

EXECUTIVE

Monday, 3 June 2024

5.00 pm

Committee Room 1, City Hall

Membership: Councillors Naomi Tweddle (Chair), Donald Nannestad (Vice-Chair), Sue Burke, Bob Bushell, Rebecca Longbottom and Joshua Wells

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

PLEASE NOTE EARLIER START TIME OF MEETING

A G E N D A

SECTION A	Page(s)
1. Confirmation of Minutes - 15 April 2024	3 - 4
2. Declarations of Interest	
Please note that, in accordance with the Members' Code of Conduct, when declaring interests members must disclose the existence and nature of the interest, and whether it is a disclosable pecuniary interest (DPI) or personal and/or pecuniary.	
<hr/>	
OUR PEOPLE AND RESOURCES	
3. Quarter 4 2023/24 Operational Performance Report	5 - 62
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You are asked to resolve that the press and public be excluded from the meeting during the consideration of the following items because it is likely that if members of the press or public were present, there would be disclosure to them of 'exempt information'.

In accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012,

notice is hereby given of items which will be considered in private, for which either 28 days' notice has been given or approval has been granted by the appropriate person specified in the Regulations. For further details please visit our website at <http://www.lincoln.gov.uk> or contact Democratic Services at City Hall, Beaumont Fee, Lincoln.

This item is being considered in private as it is likely to disclose exempt information, as defined in Schedule 12A of the Local Government Act 1972. No representations have been received in relation to the proposal to consider this item in private.

SECTION B

8. Strategic Risk Register Quarterly Review

[Exempt Para 3]

129 - 146

Present: Councillor Ric Metcalfe (*in the Chair*),
Councillor Donald Nannestad, Councillor Sue Burke,
Councillor Bob Bushell, Councillor Rebecca Longbottom
and Councillor Naomi Tweddle

Apologies for Absence: None.

112. Confirmation of Minutes - 18 March 2024

RESOLVED that the minutes of the meeting held on 18 March 2024 be confirmed and signed by the Chair as a true record.

113. Declarations of Interest

No declarations of interest were received.

114. Exclusion of the Press and Public

RESOLVED that the press and public be excluded from the meeting during consideration of the following items of business because it was likely that if members of the public were present there would be a disclosure to them of 'exempt information' as defined by Section 100I and Schedule 12A to the Local Government Act 1972.

115. Chelmsford Street

Purpose of Report

As detailed in the exempt report to the Executive.

Decision

That the recommendation to the Executive, as set out in the exempt report, be approved, subject to additional agreed conditions with approval delegated to the Director of Communities and Environment to be expedited.

Alternative Options Considered and Rejected

As detailed in the exempt report to the Executive.

Reasons for the Decision

As detailed in the exempt report to the Executive.

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SUBJECT:	QUARTER 4 2023/24 OPERATIONAL PERFORMANCE REPORT
DIRECTORATE:	CHIEF EXECUTIVE AND TOWN CLERK
REPORT AUTHOR:	GRAHAM ROSE, SENIOR STRATEGIC POLICY OFFICER

1. Purpose of Report

- 1.1 To present to Executive an outturn summary of the council's performance in quarter 4 of 2023/24.

2. Executive Summary

- 2.1 At the end of quarter 4 2023/24 of the **76** performance measures across the directorates of Chief Executive's, Communities & Environment and Housing & Investment:

- **16** measures (**21.1%**) were Red (below lower target boundary)
- **11** measures (**14.5%**) were Blue (within target boundaries – acceptable)
- **31** measures (**40.8%**) were Green (meeting or exceeding the higher target)
- **18** measures (**23.7%**) were recorded as volumetric
- **0** measures (**0.0%**) were recorded as data not being available for this quarter

Out of the **76** performance measures monitored during the quarter **58** had targets allocated to them. Of these targeted measures **42 (72.4%)** were within or exceeding the targets set.

3. Background

- 3.1 Regular monitoring of the council's performance is a key component of the Local Performance Management Framework. This report covers the key strategic performance measures identified by members and CMT as of strategic importance.
- 3.2 Each targeted measure is monitored against a target boundary range.

