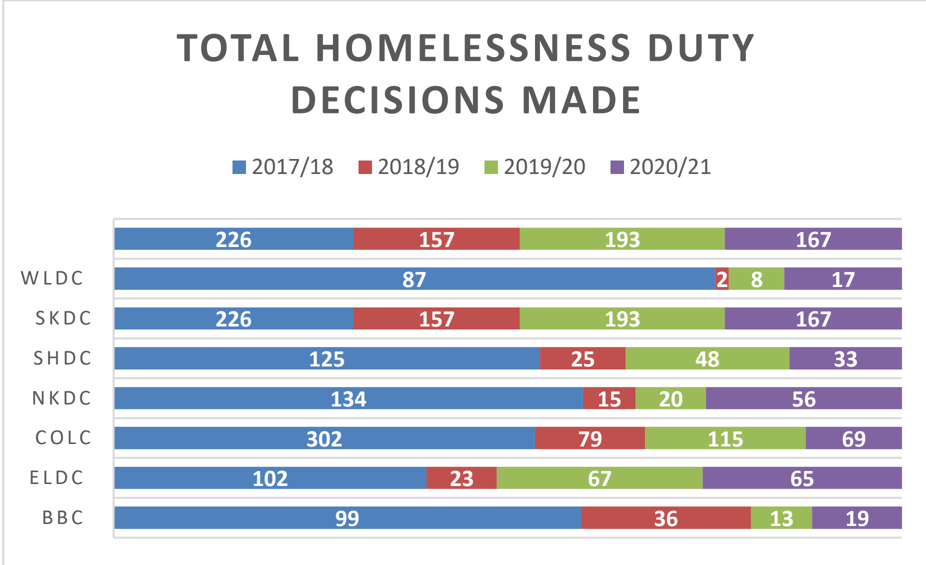




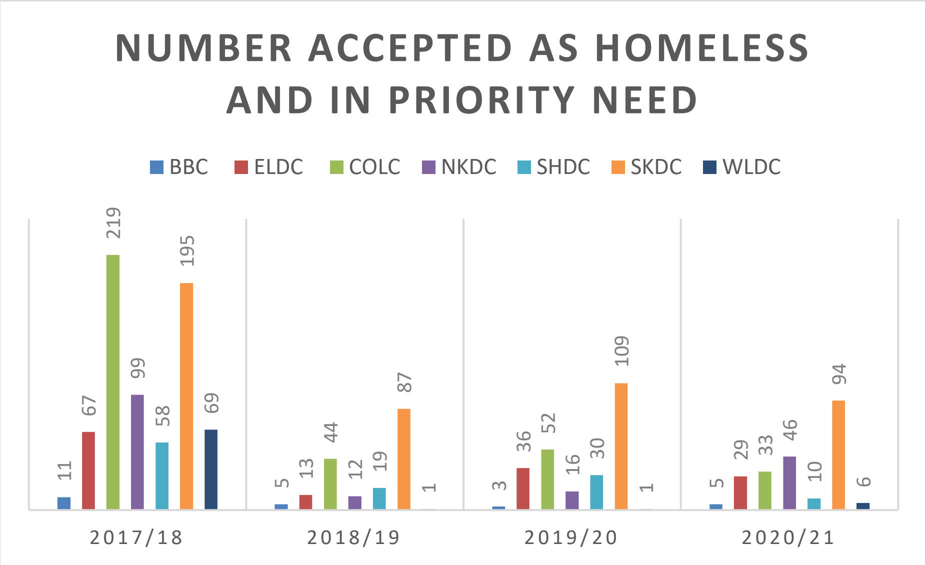
Homelessness Duty Decisions

For those whose housing situation could not be resolved by prevention or relief duties, 2,301 cases were assessed to determine an acceptance of homelessness. This shows the impact prevention duties are making as only 16% of cases did not have their housing issue resolved by a prevention or relief duty, resulting in them presenting as homeless. The number of duty decisions made have also reduced by a quarter over the 4 year period further demonstrating the impact of prevention and relief duties.

Priority Need

Of those 2,301 cases presenting of homeless 1,369 were accepted as being homeless and in priority need and owed a duty. The number of those accepted as homeless and in priority need has decreased by 31% since 2017 showing the impact of homelessness prevention.

Appendix 1



6 Strategic Context

To ensure this strategy is embedded into the local strategic context its themes and priorities will complement other strategies and workstreams within Lincolnshire including:

Housing Health Care Delivery Group (HHCDG)
A commitment to working together, across local government, housing, health, care, and voluntary and community sectors to understand and respond to current and future needs in Lincolnshire. A Delivery Plan has a number of collaborative actions that are supported by each subgroup relating to each theme including homelessness.

Lincolnshire Homes for Independence Blueprint
A call for organisations to work together with the vision for people to live independently, stay connected and have greater choice in where and how they live. Aiming to address the need for a safe and warm home, enabling independent living and addressing health inequalities that make it difficult for some people to maintain a home than others.

Lincolnshire Housing Health Co-ordination Group (LHHN)
A forum supporting HHCDG for the strategic co-ordination of housing activity across the county, to drive the delivery of the housing and health priority and objectives identified in the Joint Health and Wellbeing Strategy, HHCDG Delivery Plan and Homes for Independence Blueprint.

Joint Health and Wellbeing Strategy
Lincolnshire District Councils are committed to developing an ambitious agenda for improving health and wellbeing in Lincolnshire. To achieve this, they are focusing on a strategic, long-term approach to improving outcomes, a sense of opportunity and ambition, district collaboration, a holistic view based on social determinants, and developing system leadership.

7 Partnerships

The prevention of homelessness can only be achieved through a partnership approach due to so many causes and complexities. More than one organisation often needs to work together to highlight and resolve an individual’s housing situation. Often there are health issues that lead to an individual being at risk of or experiencing homelessness which needs a multi-agency approach. Prevention includes both preventing homelessness in the first instance and also preventing recurring homelessness, which need different approaches.

District councils along with Lincolnshire County Council, housing providers, Probation Service, voluntary and community sector and health professionals work together across the sector. Through the network and strategy group many successful initiatives have been implemented, detailed in section 8. Many partnerships underpin this wider network ensuring a robust approach to tackling the challenges the county faces together. The district councils are committed to ensuring partnerships are effective through attendance of many groups as detailed below:

Voluntary and Community Sector

The voluntary sector plays a vital role in supporting rough sleepers across the county as well as supporting those that could be at risk of homelessness through the provision of support, accommodation in some areas, day centers, food and clothing provisions, showers and food banks. In severe weather the sector provides accommodation in some areas and provisions, to ensure rough sleepers are not at risk of harm during the inclement days.

Many charitable organisations across the county provide specific support for those experiencing a crisis or mental health issues, that could be related to their housing situation or could lead to them being threatened with homelessness. The district councils work closely with the sector to refer individuals to access support and respond to those signposted to them for advice on their housing situation.

Housing Related Support (HRS)

Housing Related Support is commissioned by Lincolnshire County Council and delivered by the Lincolnshire Housing Related Support Partnership led by Framework Housing.

The Partnership delivers short term Housing Related Support interventions to vulnerable people who are either homeless or threatened with homelessness, with the aim of improving their health and wellbeing, and enabling them to sustain their own tenancy and live independently.

The service is targeted at the most vulnerable and eligibility is assessed through a triage form with a minimum threshold to access support. The triage form includes questions regarding physical health, mental health, risk to self and others, substance misuse and support network.

Support is tailored to individual needs and delivered by either floating support or accommodation-based support depending on the service user's housing circumstances and needs. Accommodation-based support is supplied by the provider and includes self-contained units in hostel accommodation and dispersed 2 and 3 bed houses.

Only district council housing teams can make referrals to Housing Related Support. Other agencies wishing to refer an individual to Housing Related Support must notify the relevant district council that they are aware of someone who is homeless or at risk of homelessness (this may be part of their Duty to Refer) and the housing team will refer as appropriate.

The Operational Effectiveness Operational Group meets regularly to review capacity, voids, referrals, share information and to discuss issues relating to the partnership.

Rough Sleepers Initiatives (RSI's)

There are 3 Rough Sleeping Initiatives covering all of Lincolnshire mainly funded by Department of Levelling Up, Housing and Communities (DLUHC), working to relieve and prevent rough sleeping. One RSI covers Lincoln, the second East Lindsey and Boston and the third, Change 4 Lincs, covers West Lindsey, South Kesteven, North Kesteven and South Holland hosted by South Kesteven. All have a designated team that works closely within their district council areas, but also across the county as often rough sleeper migrate to other districts.

The service targets those not in priority need that may not have qualified for assistance before the introduction of the initiative. The aim is to identify and help new and existing rough sleepers to access suitable accommodation as soon as possible, as well as helping people who are at risk of sleeping rough.

Outreach services provide help and advice to those who are rough sleeping and homeless and to those who may be at risk of becoming homeless through:

- Referrals to partner agencies or support groups
- Providing details of faith groups and charities
- Help completing housing applications
- Help and advice to find accommodation
- Wellbeing and physical health support
- Help with life skills

Through the creation of person-centered holistic support plans to address barriers and build skills individuals can work towards independent living.

Care Leavers and Young People

Under a contract agreement Nacro Lincolnshire provide supported accommodation that can be accessed by homeless young people aged 16-17 and for care leavers up to 21 years. The service supports around 70 young people at any one time helping to prevent homelessness, and supporting the councils with more complex care leaver cases. They offer long term support to young people who the district councils may struggle to support and to aid a smooth transition into accommodation.

The Youth Homelessness and Care Leavers Protocol sets out the working arrangements for Nacro, the district councils and children's services to support young people and care leavers who need advice and assistance. The aim being to support these young people to live semi-independently.

The transitions panel which meets regularly to review outcomes, discuss challenges, share information and ensure appropriate move on plans are in place for complex cases.

Prison Leavers

The Lincolnshire Prison Release Protocol is an agreement between all Lincolnshire housing authorities, the prison and the probation service. The aims of the protocol are to contribute towards the government's aims of ensuring that at least 90% of people are in accommodation upon release from prison and that at least 80% of people are in settled accommodation either three months after their release or upon receipt of a community sentence. Prison leavers who will be homeless upon release are referred to a district council up to 56 days before release, to enable a personal housing plan to be agreed to try and prevent them from becoming homeless.

A task and finish group are monitoring the implementation and success of the protocol, through performance data and research from service users, to learn from experience and further improve.

Domestic Abuse

In partnership with Lincolnshire County Council support and accommodation is available for those impacted by domestic abuse. Refuge accommodation and dispersed units are available for those fleeing domestic abuse. Providing refuge accommodation has recently become statutory responsibility with funding made available, however, this provision has already been available in Boston, East Lindsey and Lincoln. The dispersed units can be accessed by males experiencing domestic abuse and also those with larger families and families with older male children who could not previously be supported by the refuge accommodation. Each council attends the MARAC meetings (Multi Agency Risk Assessment Conference) to put plans in place to protect victims and including target hardening on the victims home.

Vulnerable Adults Panel

Multi-agency panels and neighbourhood teams have been established across each district. They enable a joint approach to addressing the needs and risks of vulnerable and/or complex individuals that are homeless or at risk of becoming homeless. The panel/team consider housing options in conjunction with identifying and managing risks.

The Panels/teams are represented by a range of service providers and teams including housing providers, mental health, substance misuse, Prison Service, Fire and Rescue Service, housing benefit, Lincs Police and Adult Social Care. The model has been successfully providing more holistic and sustainable housing solutions for vulnerable customers, but further improvement is still required.

Team Around the Adult (TAA)

The Team Around the Adult pilot launched in February 2021 and supports the approach offered through the Vulnerable Adults Panel and Neighborhood Teams and work with the particularly complex cases. Usually this is where a more creative approach is required to reach out to people in the community and ‘go to them’, particularly if they do not wish to engage with services.