If a performance measure outturn status is Blue (acceptable), the measure is seen as performing on track. If a performance measure outturn status is green, the measure is seen to be achieving or exceeding the aspirational target. If a performance measure outturn status is red, the measure is seen to be performing below target and should be an area of focus.

4. Performance Measures Performing Above / Below Target – Quarter 4 2023/24

- 4.1 The Quarter 4 2023/24 Operational Performance Report can be found at Appendix A. The report details those targeted measures with performance above or below target by directorate at the end of the fourth quarter of 2023/24 and the reasonings behind the performance outturns.

- 4.2 A count of the performance measure outturn statuses by directorate at quarter 4 2023/24 can be found on page 4 of Appendix A.
- 4.3 In addition to the directorate performance measures, the report also details the performance outturns for those corporate performance measures. These measures focus on the areas of resources, health & wellbeing, sickness, complaints (including Ombudsman rulings) and compliments.
- 4.4 To support the full operational performance report, a full list of all performance measure outturns and supporting performance commentary is provided at Appendix B. Within this supporting appendix, in addition to those measures performing above / below target, Appendix B also contains –
- those performance measures performing within target boundary at the end of the quarter (acceptable performance)
 - the outturns for all performance measures recorded as volumetric (untargeted)

5. Strategic Priorities

5.1 City of Lincoln Council's Vision 2025 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.

The performance measures under each directorate predominantly link directly into one Vision 2025 strategic priority. These links are as follows:

- Chief Executive's Directorate – Let's reduce all kinds of inequality
- Directorate for Communities and Environment – Let's enhance our remarkable place
- Directorate for Housing and Investment - Let's deliver quality housing
- Directorate for Major Developments – Let's drive inclusive economic growth and Let's address the challenge of climate change

6. Organisational Impacts

6.1 Finance (including whole life costs where applicable)

There are no direct financial implications because of this report. Further details on the council's financial position can be found in the quarterly financial performance report.

6.2 Legal Implications including Procurement Rules

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

6.3 Equality, Diversity and Human Rights

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

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

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

This report has no direct effect on equality in itself, but through measurement of service performance we are constantly able to review the quality of services for all recipients.