The TAA process is overseen by an appointed coordinator, it will involve the appointment of a Lead Professional who will usually be the key worker, to engage with the individual, promote multi-agency working and utilise a shared IT system.

By having a creative multi agency approach towards working with complex cases, the aim is to achieve change where more traditional engagement and intervention methods have not been as successful as anticipated, or change may not have been maintained.

A task and finish group are monitoring the pilots progress and outcomes including an in-depth analysis of cases to better understand the presentation and referral pathways across the partner organisations services.

Non-commissioned accommodation

Each council needs to have access to a number of accommodation options to utilise for those that are eligible. Partnerships have been created to enable councils to have their own temporary accommodation either through homeless units owned by the council or a contracted provider.

Move-on accommodation can also be accessed through Framework and its contracted providers in some areas. Private landlords also play a vital role in facilitating access to accommodation and Private Sector Leasing is used in some areas to supplement the supply of temporary and move on accommodation.

Funded schemes such as Rough Sleepers Accommodation Programme and Next Steps Accommodation Programme, has provided the ability to increase the provision of supported accommodation across the county, reducing the need for B&B use. However B&B’s are still used regularly as the need for suitable accommodation outweighs the supply.

There are non-commissioned hostels in Lincoln, Boston and Mablethorpe providing provision and services for rough sleepers and other charitable organisations that offer accommodation for specific groups.

Drug and Alcohol Substance Misuse Service

Lincolnshire County Council has a drug and alcohol substance misuse service, and it is widely known that many rough sleepers are substance users. As part of the government’s bid to end rough sleeping for good, a Rough Sleeping Drug and Alcohol Treatment Grant (RSDATG) has been awarded to Lincolnshire County Council.

The grant will be used to deliver substance misuse treatment services for people sleeping rough or at risk of sleeping rough through an assertive outreach model. This will be delivered by the county's treatment and recovery providers in collaboration with housing, the voluntary sector and district councils. In addition to evidence-based drug and alcohol treatment, vital wraparound support will be provided to improve access to and engagement with treatment.

HHH

The Holistic Health for Homeless team in Lincoln works with individuals to conduct holistic reviews, and best support individuals with both physical and mental health. The team work alongside other clinicians and practitioners locally to ensure smooth transitions when accessing services. By having this multi-disciplinary team approach both within the small team but also linking to wider stakeholders, has ensured swift and timely responses for the individuals seeking care, reducing buffering between services and disengagement.

The team has evolved and developed since in introduction, reflective to the needs, trends, and themes they have been presented with. There are a range of clinical staff including Mental and Physical Health Practitioners, junior team members, psychiatry and GP support, administration function and a social worker too within the team.

8 Rough Sleeping

The government published a new national Rough Sleeping Strategy in 2022 setting out its vison of 'Ending Rough Sleeping for good.' The priorities in the strategy focus on four main themes-

- Prevent
- Intervene
- Recovery and transparency
- and a more joined up system.

The strategy calls for a whole system approach, recognising that rough sleepers interact with a range of different services, that need to work together to provide holistic support and collaborate across organisational boundaries.

Better prevention is needed through providing earlier support across the system aiming to ensure that nobody leaves a public institution to the streets. Lincolnshire's Prison Protocol will ensure Duty to Refers are made to secure accommodation before release.

Intervention should be swift and effective, so that people can report if they see a person sleeping rough and connect them to help to receive a tailored offer of support which meets their needs. Promotion of our RSI services and outreach model is working successfully to verify and create support plans for rough sleepers.

To aid recovery for those that need it, services need to continue to work together to deliver the help people need, to get off the streets and stay off the streets for good. The Rough Sleepers Drug and Alcohol Treatment Grant will provide much needed support to break this cycle.

An increase in government funding for rough sleepers accommodation and support will be launched as part of the strategy, and recognises that provisions need to include tailored mental health and substance misuse support. This builds on the county's successful projects funded through the Rough Sleeper Accommodation Programme (RSAP) and Next Steps Accommodation Programme (NSAP). The NSAP programme aimed to provide move on accommodation for rough sleepers that were accommodated throughout the pandemic. The RSAP scheme followed in its success to further increase provision. The need for support for rough sleepers to enable them to move on to sustain tenancies was recognised and formed part of both these programmes.

A joint county bid to secure accommodation though the RSAP to provide supported accommodation for those with complex needs was successful and will be implemented in 2023. This project alongside funding for substance misuse, should go a long way to stopping the cycle of rough sleeping across the county.

Working together there has been significant progress towards ending rough sleeping. Collective efforts at the height of the pandemic saw tens of thousands of people helped off the streets in the UK with two thirds moved into long-term housing. This highlights that a problem as intractable as rough sleeping can be solved with a shared commitment to succeed.

The county will continue to create a more transparent and joined-up system by ensuring effective and honest communication happens by everyone involved. Partners should be clear on their commitment and hold each other to account whilst sharing knowledge and exploring opportunities for joint funding and commissioning.

The challenge of rough sleeping is not an easy one and is not just about accommodation but requires a long-term solution to stop the recurrence. We know that many people rough sleeping suffer from poor mental health and substance misuse and others are caught in a vicious cycle between prison and a life on the streets. We need to identify the underlying causes that have led to rough sleeping, ensure individuals know they have other options and support them throughout their journey.

9 Review of current Homelessness Strategy

The last Lincolnshire Homelessness Strategy 2017-2021, extended to December 2022, focused on five main priorities:

Priority One: Protect	Protecting the most vulnerable from experiencing homelessness including tackling rough sleeping.
Priority Two: Prevent	Preventing homelessness wherever possible to do so.
Priority Three: Partnership	Developing and maintaining strategic relationships and partnerships.
Priority Four: Place	Ensuring access to the right type of housing solution.
Priority Five: Possibility	Ensuring a sustainable future for supported housing.

We will use this section to reflect on these and our key achievements against these identified priorities:

Protect

✓ A decrease in rough sleeping by over 50% over the last 2 years

✓ Successful bid for government funding for 3 Rough Sleeper Initiative Projects that are working well across the county.

✓ Introduced a Severe Weather Emergency Protocol to provide emergency assistance for rough sleepers when weather conditions pose a risk to health.

- ✓ Increased the provision of single persons accommodation to improve housing options.
- ✓ During the pandemic a total of 215 rough sleepers were accommodated through the Everyone In and Protect and Vaccinate schemes
- ✓ Partners across the county system, went to great lengths to maximise take up of the Conid-19 vaccine amongst the homeless cohort. HRS staff helped facilitate, promote, and encourage their service users to attend drop-ins too.
- ✓ Enabled all rough sleepers to have a postcode so that they can access post and the ability to setup a bank account
- ✓ Introduction of the Lincs Prison Protocol to ensure prison leavers have safe and suitable accommodation on release.
- ✓ Provision of Hospital and Housing Link Workers.
- ✓ Referring the most vulnerable to multi agency groups to ensure they can access the support they need.

Prevent

- ✓ Over 10,000 households prevented from becoming homeless over the last five years across Lincolnshire.
- ✓ Published a countywide Rough Sleeper Guide to demonstrate how accessible information contributes to homelessness prevention.
- ✓ Implemented the Controlling Migration Fund to allow EEA nationals access to work, who have no recourse to public funds and employed a countywide resettlement worker.
- ✓ Worked with private sector landlords to prevent households become homeless through a range of initiatives.
- ✓ Committed to Team Around the Adult to facilitate a partnership safety net approach for complex adults
- ✓

Partnership

- ✓ In partnership with LCC and providers implemented the Housing Related Support Service for supported accommodation and floating support for those either homeless or at risk of homelessness.
- ✓ Formed the Homelessness Strategy Partnership to work with housing providers, voluntary and community sector organisations, health
professionals and Lincolnshire County Council to deliver together the actions of the Lincolnshire Homelessness and Rough Sleeping Strategy
- ✓ Fully engaged an effective Homelessness Cell working group to respond together to Covid-19 Everyone In and Protect and Vaccinate government initiatives.
- ✓ Raising awareness of the needs of people who are entrenched in rough sleeping and developing health services to meet their needs through the Lincolnshire Clinical Commissioning Group.

Place

- ✓ Implemented countywide processes and protocols to meet Duty to Refer requirements, enabling timely intervention and preventing homelessness.
- ✓ Provided additional units of accommodation through - Housing First, Next Steps Accommodation Programme and the Rough Sleeper Accommodation Programme.
- ✓ Engaged with rough sleepers whilst being accommodated during the pandemic, supporting them into service provision and more settled housing.

Possibility

- ✓ Submitted a countywide bid for Rough Sleepers Accommodation Programme funding to provide accommodation for those with complex needs with dedicated support.
- ✓ Delivered the ACTion Lincs project to provide long term life changing support for an identified group of vulnerable and complex need rough sleepers, across the county using Housing First principles.

Appendix 1

10 Looking ahead, our challenges

Looking forward our aim is aligned with central government that homelessness should be **rare, brief and non-reoccurring**. The landscape of homelessness including government policy, funding initiatives and the social and economic positions means that within a five-year strategy period, much can and will change. This presents challenges to successfully delivering this strategy, however Lincolnshire has positioned itself to be able to respond to those challenges and adapt its approach as and when the landscapes change.

The nature of homelessness

Preventing and reducing homelessness and rough sleeping is a difficult issue to address due to the many factors that can cause people to become homeless. Every individual has different circumstances and needs which prevents a one size fits all approach, and it could take a period of time to understand a person's circumstances in order to assist them in the right way. Predictability of homelessness is also an issue as numbers fluctuate but do not follow any particular trends due to a number of factors that contribute to someone becoming homeless.

The main reasons people become homeless in Lincolnshire are:

- Friends or family unable to accommodate
- Relationship breakdown
- Debt, particularly rent or mortgage arrears
- Problems with a landlord, being threatened with eviction or served notice to leave including no fault evictions
- Domestic abuse, or other forms of violence, threats or intimidation
- Loss of accommodation due to addictions, mental health issues or having complex needs.
- Discharge from hospital, care, armed forces or release from custody, with no suitable accommodation available to them.
-

Prevention

With the introduction of the Homelessness Reduction Act in 2017 there is a focus on earlier intervention and duties to prevent and alleviate homelessness. Key partners have a Duty to Refer individuals for assistance. This change has allowed many households to resolve their housing issues before they become homeless and not need temporary accommodation.

With public authorities referring individuals within a 56-day period of potential homelessness this gives time for partners to work together to find suitable housing options. This has led to closer working between agencies and a commitment to assisting individuals. Lincolnshire has a protocol for both prison leavers and young people and care leavers demonstrating the willingness to work together.

Whilst the focus remains on preventing homelessness there are instances where it cannot be prevented, and a crisis situation arises. An assessment would then take place to access appropriate accommodation and support. However, there are some rough sleepers that do not wish to be rehoused and some that have become entrenched. In these instances, the RSI team and district council work together to continue to offer assistance and welfare checks.

Covid-19

The pandemic put more emphasis on service delivery to be more reactive. The key focus on accommodating and protecting rough sleepers brought together local authorities, housing providers, voluntary sector organisations and health professionals across the county to create a multi-agency approach.

Appendix 1

Whilst many of the rough sleepers were accommodated this allowed engagement with services in a way that has not previously been available and has led to many of this cohort remaining in accommodation and not returning to the streets.

Availability of accommodation

The need to accommodate all rough sleepers across the county during the pandemic further highlighted the shortage of accommodation for single people, especially those with high support needs who struggle in a hostel environment. Without the assistance of hotels and B&Bs who weren't able to use their accommodation because of Covid-19 for normal use, councils wouldn't have been able to get everyone off the streets.

As well as an anticipated increase in homelessness there are competing demands for affordable accommodation from the government's various resettlement and refugee schemes for instance those presenting as homeless due to host relationship breakdowns from the Homes for Ukraine scheme. A dispersed scheme is also due to be introduced for Asylum Seekers which will further impact availability of private sector housing.

House prices and rents increasing but the Local Housing Allowance rates are not rising in line with these increases leaving more people being unable to afford housing. Government funding for newbuild affordable housing and accommodation for rough sleepers has been utilised but the demand for this accommodation far outweighs the supply.

Need for a joined up approach

Resources are limited and with demand increasing for accommodation and support services there is a need to consider ways we can take a joint approach. Service provision is time-bound to its funding duration and planning for future provision needs to be considered. Taking a partnership approach and considering joint commissioning can result in provision that is better value for money, whilst improving access and outcomes for all.

Our partners have expertise and knowledge that is needed to successfully attract and ultilise funding for the benefit of those that need it most. There are inequalities across the county in terms of access and outcomes, so working together to evaluate what works well and what needs to change will result in better efficiency of our services and meeting needs of our client groups.

Cost of Living

The cost of living is increasing and is set to increase further, this will see more people unable to afford their current housing and add pressure to the demand for social housing. A multi-agency approach is needed to identify those struggling at an early stage and signpost to financial advice and assistance where appropriate. Demand for private rented accommodation will increase but with competing demands and affordability issues, households could resort to unsuitable, poor standard and overcrowded housing.

Holistic identification of needs

Homelessness is not just a housing issue, and to successfully prevent and ensure instances do not reoccur there is a need to look beyond the individual's housing situation, and consider the underlying causes. It is widely known that there is a direct link between housing and health. The aim is not just to ensure someone has a roof over their head but to ensure their physical and mental wellbeing is taken into account.

When assessing individuals needs it is important to consider all factors and be flexible in the approach as some information may not be available at the first point of contact. Whilst we have pathways for each group, we need to highlight that these are not prescriptive and are only paths to access. Whilst many people fit into each group, a tailored approach is given following assessment of their needs. The provision of support and service will adapt to the individual's health and wellbeing.

Hidden homelessness

Whilst we are able to monitor the number of those that present as homeless and are rough sleeping, the extent of those 'hidden' is often unknown. This includes individuals who are:

- Rough sleepers that we are not aware of
- Those staying with family or friends
- Sofa surfers
- Squatters
- Those living in tents/caravans
- Those living in unsuitable housing
- Those released from prison, care or hospital with no suitable secured accommodation
- Paying guests in B&B's/hotels which could be funded through illegal means

Often these individuals do not know what services they can access and what starts out as a temporary measure can result in a long-term cycle often resulting in declining health and wellbeing. The challenge is to identify these people so they can be referred to appropriate partners and services including the RSI's to access suitable accommodation and healthcare.

Many individuals with no recourse to public funds (NRPF) are sleeping rough, squatting or in unsuitable housing as there are no immediate solutions within current government policy to resolve their housing issues. Council's will encourage those that are eligible to apply for EU settled status in order to access benefits and assist individuals to find work to resolve their financial and housing issues.

11 Our Priorities

Building on the successes of the last strategy and taking account of new challenges the priorities for the next five years are:

1. **Prevent** – identify those that are at risk of becoming homeless as early as possible and through the Duty to Refer to prevent homelessness or rough sleeping

2. **Protect** – identifying the most vulnerable and ensuring individuals are safe from harm, and have access to the support and services to maintain their health and wellbeing

3. **Partnerships** – strengthen and maintain relationships to bring together resources and knowledge to prevent and relieve homelessness

4. **Place** – ensure accommodation is both available and suitable for those that need it and explore opportunities to increase the supply of accommodation

5. **Plan** – take a proactive, joined up and flexible approach to

tackling rough sleeping and homelessness and explore funding opportunities to ensure we meet the needs of all client groups

These priorities have been chosen to reflect the issues highlighted through the consultation process with our stakeholders and the challenges we face going forward.

12 Pathways

There are many people that can experience or be threatened with homelessness in their lifetime, all of which will have different reasons and circumstances. Whilst each person receives a personal housing plan specific to their needs, we can identify the main groups of people that this strategy aims to help and support;

- Single people
- Families
- Rough sleepers
- Those with complex and/or specific needs
- Care leavers and young people
- Prison Leavers
- Those experiencing Domestic Abuse
- Armed Forces Community
- Those with No Recourse to Public Funds

Identifying the main barriers that these groups are facing allows us to produce tailored approaches to ensure our services offer a personalised and consistent approach across the county.

Single people

There is a shortage of suitable longer-term financially affordable accommodation for single people across the county which will be one reason as to why single people end up rough sleeping. Many become homeless due to friends or family being no longer able to accommodate them or they are sofa surfing and many are not in priority need. Some will have accommodation but can’t manage without appropriate support which is often required long term. Others are elderly with care and support needs.

Providing access to appropriate accommodation is crucial to break the cycle of homelessness that many experience. Many single people have vulnerabilities including mental health issues, complex or specific needs, substance misuse and/or chaotic behavior. This can lead to them being vulnerable living alone and at risk of cuckooing or harm as they need support. For others, shared accommodation is not suitable due to their behavior caused by their vulnerabilities all of which can lead to loss of accommodation.

The Rough Sleeper Initiatives and Homelessness Reduction Act have increased options for those not in priority need allowing many single people to be accommodated. However, some have become entrenched rough sleepers and do not wish to be rehoused or find the transition difficult. Finding temporary accommodation is difficult for this group but long term stays in hostels and B&B's can lead to isolation and mental health issues which in turn result in loss of accommodation.

What we will do to help this group:

- **Prevent**
  Work with individuals to assess options before they become homeless and discuss assistance RSI's can offer for those not in priority need. All efforts for the individual to remain in any settled accommodation will be prioritised over offering temporary accommodation.
- **Protect**
  We will assess everyone to identify any support needs and refer/signpost to appropriate agencies for personal and tenancy related support. We will utilise multi-agency groups where required to access additional support.
- **Place**
  Work with housing providers and private landlords to identify suitable accommodation options to meet individual needs. Opportunities will be explored to increase accommodation through government funding.
- **Partnership**
  Work together to access funding to increase accommodation options for single people.
- **Plan**
  Review this pathway to ensure accommodation and services can be accessed by this group.

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Families

Many families are threatened with homelessness due to affordability issues, changes in circumstances or loss of secure accommodation, often through no fault of their own. Whilst this group fall into the priority need group, options for temporary accommodation are more limited in some areas. Whilst there is a shortage of social housing for all household types and waiting times can vary, the use of private sector housing is imperative for this group.

What we will do to help this group:

- **Prevent**
  Work with households to prevent loss of accommodation through liaison with landlords, signposting and financial advice and promoting awareness to seek advice as soon as homelessness is threatened.
- **Protect**
  Ensure access to financial advice and creation of personal housing plans that meet the needs of the household. Make referrals for tenancy and floating support where appropriate to sustain tenancies.
- **Place**
  Identify all housing options and support for families to make informed and realistic decisions based on their needs. Work with private landlords and provide assistance where appropriate. Increase the supply of family temporary accommodation to minimise the use of B&B's.
- **Partnership**
  Work with housing providers and the voluntary sector to ensure access not just to accommodation but food, furniture and support for all members of the household.
- **Plan**
  Review and implement initiatives to assist with the rising cost of living and landlord issues.

Rough sleepers

Due to the issues already detailed many single people and some couples inevitably end up on the streets and often in a vicious circle of rough sleeping. Rough sleeping has many health and wellbeing impacts and efforts to prevent rough sleeping should be maximised. The Rough Sleeper Initiatives along with partners including the Voluntary and Community Sector have been successful in reducing numbers and many rough sleepers that were accommodated during the pandemic have been able to access more permanent accommodation.

What we will do to help this group:

- **Prevent**
  Exhaust all options to prevent individuals ending up on the streets by encouraging early notification and promoting awareness of options to assist. Ensure Duty to Refers are responded to effectively and do not result in homelessness.
- **Protect**
  Respond to all reports of rough sleeping through proactive street outreach and promotion of a single number for the general public to report sightings and concerns. Make offers of temporary accommodation or hostel placements and complete regular wellbeing checks on those that do not wish to be accommodated or are ineligible.
- **Place**
  Identify suitable accommodation options and work with individuals to seek the support services they require to address health, wellbeing and tenancy needs. Investigate options for additional hostel and temporary accommodation alongside single person move on accommodation.
- **Partnership**
  Work with partners to increase long term accommodation options for rough sleepers and housing related support to enable cycles of rough sleeping to be broken.

Appendix 1

- **Plan**
  Pool resources and share knowledge across the county to tackle rough sleeping. Explore future funding phases and joint working opportunities.

Complex/Specific Needs
Many individuals need specific housing or support through a tailored support plan which is identified through an initial assessment. A triage is completed to determine the level of an individuals need. There is a shortage of adapted and supported accommodation across the county so utilisation of Disabled Facilities Grants and floating support is key to meeting the needs of this group. There is a need to access suitable accommodation and appropriate support for those with complex and specific needs and those discharged from hospital and mental health inpatients.

What we will do to help this group
- **Prevent**
  Identify needs that are contributing to an individual's risk of homelessness, put support in place to sustain their current housing. Understand why cases become complex and put measures in place to stop cases becoming complex and leading to homelessness. Ensure those discharged from hospital and inpatients do not end up homeless through early planning. Improve education for agencies to understand the needs of people with complex needs
- **Protect**
  Work with support and housing providers to ensure individuals needs are identified and diagnosed at an early stage and first contact with LCC, CCG, LPFT and TAA, in order to access suitable support. Improve access to adaptations so that people can remain in their own homes and improve their physical and mental wellbeing.
- **Place**
  Work with LCC to increase the provision of supported accommodation specifically for those with learning difficulties, autism and mental health issues.
- **Partnership**
  Form a multi-agency approach to learn from previous experiences to ensure individuals can access support and accommodation that is suitable for their needs and stop future episodes of homelessness. Progress the need for dual-diagnosis for those with mental health and substance misuse forming a joint approach from services.
- **Plan**
  We will map services and accommodation across the county to identify areas needing an increase in provision, especially for unsupported or low-level support options, to ensure clients can move on successfully after supported accommodation.

Care Leavers and young people
Young people who are threatened with or become homeless for a variety of reasons will be vulnerable and are likely to have no support. Ensuring their welfare through the provision of appropriate support that is centered on the young person is essential to resolving their housing issues.

What we will do to help this group:
- **Prevent**
  Respond to Duty to Refers in a timely manner working with LCC, Nacro and other agencies in line with our agreed protocols.
- **Protect**
  Ensure adequate and appropriate support is available from the outset by checking their leaving care status (if under 25) and utilise early help and leaving care services.
- **Place**
  Provide suitable accommodation to meet the young person's needs and offer flexibility regarding local connections and individual preferences

with the aim of safeguarding their welfare.

- **Partnership**
  Work with LCC and Nacro to identify the best approach to meet the young person's needs.
- **Plan**
  Monitor and review protocols to streamline referrals and resolve issues through the Transitions Panel, to ensure all young people and care leavers are accommodated and supported

Prison Leavers

Prison leavers should have access to appropriate and settled accommodation on release. Not all of those seeking accommodation will be released from prisons within the county, so support plans should reflect the vulnerability of this group, and a proactive multi-agency approach is needed.

What we will do to help this group:

- **Prevent**
  Ensure the Duty to Refer is made and responded to in advance of the release date in line with the agreed protocol. Use escalation points to ensure no one is released to the streets.
- **Protect**
  Ensure access to housing support is available on release to give individuals the best chance to settle and sustain their tenancy, recognising that support needs can change over time as individuals settle back into the community.
- **Place**
  Provide access to suitable accommodation avoiding the need for temporary accommodation where possible by forward planning. Work with Probation Service to explore joint working opportunities.
- **Partnership**
  Work with Probation Service and partners to tailor our approach to suit individual needs referring to services when needed.
- **Plan**
  Monitor the protocols to streamline referrals and resolve any barriers in accommodating and supporting these individuals.