7. Risk Implications

7.1 (i) Options Explored – N/A

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

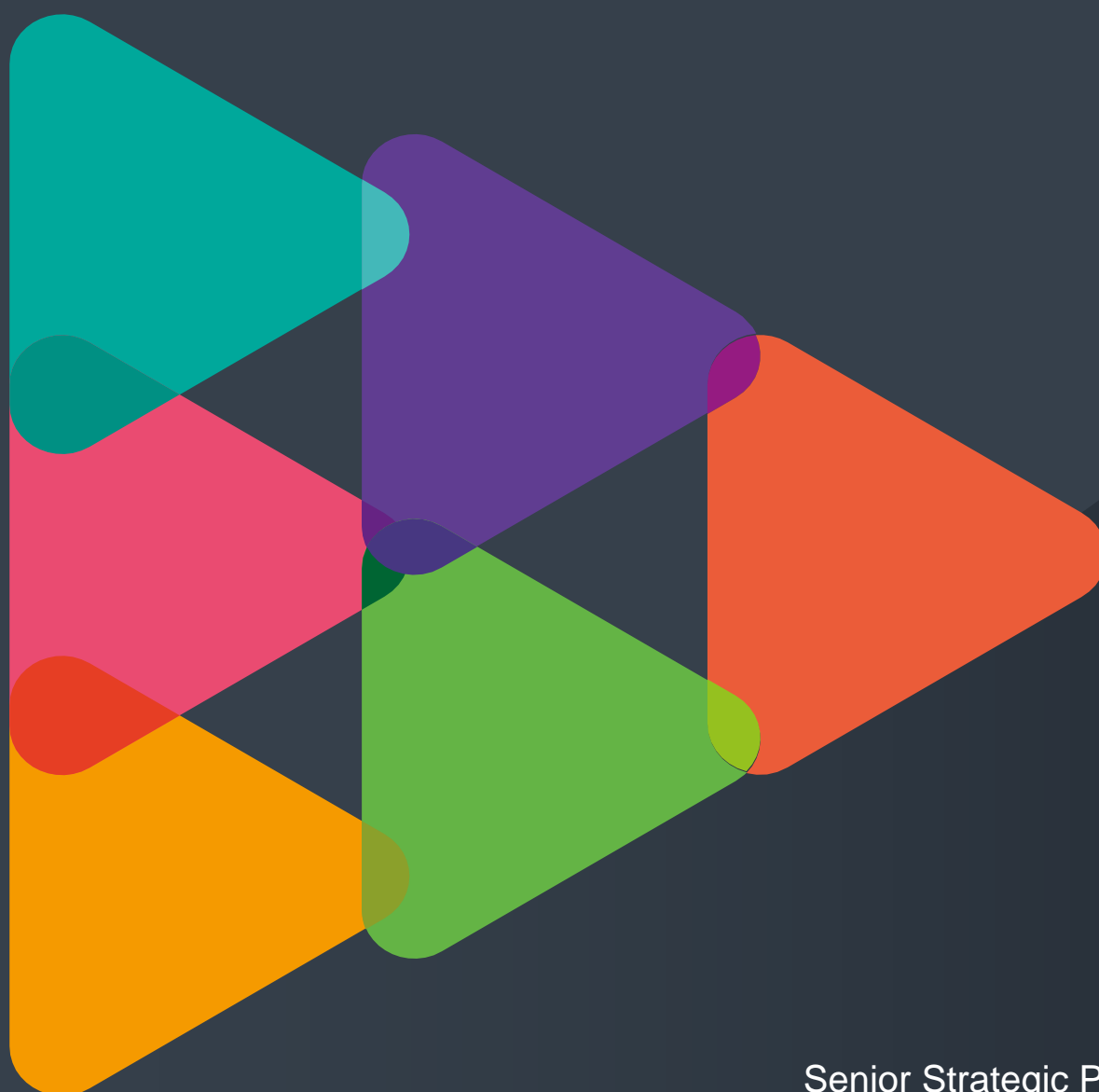
8. Recommendations

8.1 Executive is asked to review and comment on the contents of the Quarter 4 2023/24 Operational Performance Report found at Appendix A.

8.2 Executive is asked to confirm that the format of the performance report continues to meet their requirements.

Is this a key decision?	No
Do the exempt information categories apply?	No
Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?	No
How many appendices does the report contain?	Two (A and B)
List of Background Papers:	None
Lead Officers:	Senior Strategic Policy Officer Graham.rose@lincoln.ov.uk Business Intelligence Officer Hazel.claridge@lincoln.gov.uk Policy & Performance Officer Scott.lea@lincoln.gov.uk

Operational Performance Report – Quarter 4 2023/24



Senior Strategic Policy Officer
Business Intelligence Officer
Policy and Performance Officer

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How to read this report

The performance measures within this report are split into two key areas:

- Performance measures specific to each directorate
- Corporate performance measures focusing on the whole authority

Directorate performance measures








Presented in this report are the quarter 4 2023/24 performance measure outturns for those performance measures under each council directorate.

The performance measures under each directorate predominantly link directly into one Vision 2025 strategic priority. These links are as follows;

- **Chief Executive's Directorate Measures (CX)** – predominantly covering “Reducing all kinds of inequality”
- **Directorate for Communities and Environment Measures (DCE)** - predominantly covering “Lets enhance our remarkable place”
- **Directorate for Housing and Investment Measures (DHI)** - predominantly covering “Lets deliver quality housing”

The Directorate for Major Developments (DMD) does not currently monitor performance through strategic measures. Instead performance is monitored by the progress of the various projects DMD is responsible for under the priorities "Driving Inclusive Economic Growth" and “Lets Address the Challenge of Climate Change”.