Domestic Abuse

All those impacted by domestic abuse need access to support and suitable accommodation. Local connection rules are extended to those fleeing abuse so good partnership working is required to secure appropriate accommodation for those that need to move in or out of the county.

What we will do to help this group:

- **Prevent**
  Respond to referrals in a timely manner ensuring appropriate advice, support, target hardening or accommodation is provided, working with the referring partner and other agencies in line with the Domestic Abuse Act.
- **Protect**
  Make existing accommodation safe and secure where appropriate and ensure support is available. Consider vulnerabilities, risk and safeguarding making referrals made where appropriate. Refer perpetrators to programmes that can help them change
- **Place**
  Provide appropriate accommodation which is safe and avoid temporary accommodation in line with the Domestic Abuse Act 2021.
- **Partnership**
  Engage with partners to form a multi-agency approach to support both

those experiencing domestic abuse and perpetrators utilising funding available.

- **Plan**
  Monitor any issues with referrals and plan to ensure adequate support and accommodation is available in line with demand.

Armed forces Community

Members of the Armed Forces community can also fall into multiple group descriptors and can become homeless due to relationship breakdowns during the transition to civilian life, domestic abuse, having complex needs due to mental health issues as well as those who leave the military at short notice.

What we will do to help this group:

- **Prevent**
  Respond to all referrals in a timely manner working with the referring partner and other agencies in line with protocols.
- **Protect**
  Ensure appropriate support is available to assist in the transition to civilian life and for those experiencing Domestic Abuse.
- **Place**
  Identify those that are eligible using the 'think veteran' approach and avoid temporary accommodation where possible.
- **Partnership**
  Engage with partners to form a multi-agency approach to meet individual needs and promote assistance we can offer.
- **Plan**
  introduce protocols to streamline referrals and monitor any barriers in accommodating and supporting these individuals

Those with No recourse to public funds (NRPF)

There are individuals in some parts of the county with restricted eligibility who do not have access to public funding, they are unable to access housing and often end up rough sleeping. Some that are employed have access to accommodation, but this is often unsuitable. Many in this group were accommodated during the pandemic but are now not eligible for assistance, unless there is a risk to life.

What we will do to help this group:

- **Prevent**
  Engage with individuals as early as possible to assess options to prevent them from rough sleeping.
- **Protect**
  Ascertain immigration status and eligibility to apply for EUSS and assist with applications were needed. Explore options to enable individials access to employment.
- **Place**
  Provide temporary accommodation where individuals are eligible or if there is a 'risk to life.' Engage and encourage non publicly funded organisations to provide accommodation short term.
- **Partnership**
  Liaise with supporting agencies and partners to assist with accommodation and support – NHS & GP Surgeries, faith groups, addiction support, and food banks.
- **Plan**
  Implement a joint agency protocol for housing and support for no recourse to public funds.

13 Review and implementation plan

The strategy will be reviewed by both the Strategic Leads group represented by all district's councils, Lincolnshire County Council and the Lincs Housing Partnerships Manager.

Appendix 1

An ambitions table in the next section has been produced using the feedback from the consultation, and review of the last strategy to inform on the outcomes we wish to achieve through this strategy. To ensure this document remains relevant throughout its lifespan, an implementation plan has not been included. Instead, a series of action groups for each priority will be responsible for the delivery of the ambitions, through more detailed implementation plans.

The groups will involve representation from a range of organisations including the seven district councils, Lincolnshire County Council, housing providers, voluntary sector and health professionals who together will achieve the aims of this strategy as we face the challenges set out in this document together.

Progress from the actions on the implementation plan will be monitored through the Lincolnshire Strategy Homelessness Partnership group and reported up to Lincolnshire Housing Health Co-ordination Group and Housing Health Care Delivery Group.

Appendix 1

14 Ambitions

Priority	Activity Summary	What success will look like
Prevent	Ensure Duty to Refers are effective Ensure pathways to housing advice and prevention assistance are well promoted Offer access to a range of tools to prevent homelessness Enable access to support to sustain accommodation and avoid recurrence	Homelessness prevention continues to overshadow crisis situations County wide service delivery that focuses on prevention of homelessness through a range of activities
Protect	Target assistance to those most at risk Continue to develop existing RSI partnerships Ensure rough sleepers can access primary and secondary care services Progress a dual-diagnosis service for substance misuse and mental health.	Vulnerability is identified at the earliest opportunity with appropriate safeguarding in place to minimise risk of harm or deteriment to wellbeing All relevant services react quickly to prevent homelessness.
Partnership	Recognise homelessness as a multi-faceted issue and not just a housing problem, working together to address the underlying causes Strengthen existing relationships Review and adapt the partnership structure to reflect needs and ensure progress with a Strategy implementation plan	A Partnership structure with a clear purpose that achieves effective outcomes Homelessness is rare, brief and non-recurring in Lincolnshire
Place	Map, review effectiveness and where appropriate remodel accommodation provision to meet changing needs Ensure there are a range of tools available to support households' access to suitable reasonable accommodation options Increase the provision of suitable accommodation across the county to meet identified needs	Suitable accommodation options available for all, with appropriate support to access and sustain that accommodation where required

Appendix 1

Plan	Prepare and maintain datasets to readily support funding opportunities Actively seek funding opportunities to improve/increase service provision and/or resources in Lincolnshire Use of appropriate political structures to ensure awareness to local issues and access to funding opportunities Develop our understanding of the causes and effects of homelessness and/or sleeping rough through further research and data analysis Keep abreast of policy and guidance changes alongside examples of good practice across the county to ensure services can respond to change	Service delivery that is flexible to change in the future and meets the needs of those that need it A local political environment that is informed and supportive to maximise opportunities to the benefit of Lincolnshire residents Better understanding of needs and impacts so that service provision can be matched to demands

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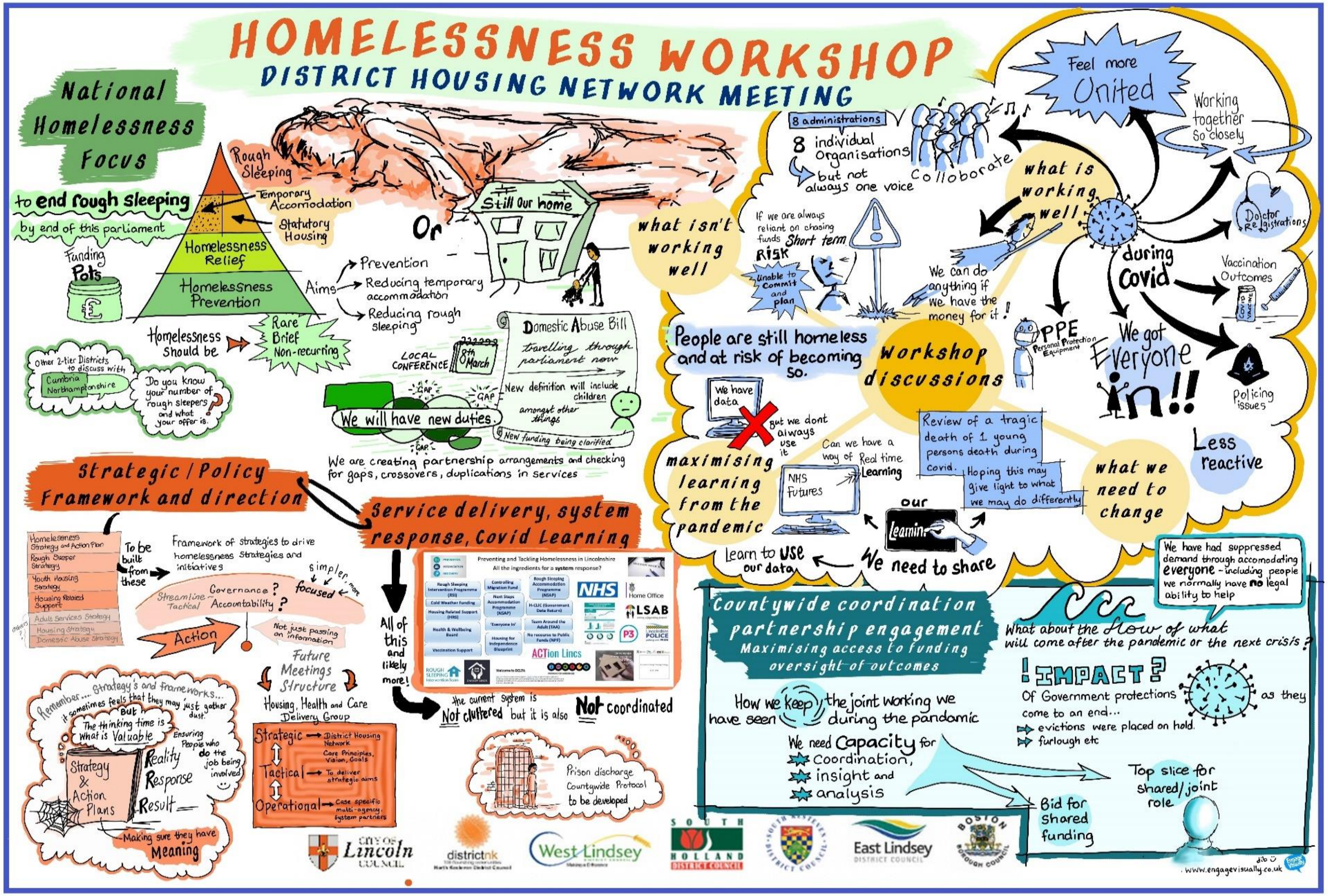
Appendix 2

Review of the Lincolnshire Homelessness Strategy 2017-2021



Introduction

The Homelessness Act 2002 requires that all Local Authorities carry out a review of homelessness in their areas, formulate and publish a strategy based on the findings of this review, keep this strategy under review and consult with other local or public authorities and voluntary organisations before modifying or adopting a strategy.

Under section 2(1) of the 2002 Homelessness Act a homelessness review means a asssesement by the local housing authority of:

a) The levels, and likely future levels, of homelessness in their district;

b) The activities which are carried out for any of the following purposes (or which contribute to achieving any of them):

i) Preventing homelessness in the housing authority's district;

ii) Securing accommodation that is or will be available for people in the district who are or may become homeless; and

iii) Providing support for people in the district: – who are or may become homeless; or – who have been homeless and need support to prevent them becoming homeless again.

c) The resources available to the housing authority, the social services authority for the district, other public authorities, voluntary organisations and other persons for the activities outlined in (b) above.

The Lincolnshire Homelessness Strategy published in November 2017 is a joint strategy across the seven district councils (Boston, East Lindsey, Lincoln, North Kesteven, South Holland, South Kesteven and West Lindsey.) The strategy was endorsed by Lincolnshire County Council as a commitment to join working. By having a joint strategy, we could work in partnership to achieve our priorities and pool resources for countywide projects.

This Homelessness Strategy Review provides a snapshot of the people who have approached us for help during the lifespan of the Strategy. It considers what we have achieved, the pathways and partnerships that we have in place, and feedback from our stakeholders. This will inform our priorities and objectives for the new Homelessness Strategy.

We can evidence progress statistically using H-CLiC return data, but we also have qualitative data that was collated through a stakeholder survey. In partnership there have been many achievements over the last 5 years including:

- The countywide introduction of the Duty to Refer including the production of the Lincolnshire Prison protocol.
- The response to Covid-19 Everyone In and Protect and Vaccinate government initiatives to ensure rough sleepers were protected across the county, a total of 215 individuals were accommodated.
- A decrease in rough sleeping by over 50% over the last 2 years.
- A successful bid for government funding for 3 Rough Sleeper Initiative Projects that are working well across the county.

- Implemented the Housing Reduction Act preventing over 14,000 households becoming homeless over the last 5 years across the county.
- Delivered the ACTion Lincs project to provide long term life changing support for an identified group of vulnerable and complex need rough sleepers, across the county using Housing First principles.

National picture

Over the last six years we have seen the introduction of new government policy and initiatives for rough sleepers throughout the pandemic.

The Homelessness Reduction Act 2017 (HRA) was the first major piece of homelessness legislation that was introduced in 15 years. The Act places new duties on local authorities to help prevent and relieve homelessness. It is designed to provide support for anyone threatened with homelessness.

Key measures include:

- Extending the period during which an authority should treat someone as threatened with homelessness from 28 to 56 days.
- A new duty to prevent homelessness for all eligible applicants threatened with homelessness, regardless of priority need.
- A new duty to relieve homelessness for all eligible homeless applicants, regardless of priority need. This help could be, for example, the provision of a rent deposit or debt advice.
- A new duty on public services to notify a local authority if they come into contact with someone they think may be homeless or at risk of becoming homeless.

The "Everyone In" initiative prompted by the Covid-19 pandemic accommodated over 37,000 individuals experiencing or at risk of rough sleeping between March 2020 and January 2021 across the UK. This early response is calculated to have prevented substantial numbers of COVID-19 infections, hospitalisations, and deaths among the target cohort. Substantial reductions in rough sleeping of 37% and radically reduced reliance on the use of night shelters were also achieved as a result.

The pandemic response also improved joint working between the homelessness and health sectors. The Protect and Vaccinate initiative prompted by the Plan B restrictions gave £24.9m to support all local authorities across England to find appropriate accommodation for people sleeping rough and boosting vaccination rates across this vulnerable population.

A further £3.2m was made available to encourage the uptake of vaccination amongst people sleeping rough and others at risk in the single homeless cohort.

Appendix 2

Partnerships

District councils along with the county council, housing providers, Probation Service, voluntary and community sector and health professionals work together across the sector. Through the network and strategy group many successful initiatives have been implemented. Many partnerships underpin this wider network ensuring a robust approach to tackling the challenges the county faces together. The district councils are committed to ensuring partnerships are effective through attendance of many groups as detailed below:

Voluntary and Community Sector

The voluntary sector plays a vital role in supporting rough sleepers across the county as well as supporting those that could be at risk of homelessness through the provision of support, accommodation in some areas, day centers, food and clothing provisions, showers and food banks. In severe weather the sector provides accommodation in some areas and provisions, to ensure rough sleepers are not at risk of harm during the inclement days.

Many charitable organisations across the county provide specific support for those experiencing a crisis or mental health issues, that could be related to their housing situation or could lead to them being threatened with homelessness. The district councils work closely with the sector to refer individuals to access support and respond to those signposted to them for advice on their housing situation.

Housing Related Support (HRS)

Housing Related Support is commissioned by Lincolnshire County Council and delivered by the Lincolnshire Housing Related Support Partnership led by Framework Housing.

The Partnership delivers short term Housing Related Support interventions to vulnerable people who are either homeless or threatened with homelessness, with the aim of improving their health and wellbeing, and enabling them to sustain their own tenancy and live independently.

The service is targeted at the most vulnerable and eligibility is assessed through a triage form with a minimum threshold to access support. The triage form includes questions regarding physical health, mental health, risk to self and others, substance misuse and support network.

Support is tailored to individual needs and delivered by either floating support or accommodation-based support depending on the service user's housing circumstances and needs. Accommodation-based support is supplied by the provider and includes self-contained units in hostel accommodation and dispersed 2 and 3 bed houses.

Only district council housing teams can make referrals to Housing Related Support. Other agencies wishing to refer an individual to Housing Related Support must notify the relevant district council that they are aware of someone who is homeless or at risk of homelessness (this may be part of their Duty to Refer) and the housing team will refer as appropriate.

Appendix 2

Rough Sleepers Initiatives (RSI's)

There are 3 Rough Sleeping Initiatives covering all of Lincolnshire mainly funded by Department of Levelling Up, Housing and Communities (DLUHC), working to relieve and prevent rough sleeping. One RSI covers Lincoln, the second East Lindsey and Boston and the third, Change 4 Lincs, covers West Lindsey, South Kesteven, North Kesteven and South Holland hosted by South Kesteven. All have a designated team that works closely within their district council areas, but also across the county as often rough sleeper migrate to other districts.

The service targets those not in priority need that may not have qualified for assistance before the introduction of the initiative. The aim is to identify and help new and existing rough sleepers to access suitable accommodation as soon as possible, as well as helping people who are at risk of sleeping rough.

Outreach services provide help and advice to those who are rough sleeping and homeless and to those who may be at risk of becoming homeless through:

- Referrals to partner agencies or support groups
- Providing details of faith groups and charities
- Help completing housing applications
- Help and advice to find accommodation
- Wellbeing and physical health support
- Help with life skills

Through the creation of person-centered holistic support plans to address barriers and build skills individuals can work towards independent living.

Care Leavers and Young People

Under a contract agreement Nacro Lincolnshire provide supported accommodation that can be accessed by homeless young people aged 16-17 and for care leavers up to 21 years. The service supports around 70 young people at any one time helping to prevent homelessness and supporting the councils with more complex care leaver cases. They offer long term support to young people who the district councils may struggle to support and to aid a smooth transition into accommodation.

The Youth Homelessness and Care Leavers Protocol sets out the working arrangements for Nacro, the district councils and children's services to support young people and care leavers who need advice and assistance. The aim being to support these young people to live semi- independently.

Prison Leavers

The Lincolnshire Prison Release Protocol is an agreement between all Lincolnshire Housing Authorities, the prison and the probation service.

The aims of the protocol are to contribute towards the government's aims of ensuring that at least 90% of people are in accommodation upon release from prison and that at least 80% of people are in settled accommodation either three months after their release or upon receipt of a community sentence. Prison leavers who will be homeless upon release are referred to a district council up to 56 days before release, to enable a personal housing plan to be agreed to try and prevent them from becoming homeless.

Appendix 2

Domestic Abuse

In partnership with Lincolnshire County Council support and accommodation is available for all those impacted by domestic abuse. Refuge accommodation and dispersed units are available for those fleeing domestic abuse. Providing refuge accommodation has recently become statutory responsibility with funding made available, however, this provision has already been available in Boston, East Lindsey and Lincoln. The dispersed units can be accessed by males experience domestic abuse and also those with larger families and families with older male children who could not previously be supported by the refuge accommodation. Each council attends the MARAC meetings (Multi Agency Risk Assessment Conference) to put plans in place to protect victims and including target hardening on the victims home.

Vulnerable Adults Panel

Multi-agency panels and neighbourhood teams have been established across each district. They enable a joint approach to addressing the needs and risks of vulnerable and/or complex individuals that are homeless or at risk of becoming homeless. The panel/team consider housing options in conjunction with identifying and managing risks.

The Panels/teams are represented by a range of service providers and teams including housing providers, mental health, substance misuse, Prison Service, Fire and Rescue Service, housing benefit, Lincs Police and Lincolnshire Adult Social Care. The model has been successfully providing more holistic and sustainable housing solutions for vulnerable customers, but further improvement is still required.

Team Around the Adult (TAA)

The Team Around the Adult pilot launched in February 2021 and supports the approach offered through the Vulnerable Adults Panel and Neighborhood Teams and work with the particularly complex cases. Usually this is where a more creative approach is required to reach out to people in the community and 'go to them', particularly if they do not wish to engage with services.

The TAA process is overseen by an appointed coordinator, it will involve the appointment of a Lead Professional who will usually be the key worker, to engage with the individual, promote multi-agency working and utilise a shared IT system.

By having a creative multi agency approach towards working with complex cases, the aim is to achieve change where more traditional engagement and intervention methods have not been as successful as anticipated, or change may not have been maintained.

Non-commissioned accommodation

Each council needs to have access to a number of accommodation options to utilise for those that are eligible. Partnerships have been created to enable councils to have their own temporary accommodation either through homeless units owned by the council or a contracted provider.

Move-on accommodation can also be accessed through Framework and its contracted providers in some areas. Private landlords also play a vital role in facilitating access to accommodation and Private Sector Leasing is used in some areas to supplement the supply of

temporary and move on accommodation.
Funded schemes such as Rough Sleepers Accommodation Programme and Next Steps Accommodation Programme, has provided the ability to increase the provision of supported accommodation across the county, reducing the need for B&B use. However B&B's are still used regularly as the need for suitable accommodation outweighs the supply.

There are hostels in Lincoln, Boston and Mablethorpe providing provision and services for rough sleepers and other charitable organisations that offer accommodation for specific groups.

Drug and Alcohol Substance Misuse Service

Lincolnshire County Council has a drug and alcohol substance misuse service, and it is widely known that many rough sleepers are substance users. As part of the government's bid to end rough sleeping for good, a Rough Sleeping Drug and Alcohol Treatment Grant (RSDATG) has been awarded to Lincolnshire County Council.

The grant will be used to deliver substance misuse treatment services for people sleeping rough or at risk of sleeping rough through an assertive outreach model. This will be delivered by the county's treatment and recovery providers in collaboration with housing, the voluntary sector and district councils.

In addition to evidence-based drug and alcohol treatment, vital wraparound support will be provided to improve access to and engagement with treatment.

HHH

The Holistic Health for Homeless team in Lincoln works with individuals to conduct holistic reviews, and best support individuals with both physical and mental health. The team work alongside other clinicians and practitioners locally to ensure smooth transitions when accessing services. By having this multi-disciplinary team approach both within the small team but also linking to wider stakeholders, has ensured swift and timely responses for the individuals seeking care, reducing buffering between services and disengagement.

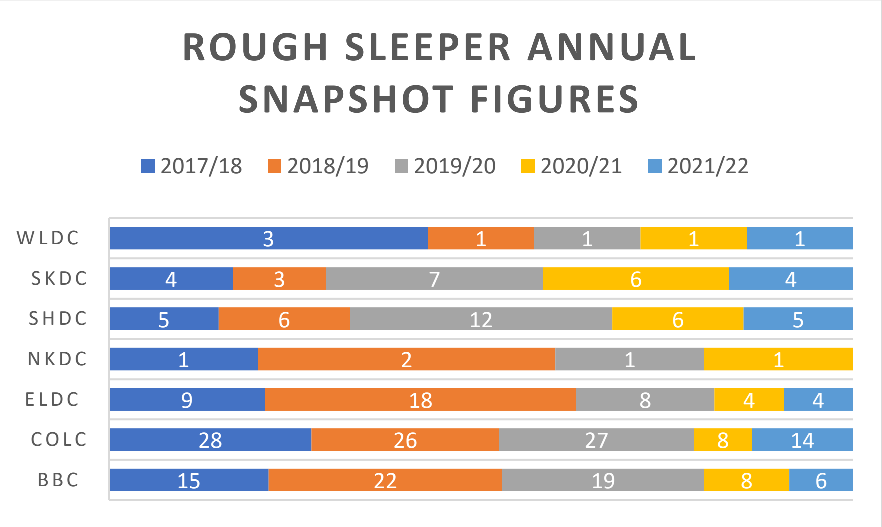
The team has evolved and developed since in introduction, reflective to the needs, trends, and themes they have been presented with. There are a range of clinical staff including Mental and Physical Health Practitioners, junior team members, psychiatry and GP support, administration function and a social worker too within the team.

Appendix 2

County snapshot of Statistics

Rough sleeping

The number of rough sleepers is always fluctuating and cannot be predicted accurately due to the nature of homelessness and the variety of causes.



Numbers have decreased by over 50% since 2019 showing the success of initiatives to engage with individuals and to access more permanent accommodation and support. Lincoln and Boston have the highest rough sleeper numbers as they are the largest urban areas and have the most services available.