For all directorate performance measures, outturn data is presented using the following indicators:

	At or above target
	Acceptable performance - results are within target boundaries
	Below target
	Volumetric / contextual measures that support targeted measures
	Performance has improved since last quarter / year
	Performance has stayed the same since last quarter / year
	Performance has deteriorated since last quarter / year

Corporate performance measures

For the corporate performance measures the data is not specific to service area performance but focuses on the council's performance overall. These corporate performance measures are split into the following categories:

- Resource information
- Appraisals
- Health & wellbeing
- Sickness
- Corporate complaints including Ombudsman rulings
- Compliments

Executive summary

Within this quarter 4 2023/24 Operational Performance Report for the City of Lincoln Council, we are reporting on **76** quarterly monitored performance measures. There are no annually collected performance measures reported in quarter 4. The **76** measures are split across the directorates of Chief Executive's (CX), Community and Environment (DCE) and Housing and Investment (DHI).

The main format of this report is split into five parts -

1. Executive Summary
2. Chief Executive's Directorate performance
3. Directorate for Communities and Environment performance
4. Directorate for Housing and Investment performance
5. Corporate performance measures

The 2023/24 targets for each targeted performance measure were agreed with Performance Scrutiny Committee and Executive in March 2023.

Below provides a summary of the performance measure outturns by status and by direction of travel for each directorate as at the end of quarter 4 2023/24.

	Performance measure outturns by status					
Directorate	Below target	Acceptable	Above target	Volumetric	Data not available	Total
CX	7 (30.4%)	3 (13.0%)	7 (30.4%)	6 (26.1%)	0 (0.0%)	23
DCE	5 (14.3%)	7 (20.0%)	15 (42.9%)	8 (22.9%)	0 (0.0%)	35
DHI	4 (22.2%)	1 (5.6%)	9 (50.0%)	4 (22.2%)	0 (0.0%)	18
Total	16 (21.1%)	11 (14.5%)	31 (40.8%)	18 (23.7%)	0 (0.0%)	76

	Performance measures outturns by direction of travel					
Directorate	Deteriorating	No change	Improving	Volumetric	Data not available	Total
CX	12 (52.2%)	1 (4.3%)	4 (17.4%)	6 (26.1%)	0 (0.0%)	23
DCE	12 (34.3%)	2 (5.7%)	13 (37.1%)	8 (22.9%)	0 (0.0%)	35
DHI	4 (22.2%)	0 (0.0%)	10 (55.6%)	4 (22.2%)	0 (0.0%)	18
Total	28 (36.8%)	3 (3.9%)	27 (35.5%)	18 (23.7%)	0 (0.0%)	76

Factors such as resource pressures, recruitment challenges and the ongoing cost of living challenges have continued to have an impact on performance in quarter 4 2023/24.



Quarterly Reported Measures

Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Quarter 4 2023/24 outturn	Status	
Work Based Learning	WBL 1	Percentage of apprentices completing their qualification on time	%	High is good	95.00	100.00	67.00	R	▲
Work Based Learning	WBL 2	Percentage of apprentices moving into Education, Employment or Training	%	High is good	90.00	95.00	100.00	G	▬
Communications	COM 1	Percentage of media enquiries responded to within four working hours or within requested response time	%	High is good	78.00	90.00	81.00	A	▲
Customer Services	CS 1	Number of face to face enquiries in customer services	Number	N/A	Volumetric	Volumetric	10	V	
Customer Services	CS 2	Number of telephone enquiries answered in Channel Shift Areas (Rev & Bens, Housing & Env. Services)	Number	N/A	Volumetric	Volumetric	25,838	V	
Customer Services	CS 3	Average time taken to answer a call to customer services	Seconds	Low is good	600	300	607	R	▼
Customer Services	CS 4	Average customer feedback score (telephone, face to face and e-mail enquiries)	%	High is good	75.00	90.00	83.28	A	▼
IT	ICT 1	Number of calls logged to IT helpdesk	Number	N/A	Volumetric	Volumetric	1,230	V	
IT	ICT 2	Percentage of first time fixes	%	N/A	Volumetric	Volumetric	63.20	V	
Accountancy	ACC 1	Average return on investment portfolio	%	High is good	1.50	2.75	5.60	G	▲
Accountancy	ACC 2	Average interest rate on external borrowing	%	Low is good	5.25	3.75	3.28	G	▼

Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Quarter 4 2023/24 outturn	Status	
Debtors & Creditors	DCT 1	Percentage of invoices paid within 30 days	%	High is good	95.00	97.00	86.86	R	▼
Debtors & Creditors	DCT 2	Percentage of invoices that have a Purchase Order completed	%	High is good	60.00	70.00	77.00	G	▼
Debtors & Creditors	DCT 3	Average number of days to pay invoices	Days	Low is good	20	15	22	R	▼
Housing Benefit Administration	BE 1	Average days to process new housing benefit claims from date received (cumulative)	Days	Low is good	18.00	16.00	14.32	G	▲
Housing Benefit Administration	BE 2	Average days to process housing benefit claim changes of circumstances from date received (cumulative)	Days	Low is good	6.00	4.50	3.42	G	▼
Housing Benefit Administration	BE 3	Number of Housing Benefits / Council Tax support customers awaiting assessment	Number	Low is good	1,400	1,300	2,274	R	▼
Housing Benefit Administration	BE 4	Percentage of risk-based quality checks made where benefit entitlement is correct (cumulative)	%	High is good	91.00	94.00	93.05	A	▼
Housing Benefit Administration	BE 5	The number of new benefit claims year to date (Housing Benefits/Council Tax Support)	Number	N/A	Volumetric	Volumetric	4,189	V	
Revenues Administration	REV 1	Council Tax – in year collection rate for Lincoln (cumulative)	%	High is good	95.10	96.10	94.04	R	▼
Revenues Administration	REV 2	Business Rates – in year collection rate for Lincoln (cumulative)	%	High is good	97.10	98.10	98.32	G	▼

Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Quarter 4 2023/24 outturn	Status	
Revenues Administration	REV 3	Number of outstanding customer changes in the Revenues Team	Number	Low is good	1,000	950.00	1,745	R	▼
Revenues Administration	REV 4	Number of accounts created for the My Lincoln Accounts system (to date)	Number	N/A	Volumetric	Volumetric	4,905	V	

Chief Executive's Directorate measures performing at or above target

G

WORK BASED LEARNING

WBL 2 - Percentage of apprentices moving into Education, Employment or Training

In quarter 4 2023/24, 100% of apprentices (2 out of 2) on programme moved into Employment, Education or Training upon completion of their City of Lincoln Council apprenticeship. This latest outturn was above the high target for the measure of 95%. At the end of quarter 4 2023/24 there were 18 apprentices on the council's apprenticeship programme (mix of corporate apprentices and staff on permanent contracts). Five new starters joined the scheme during the final quarter of 2023/24.

ACCOUNTANCY

ACC 1 – Average return on investment portfolio

The average return on investment portfolio during quarter 4 2023/24 was 5.6%. This latest outturn was 2.85% above the high target for the measure of 2.75% and was a small increase of 0.06% when compared to the previous quarter. The Accountancy Team has reported that during quarter 4 2023/24 some older fixed term investments ended leaving the remaining higher paying newer investments. This resulted in a further increase in the average yield for quarter 4 2023/24. At the time of writing this report the Bank of England base rate remained at 5.25%.

ACC 2 – Average interest rate on external borrowing

In quarter 4 2023/24 the average interest rate on external borrowing was 3.28%. This latest outturn was a small increase of 0.02% when compared to the previous quarter and continued to outperform the high target for the measure of 3.75% (low is good). The Accountancy Team has reported the actual interest paid decreased during the quarter with the repayment of loans.

DEBTORS & CREDITORS

DCT 2 – Percentage of invoices that have a purchase order completed

The percentage of invoices that had an associated purchase order in quarter 4 2023/24 was 77%. This latest outturn continued to perform above the high target of 70% and equated to 2,362 out of 3,085 invoices being linked to a purchase order number. Utility bills where purchase orders are not required and supplier invoices where a purchase order would be unsuitable for processing have been excluded from these figures. The Debtors & Creditors Team continues to encourage service areas to ensure invoices have an associated purchase order.