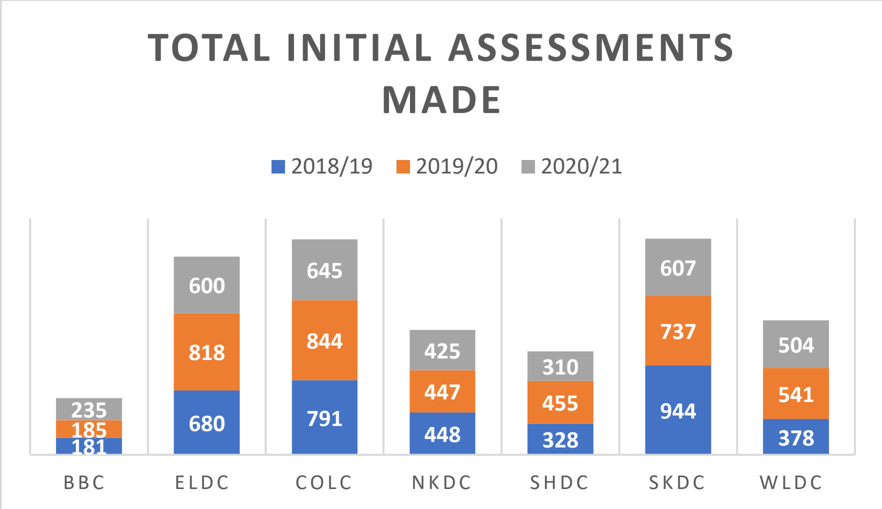
Rough sleeper numbers may be lower in Lincolnshire compared to other counties but still presents a challenge locally, particularly given the rural nature of the county in terms of provision and accessibility of services. The issue, no matter how great needs to be addressed, and Lincolnshire has tackled this head on with three rough sleeper initiatives operating across the county.

Rough sleeper projections

Predicting the number of rough sleepers based on reported Rough Sleeper Autumn Count figures is difficult due to data being affected by the pandemic. Based on recent reported figures around 35-40 individuals are expected to be rough sleeping at any one time in Lincolnshire. It is worth noting that if any funding for Rough Sleeper Initiatives and/or partner organisations was reduced or unavailable then rough sleeping numbers would increase.

Initial assessments

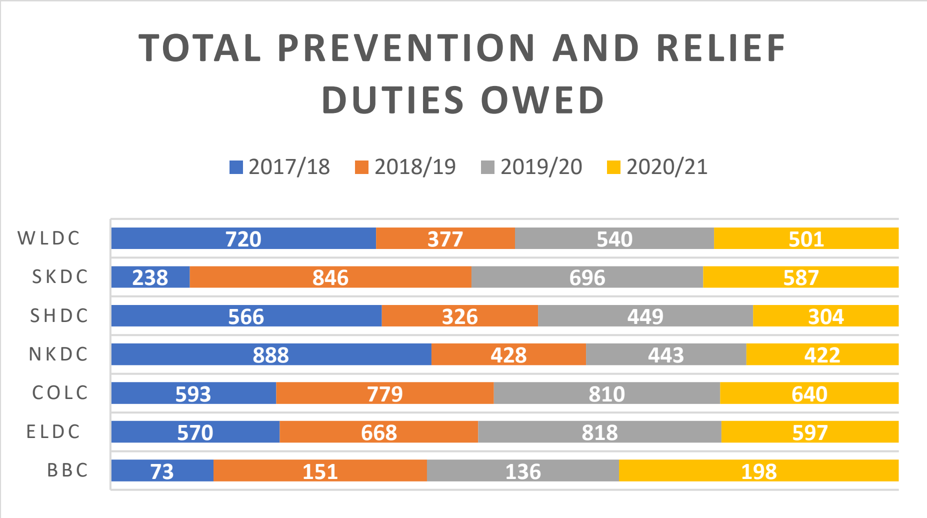
A total of 11,103 initial assessments were completed between 2018 and 2021 to determine if a duty was owed to those presenting as homeless or threatened with homelessness.



Appendix 2

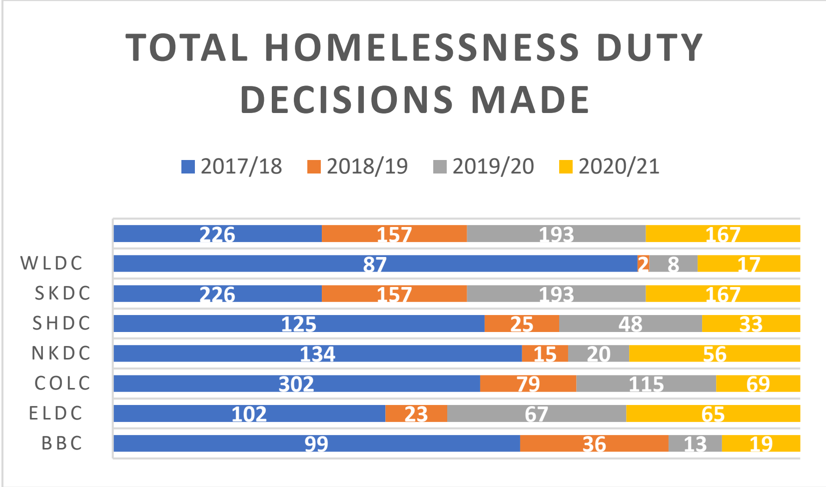
Prevention and Relief of Homelessness

Following those initial assessments 14,364 cases were owed a prevention or relief duty to try and resolve their housing issue.



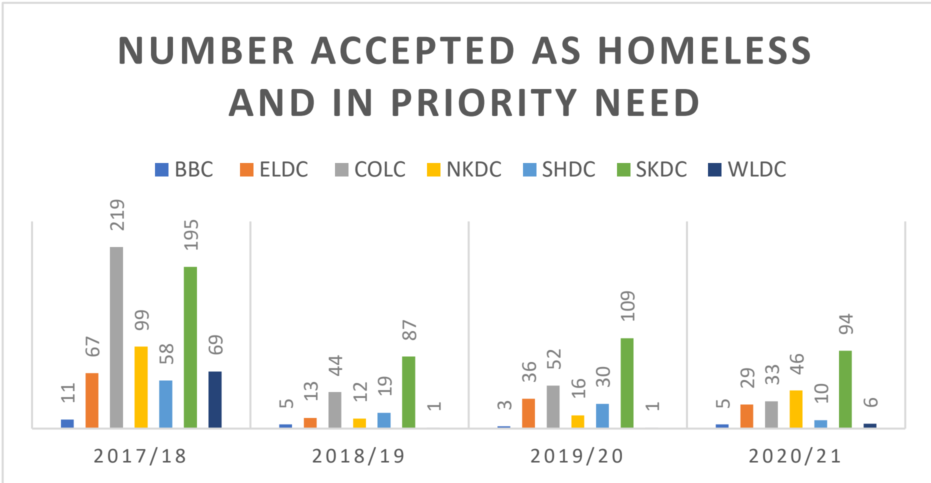
Homelessness Duty Decisions

For those whose housing situation could not be resolved by prevention or relief duties, 2,301 cases were assessed to determine an acceptance of homelessness. This shows the impact prevention duties are making as only 16% of cases did not have their housing issue resolved by a prevention or relief duty, resulting in them presenting as homeless. The number of duty decisions made have also reduced by a quarter over the 4 year period further demonstrating the impact of prevention and relief duties.



Priority Need

Of those 2,301 cases presenting of homeless 1,369 were accepted as being homeless and in priority need and owed a duty. The number of those accepted as homeless and in priority need has decreased by 31% since 2017 showing the impact of homelessness prevention.



Appendix 2

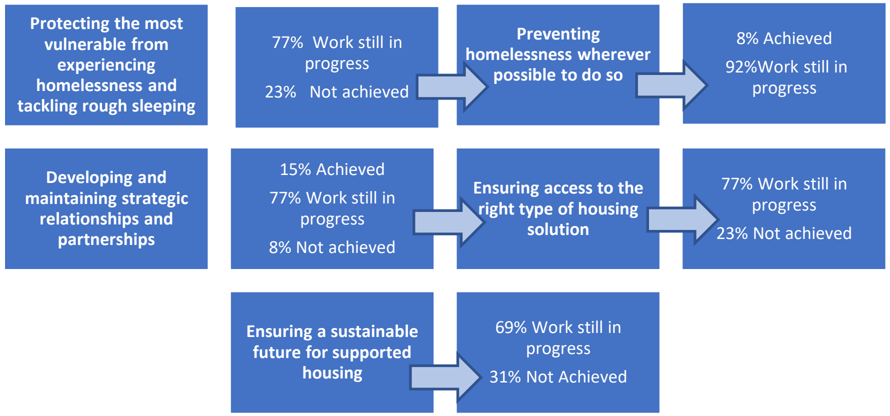
Strategy Priorities

The strategy had five main priorities to focus on:

Priority One: Protect	Protecting the most vulnerable from experiencing homelessness including tackling rough sleeping.
Priority Two: Prevent	Preventing homelessness wherever possible to do so.
Priority Three: Partnership	Developing and maintaining strategic relationships and partnerships.
Priority Four: Place	Ensuring access to the right type of housing solution.
Priority Five: Possibility	Ensuring a sustainable future for supported housing.

Achievements over the last 5 years on the priorities

We asked stakeholders to rate the progress on the five priorities, the graphic overleaf shows the results. It needs to be noted that due to the nature of homelessness and rough sleeping the priorities above will never be 100% achieved. However, it is useful to gauge the progress that has been made and highlight areas to focus on going forward.



The Homelessness Reduction Act (HRA) 2017 came into effect on 3rd April 2018 changing the way services are provided to homeless people by imposing a duty to prevent and relieve homelessness. This is reflected by the feedback as being the priority that has been rated as having the most progress on.

Developing partnerships is another factor rated highly but the pandemic halted some groups meeting which could account for the not achieved responses. Protecting the most vulnerable and ensuring access to housing received the same ratings showing that there is still work to be completed. Increasing the provision and longevity of supported housing remains a challenge across the county, so it is expected that this priority has been rated as having the most progress still to achieve.

Appendix 2

In terms of projects and actions that have been achieved over the last 5 years under each of the priorities there have been many successes including:

Protect

- ✓ A decrease in rough sleeping by over 50% over the last 2 years
- ✓ Successful bid for government funding for 3 Rough Sleeper Initiative Projects that are working well across the county.
- ✓ Introduced a Severe Weather Emergency Protocol to provide emergency assistance for rough sleepers when weather conditions pose a risk to health.
- ✓ Increased the provision of single persons accommodation to improve housing options.
- ✓ During the pandemic a total of 215 rough sleepers were accommodated through the Everyone In and Protect and Vaccinate schemes
- ✓ Partners across the county system, went to great lengths to maximise take up of the Conid-19 vaccine amongst the homeless cohort. HRS staff helped facilitate, promote, and encourage their service users to attend drop-ins too.
- ✓ Enabled all rough sleepers to have a postcode so that they can access post and the ability to setup a bank account
- ✓ Introduction of the Lincs Prison Protocol to ensure prison leavers have safe and suitable accommodation on release.
- ✓ Provision of Hospital and Housing Link Workers.
- ✓ Referring the most vulnerable to multi agency groups to ensure they can access the support they need.

Prevent

- ✓ Over 10,000 households prevented from becoming homeless over the last five years across Lincolnshire.
- ✓ Published a countywide Rough Sleeper Guide to demonstrate how accessible information contributes to homelessness prevention.
- ✓ Implemented the Controlling Migration Fund to allow EEA nationals access to work, who have no recourse to public funds and employed a countywide resettlement worker.
- ✓ Worked with private sector landlords to prevent households become homeless through a range of initiatives.
- ✓ Committed to Team Around the Adult to facilitate a partnership safety net approach for complex adults
- ✓

Partnership

- ✓ In partnership with LCC and providers implemented the Housing Related Support Service for supported accommodation and floating support for those either homeless or at risk of homelessness.
- ✓ Formed the Homelessness Strategy Partnership to work with housing providers, voluntary and community sector organisations, health professionals and Lincolnshire County Council to deliver together the actions of the Lincolnshire Homelessness and Rough Sleeping Strategy
- ✓ Fully engaged an effective Homelessness Cell working group to respond together to Covid-19 Everyone In and Protect and Vaccinate government initiatives.
- ✓ Raising awareness of the needs of people who are entrenched in rough sleeping and developing health services to meet their needs through the Lincolnshire Clinical Commissioning Group.

Appendix 2

Place

✓ Implemented countywide processes and protocols to meet Duty to Refer requirements, enabling timely intervention and preventing homelessness.

✓ Provided additional units of accommodation through - Housing First, Next Steps Accommodation Programme and the Rough Sleeper Accommodation Programme.

✓ Engaged with rough sleepers whilst being accommodated during the pandemic, supporting them into service provision and more settled housing.

Possibility

✓ Submitted a countywide bid for rough sleepers Accommodation Programme funding to provide accommodation for those with complex needs with dedicated support.

✓ Delivered the ACTion Lincs project to provide long term life changing support for an identified group of vulnerable and complex need rough sleepers, across the county using Housing First principles.

Looking ahead our challenges

The pandemic took services approach from proactive to reactive focussing on accommodating and protecting rough sleepers and has highlighted the ambition all partners have across the County to work together on the emerging challenges.

Through the consultation process with stakeholders the key challenges the new strategy will need to address include:

- The need to accommodate all rough sleepers across the county has highlighted the shortage of accommodation for single people and those with high support needs who struggle in a hostel environment.
- In offering everyone accommodation the Rough Sleeper Teams have engaged with more individuals and been able to offer support and understand their needs better so service provision can be changed to reflect this.
- An expected increase in both homelessness and rough sleeping as the cost of living continues to increase and people are not able to afford their rent or mortgage.
- Homes for Ukraine scheme may lead to increases in homelessness at the end of the scheme or if relationship with host breaks down.
- Tackling rogue landlords and conditions in the private rented sector.
- More support and provision for prison leavers on release.
- Improve pathways for sofa surfers.
- Ensuring consistency across the councils and open access to those all that present as homelessness especially those with language barriers.

Appendix 2

- Getting the right support for people and for the long term not time bound.
- Gaining access to affordable Private Sector Housing.
- Enough provision for those not in priority need.
- Increased access to mental health and substance misuse services.
- Supported accommodation will have little throughput as service users are unable to move to suitable and affordable accommodation.
- Identifying the extent of hidden homelessness to enable access to accommodation and support.

The county is committed to working together on the next joint strategy 2022-2026 which will include the Rough Sleeping Strategy as a separate chapter to ensure workstreams are co-ordinated. Together with other agencies as part of the Lincolnshire Homelessness Strategic Partnership a new delivery plan with be implemented to further reduce rough sleeping, prevent homelessness and provide accommodation and support to meet the needs across the county. The latest version of the delivery plan from the current strategy can be found on the next page, and remaining actions will be taken forward into the new strategy.

Appendix 2

Lincolnshire Homelessness Strategy Delivery Plan 2021 - 2022

Priority Number	Title Activity	Activity Summary	Outcome
P1	Implement a county wide process to meet the new requirements of the Duty to Refer under the Homelessness Reduction Act 2017	Develop an action plan that includes communication, information, training needs, protocols, and processes for a county wide approach.	Completed - through Homelessness Strategic Partnership (HSP) and Lincs Prison Release Protocol is in place
P2	Develop online information on how to get help or give help for Homelessness in Lincolnshire	Explore online platform options and implement, providing clear and accessible information on websites.	Completed - information on individual websites
P2	Reduce evictions in social housing/private rented sector.	Collate data, identify issues, and current challenges. Identify existing good practice and make recommendations to the HSP.	Superseded- Embargo on evictions implemented in 2020/21
P3	Reduce rough sleeping	Develop a clear action plan and review pathways to ensure adequate provision and support is available, across the county.	Completed - 3 Rough Sleeper Initiatives have been implemented covering the county.
P3	Deliver the Social Impact Bond project ACTion Lincs	To deliver long term life changing support for an identified group of vulnerable and complex need rough sleepers across the county using Housing First principles.	Completed - project concluded and evaluation report received by University of Lincoln.
P3	Review and improve SWEP provision across the county	Complete a review of existing provision and implement agreed recommendations to improve the co-ordination and provision of severe weather accommodation.	Completed - SWEP protocol published and agreed by all local authorities.
P3	Improve access to health and substance misuse treatment to prevent evictions.	Identify appropriate representation from LPFT for the HSP, liaise with Safeguarding Adult Board to discuss their prevention and early intervention strategy.	Completed - implemented Team Around the Adult (TAA)
P3	Identify opportunities to work with EEa Nationals with no recourse to public funds	Submit a bid to the Controlling Migration Fund for a 'Safe routes to reconnection' service	Completed - bid was successful and project has now concluded
P4	Improved access to private rented accommodation for those on benefits or low incomes	Consider and implement new initiatives that would secure engagement from private sector landlords.	A range of assistance is already in place, but no new initiatives have been implemented.
P4	Understand the need for supported accommodation in the county	Develop a clear evidence base that demonstrates the need for numbers and type of supported housing across the county.	In progress - evidence base to be provided by Joint Strategic Needs Assessment. Chapter on Homelessness to be included.

Appendix 2

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Appendix 3

Lincolnshire Homelessness and Rough Sleeper Strategy 2022-2027

Consultation Summary

Consultation was undertaken between 29/7/2022 - 9/9/2022, with feedback sought from a range of stakeholders, statutory partners, voluntary sector, service users, advocates, etc.

A summary of the responses are detailed below. These comments have been used to shape the final draft of our Homelessness and Rough Sleeper Strategy.

In total 21 responses were received including a collective response from all departments at Lincolnshire County Council involved in the homelessness remit.

Contributors:

- members of the public
- Councillors
- Charity or voluntary organisations
- housing providers
- support providers
- local authorities
- health authority
- government agency
- Advisory Non-departmental Public Body – EM Veterans & Pensions Committee
- Office of the Police and Crime Commissioner

Summary of responses

1. Do you agree with the strategies aim that if homelessness cannot be prevented it should be rare, brief and non-recurring?
    - Agree 19 responses
    - Disagree 2 responses

    Respondents that disagreed felt that homelessness can always be prevented and that there are people rough sleeping that don't wished to be housed.
    Outcome – wording changed to reflect these observations.

2. The strategy has 5 priorities: Prevent, Protect , Partnerships, Place, Plan

    Do you feel that these priorities will contribute to achieving our aim for homelessness to be rare, brief and non-recurring?
    - Agree 20 responses

- Disagree 1 response

Respondents that disagreed felt that the priorities needed to be backed up by remedies and clear actions, the priorities prevent and protect needed refining and there is a need to join up resources across the county in respect of joint commissioning.
Outcome – priority descriptions changed to reflect comments and implementation plan will include clear actions and a focus on joint commissioning.

3. Do you agree that the pathways detailed in the strategy in section 10, will ensure each group receives support and assistance tailored to their needs?
   - Agree 10 responses
   - Disagree 11 responses
     Respondents that disagreed, have their feedback included in the outcome table below

4. Do you agree that the actions in the action plan will achieve the 5 priorities as detailed in question 2?
   - Agree 8 responses
   - Disagree 13 responses
     Respondents that disagreed, have their feedback included in the outcome table below

Summary of Feedback received	Action taken
Whole person approach	See Pathways below
Building social housing	It is recognised nationally there is a housing shortage particularly in social housing sector. Local authorities and housing providers have separate but clearly linked housing delivery strategies
Caravan parks on the coast	Includingin hidden homelessness section
Reference to Lincolnshire Homes for Independence and the Housing, Heath and Care Delivery Group	Agree and reflected in latest version
Strengthern the importance of partnership and collaorative working throughout	Agree and reflected in latest version
Homelessness not just housing but multiple issues	Agree, section on complex and multiple needs recognises this and commitment to reflect it in operational delivery
Include reference to work undertaken during Covid 19 vaccinations and health inequalities	Agree and reflected in latest version, it is also included in the Strategy review document
More information on Team Around the adult pilots and Outcomes	Included in partnership section and will be monitored and reported through the action groups
Include more on successes of the voluntary and community sectors	Including in partnerships section

Appendix 3

Addressing those with no recourse to public funds	Included in challenges
Data analysis as an opportunity to understand causes and effects	Added to ambitions plan
To demonstrate clear accountability	Will include a chart showing accountability structure for Lincolnshire
Actions to be more measurable	The strategy includes over arching ambitions, to ensure the document is relevant over its lifespan. Detailed implementation actions plans will be SMART
More mention of mental health	Included throughout the document
Change ex-Armed forces to Armed Forces Community including veteran cohort	Agree and reflected in latest version
Include desire to improve a healthy life expectancy	Agree and reflected in latest version
Pathways, to include more detail on what will happen when, need individualised approach not standard pathways	The strategy includes over arching ambitions, to ensure the document is relevant over its lifespan. Detailed implementation actions plans will be SMART We aim for our pathways to be a clear access with desired outcomes, we recognise the journey will always be an individual one and services will reflect that
Need to include that prison leavers are not all released into the county where they have been residing	Agree, this is addressed in the operational delivery of the prison leavers protocol

Next Steps:
We really appreciate the time taken to review our draft strategy and the feedback given. It is really valuable to ensure the document is not only accessible to all but that our plans are realistic and will make a difference to those in Lincolnshire.

All feedback has been considered and where appropriate incorporated into the latest version of the Strategy. Each local authority will now seek approval of the Strategy through its own individual administration.

Those individuals and organisations who expressed interest in being further involved in the delivery of our strategy will be invited to participate in our working groups.

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Appendix 4

Equality Impact Assessment

Report title	**Lincolnshire Homelessness and Rough Sleeper Strategy 2022-2027**
Completed by	**J. Munton**
Approved by	
Date	

Section 1 **An EIA is not applicable to the attached report because:**	**Tick all that apply** ✓
An EIA is not applicable as the report's recommendations are based on procedure and/or policy change which will have no equality impacts now or in the future.	
An EIA is not applicable as the report is for information only and will have no equality impacts now or any in the future.	
An EIA is not applicable as the report is asking for guidance only and will have no equality impacts now or any in the future.	
An EIA is not applicable as the report contains no proposals for a new project or service and it will have equality impacts now or in the future.	
Other (please summarise)	

Based on Section 1, summarise why an EIA is unnecessary in the EIA section of the report. You can copy and paste text from above as necessary.

There is no need to complete Sections 2 and 3 if an EIA is deemed unnecessary in Section 1.

Section 2 **The following statements will help you decide whether an EIA is necessary:**	**Tick all that apply** ✓
Does it affect customers, colleagues or the wider community, and therefore potentially have an effect in terms of equality (for example, removing a service, workforce restructure, employment practices)	/
Could it result in a decision being made that would significantly affect how functions and services are delivered (for example, reducing a service or introducing a charge for a service)	/
Does it relate to a service that previous engagement has identified as being important to people	/
Does it, or could it in the future, affect different groups of people differently	/
Does it relate to a policy or service where there is significant potential for reducing inequalities or improving outcomes	/
Have there been, or are there likely to be, any public concerns about the policy or proposal	/
Does it have an effect on how other organisations operate in terms of equality (i.e. commissioned services)	/

Section 3 **Equality impacts**	
Briefly explain what the policy/service/project aims to achieve	**The strategy aims to reduce and prevent homelessness and rough sleeper and ensure any incidences are rare, brief and non-recurring**
Have you undertaken consultation or involved people who are most likely to be affected or interested? Please include: data or community feedback, gaps in data, and how you intend to fill these gaps (where possible)	**Public and stakeholder consultation to inform priorities and shape the document. Action groups will be formed to take forward highlighted challenges and ways of working as part of an implementation plan.**
Is there any evidence or research that demonstrates why some individuals or groups are, or are not, affected	**There are many reasons why individuals become homeless and rough sleeper that are widely documented and detailed in the document**

What barriers may individuals or groups face, and how can you promote equality (where possible)?	
Gender	**Everyone is able to access support wit their housing situation regardless of their protected characteristics. Eligibility is set in homelessness law but options are available for those not in priotiry need through Rough Sleeper Initiatives. Pathways are set for certain groups including single people, families, those with compelx or specific needs, prison leavers, care leavers and of the armed forces community. However these plathways are only identified to allow access to services specific to the needs of these groups but any provision and support to tailored to individual needs regardless of any group or protected charactiertis that they may fall into.**
Age	
Disability	
Race	
Religion or belief	
Sexual orientation	
Gender reassignment	
Pregnancy, maternity and paternity	
Marriage and civil partnership	
Rural isolation	**Services are accessible regardless of location including telephone contact and face to face visits including outreach services.**
Socio-economic factors	**Services work with individuals to assess options for benefits, employment, education and location to provide support plans to meet individual needs.**
Other *(for example, those with dependants/caring responsibilities, asylum seeker and refugee communities, children in the care system, etc)*	**Specific pathways and support is available for those with children and care leavers. There is a County refugee and asylum resettlement programme ensuring a joint approach to providing housing options.**
Overall, will this promote strong and positive relationships between the groups/communities identified?	**Yes all groups will be able to access support and provision tailored to their needs but in line with homelessness law. Those not in priority need still have options to be**

	accommodated. There is no blanket process or option each individual receives an assessment of their needs as everyone had different circumstances.
Overall, if there is a potential adverse impact, please state why and whether this is justifiable	**No as assessments are tailored to individual circumstances and needs.**
How will you monitor this to ensure there is no adverse effect in the future?	**Our pathways are reviewed through various partnership meetings and action groups. Feedback from service users assesses outcomes and highlights any need for change,**
Outcome of EIA:	No major change needed ***(please delete as necessary)***

Delete if this part of the template if Corporate Information Manager advises a DPIA is **not** required.

North Kesteven District Council Data Protection Impact Assessment

Report title	**Lincolnshire Homelessness and Rough Sleeper Strategy 2022-2027**
Completed by	**J. Munton**
Approved by	
Date of completion	
Date for review	

Section 1 **A DPIA is not applicable to the attached report because:**	**Tick all that apply ✓**
i. A DPIA is not applicable as the report's recommendations are based on procedure and/or policy change which will have no data protection impacts now or in the future.	
ii. A DPIA is not applicable as the report is for information only and will have no data protection impacts now or any in the future.	
iii. A DPIA is not applicable as the report is asking for guidance only and will have no data protection impacts now or any in the future.	
iv. A DPIA is not applicable as the report contains no proposals for a new project or service and it will have no data protection impacts now or in the future.	
v. Other (please summarise)	

Based on Section 1, summarise why a DPIA is unnecessary in the DPIA section of the report. You can copy and paste text from above as necessary.

There is no need to complete Sections 2 and 3 if a DPIA is deemed unnecessary in Section 1.

Section 2 **The following statements will help you decide whether a DPIA is necessary:**		**Tick all that apply ✓**
i.	Will you ask or compel people to provide information about themselves (for example, name, postal address, email address)	
ii.	Will it involve the collection of new information about people (for example, asking for people's date of birth when this information had not previously been collected)	
iii.	Will information about people be disclosed to third parties (i.e. other organisations or people) who have not previously had access to this data	
iv.	Are you using information about people for a purpose that it is not currently used for (for example, re-using an emailing list to promote Council services)	
v.	Will you be using new technology or processes which might be perceived as being privacy intrusive (for example, CCTV, profiling)	
vi.	Will this result in you making decisions or taking action against people in ways which can have a significant impact against them (for example, conducting consultation and the results of which could affect their locality)	
vii.	Will it involve automated decision-making that may have a significant effect on people	
viii.	Is the information about people likely to raise privacy concerns or involve the processing sensitive personal data (for example, health records, data regarding ethnicity or racial origin, religious or philosophical beliefs, political opinions, trade union membership, sexual orientation or other information people would consider to be particularly private)	
ix.	Will it involve the transfer of personal data outside the European Economic Area	

Section 3 **Data protection impacts**	
a. Overview	
i. Briefly explain what the policy/service/project aims to achieve, including benefits to the organisation and individuals	
ii. Have you undertaken consultation (internally and externally) and, if so, what were the outcomes?	
iii. Who is identified as the Information Asset Owner (i.e. who will be responsible for the personal data collected)?	
b. Collection	
i. What personal data will be collected? Will it include sensitive personal data? From how many individuals?	
ii. How will you ensure that the personal data is not excessive in relation to the purpose for which it is processed (for example, asking for date of birth, when you only need an individual's name and postal address)?	
iii. How will the personal data be obtained? How will you ensure accuracy?	
iv. How will individuals be told about the use of their personal data? Will it be use in the way they expect?	

v. Do you envisage using the personal data for any other purpose in the future? If yes, please provide details	
vi. How can you minimise intrusion, particularly if specific concerns have been expressed?	
vii. Is there a legal basis for holding and processing this data? Please specify.	
viii. If you are relying on consent to process personal data, how will this be collected and recorded?	
ix. What will you do if consent is withheld or withdrawn?	
x. If this involves marketing, have you a process for individuals to opt-out of their information being used for that purpose?	
c. Storage and use	
i. Where, and in what format, will the personal data be kept?	
ii. How will you ensure the personal data is accurate and remains up to date?	
iii. Who will have access to the personal data?	
iv. Will an IT system or application be used to process the personal data? If so, will it provide protection against any security risks?	

v. What training and instructions are necessary to ensure that employees know how to operate the system securely?	
vi. Will employees process the personal data away from the office, for example, paper files, on laptops, tablets, smart phones? Is yes, please provide details	
d. Sharing	
i. Will information about people be disclosed to third parties (i.e. other organisations or people) who have not previously had access to this data?	
ii. If you will be making transfers, how will you ensure that the personal data is adequately protected?	
iii. Will you be required to transfer personal data outside of the European Economic Area? If yes, please provide details	
iv. If a contractor is being used to process personal data, where are they (and their data stores) based?	
v. If a contractor is being used to process personal data, is an agreement in place which defines how they will protect the information?	
e. Destruction	
i. What is the retention period for the personal data you are processing?	

ii. How will you ensure the personal data is deleted in line with the retention period set?	
f. Other	
Any other relevant information:	

Section 4 Data protection risks and risk reduction					
Risk	Likelihood of harm	Severity of harm	Overall risk	Options to reduce or eliminate risk (if medium or high)	Residual risk
Source and potential impact of risk	Remote/ Possible/ Probable	Minimal/ Significant/ Severe	Low/ Medium/ High		Low/ Medium/ High

Section 5 **Monitoring and outcome**	
i. How will you monitor this to ensure there is no adverse effect in the future?	
ii. Outcome of DPIA:	No major change needed /adjust the project /adverse impact but continue /stop and remove the project ***(please delete as necessary)***

Section 6 **Review and update**	
Completed by	
Reviewed by	
Date of review	
i. Review summary	
ii. Outcome of DPIA review:	No major change needed /adjust the project /adverse impact but continue /stop and remove the project ***(please delete as necessary)***

Delete if this page if Sustainability Officer advises an SIA is **not** required.

North Kesteven District Council Sustainability Impact Assessment

Report title	**Lincolnshire Homelessness and Rough Sleeper Strategy 2022-2027**
Completed by	**J.Munton**
Approved by	If no response is received please enter the following text in place of name; Submitted to Sustainability at least 5 working days before report submission, but officer unavailable to approve. An SIA will be resubmitted for approval with any subsequent reports
Date	

Section 1 **Based on the environmental impacts listed in Section 3, and in accordance with NKDC's Corporate Environmental Policy, carbon emission targets set in the Low Carbon NK Plan, and the emerging Our Environment corporate priority, an SIA is not applicable to the attached report because;**	**Tick all that apply ✓**
The recommendations are based on procedure and/or policy change which will have no environmental impacts now or in the future.	/
It is for information only and will have no environmental impacts now or any in the future.	
It is asking for guidance only and will have no environmental impacts now or any in the future.	
There are no proposals for a new project or service and it will have no environmental impacts now or in the future.	/
It does not propose a change of service or change in equipment or products used and will have no environmental impacts now or in the future.	/
It will not directly result in any positive or negative environmental sustainability impacts. However, it will result in future projects and SIAs will be completed alongside reports for approval in future as necessary.	/
It will not result in any positive or negative environmental sustainability impacts now or in the future (please summarise)	

Other (please summarise)	

Based on Section 1, summarise why an SIA is unnecessary in the SIA section of the report. You can copy and paste text from above as necessary.

There is no need to complete Sections 2 and 3 if an SIA is deemed unnecessary in Section 1.

Section 2 **An SIA is applicable to the attached report because it**	**Tick all that apply ✓**
Proposes a new project (including new buildings and refurbishments) or service	
Proposes a change in service delivery	
Proposes a change/increase/decrease in assets, resources, equipment or products e.g. buildings, staff, vehicles, IT equipment, heating/lighting systems etc.	
Proposes a change in management of sites owned or rented by NKDC (including those operated by others for NKDC or for themselves)	

Section 3

Environmental impacts

Consider the environmental impact the report's recommendations will have on the following		**Assessment of Impact**	**Brief description of impact** Where a positive or negative impact has been selected, please summarise the expected impact of the proposals.	**If negative, how is it to be mitigated?** **If positive, how it being enhanced?** State person(s) responsible for implementation
Procurement	• Accounting for social, economic and environmental outcomes in procurement and delivery in line with the Public Services (Social Value) Act 2012 • Stimulating commitment to improving environmental impact and innovation in the supply chain and by contractors • Waste generation • Use of natural resources such as raw materials, water, and energy • Supporting the local economy and reducing miles travelled by materials by using local suppliers.	Choose an item.		
New builds and refurbishments	• Build, energy, and thermal efficiency standards of new or refurbished buildings owned or rented	Choose an item.		

	by NKDC e.g. state Passivhaus, NKDC Fabric First, Building Regs • Energy consumption (electricity/gas/oil/LPG etc) for lighting and heating • Water consumption • Waste generated and recycled • Natural lighting • LED lighting • Generation of renewable energy			
Facilities Management	• Build, energy, and thermal efficiency standards of new or refurbished buildings owned or rented by NKDC (including those operated by others) e.g. state Passivhaus, NKDC Fabric First, Building Regs • Change in frequency of use • Energy consumption (electricity/gas/oil/LPG etc) for lighting and heating • Water consumption • Waste generated and recycled • Natural lighting • LED lighting • Generation of renewable energy	Choose an item.	.	
Travel	• Business miles travelled by staff/contractors • Providing / improving / promoting alternatives to car based transport (e.g. public transport, walking and cycling) • Efficient use of vehicles (car sharing, low emission vehicles, community transport, environmentally friendly fuels and technologies) • Efficient/lower emission vehicles e.g. purchasing improved vehicles	Choose an item.		

Equipment	• New or changes to equipment and how has electricity, gas, oil, LPG, water etc. use in offices, leisure and culture facilities been considered • E.g. IT equipment, heating systems, interactive equipment in public venues and How has electricity, gas, oil, LPG, water use	Choose an item.		
Workforce	• Change in number of office based staff and related energy use. State number.	Choose an item.		
Adaptation to Climate Change	• Adapting to and mitigating against the expected effects of climate change in NK (e.g. building and contingency planning for warmer wetter winters and hotter summers, heavy precipitation, flooding, heatwaves and other weather extremes)	Choose an item.		
Carbon emissions	• Current and future emissions expected and the impact on NKDC's corporate or district greenhouse gas emissions target. Sustainability can provide assistance.	**Current emissions (CO_2e tonnes) State 0 if applicable**		
		Proposed/estimated (CO_2e tonnes)		