HOUSING BENEFIT ADMINISTRATION

BE 1 – Average days to process new housing benefit claims from date received (cumulative)

The cumulative average number days to process new housing benefit claims from date received at the end of quarter 4 2023/24 was 14.32 days. This final outturn for 2023/24 outperformed the high target of 16 days (low is good) and was also an improvement in performance of 1.53 days when compared to the same quarter in 2023/24.

The Housing Benefit Administration Team has reported that in the final quarter of 2023/24 the number of customers awaiting assessment increased due to annual rent and income changes. Despite this increase the team continued to target new claims to ensure they were assessed promptly, whilst also ensured the level of outstanding work in the team was managed effectively. Overtime was offered to staff in the quarter to help ensure new housing benefits claims were processed as quickly as possible. The team has taken extra care to monitor and prioritise new claims throughout 2023/24 due to the extra pressure residents are feeling due to the cost of living challenges.

BE 2 – Average days to process housing benefit claim changes of circumstances from date received (cumulative)

At the end of quarter 4 2023/24 the cumulative average number of days to process housing benefit claim changes of circumstances from date received was 3.42 days. This year end outturn for 2023/24 was 1.08 days better than the high target for the quarter of 4.5 days (low is good). In the final quarter the performance of this measure improved due to the number of changes the team was able to make in advance of the quarter end. This was as a result of customers reporting increases in rent and income ahead of the start of the new financial year.

REVENUES ADMINISTRATION

REV 2 – Business Rates – in year collection rate for Lincoln (cumulative)

The business rates in year collection rate for Lincoln at the end of the final quarter of 2023/24 was 98.32%. This cumulative outturn for the year outperformed the high target for the measure of 98.10%, however, was a slight reduction in performance when compared to the 2022/23 outturn of 99.19%. The Revenues Administration Team has reported that considering the current economic climate, this collection rate was encouraging.

At the end of the year there were 70 accounts with outstanding 2023 debt where a liability order has been granted by the Magistrates Court. These totalled £270K approximately. Enforcement action will be taken on any ratepayers who fail to make and maintain a payment plan. Additionally, at year end there were a further 193 accounts, which had outstanding debts but had not gone through the court process. The team has reported the majority of these accounts should move through the court process imminently.

Chief Executive's Directorate measures performing below target

R

WORK BASED LEARNING

WBL 1 - Percentage of apprentices completing their qualification on time

In quarter 4 2023/24, 67% of apprentices (2 out of 3) completed their qualification on time. The individual not completing their qualification on time during the quarter left the authority before completion. Whilst below the low target of 95%, this latest outturn was an improvement in performance of 17% when compared to the previous quarter. It is important to note that due to the low number of apprentices due to complete during the quarter, the impact on performance of one apprentice not completing on time was much larger.

CUSTOMER SERVICES

CS 3 – Average time taken to answer a call to customer services

The average time taken to answer a call to customer services in quarter 4 2023/24 was 607 seconds. This latest outturn was an increase of 136 seconds when compared to the previous quarter and was greater than the low target of 600 seconds (low is good). It is important to note this outturn excludes switchboard calls. If switchboard is included the average wait during the quarter was 374 seconds. During the quarter the longest a customer waited before being answered was 4,624 seconds, and the longest wait before a customer hung up without being answered was 3,319 seconds. Customers have the option to hold or to request a call back.

The Customer Services Team has reported that quarter 4 is almost always the busiest quarter for the team. This is a result of bills, Housing Benefit letters, rent increase letters and rent Direct Debit letters being sent out to residents in March. Specifically in quarter 4 2023/24 the team also saw an increase in the number of follow up calls for Housing Repairs, which also had an impact on call wait times. Additionally, resource in the team was also reduced in the final quarter of 2023/24 due to there being a vacancy in the team, together with a member of the team being on long term sick, both of which are likely to have had a slight impact on the call answering time as well.

It is also important to note the average answer rate has gone up in general, as the new call system measures the average wait differently to the previous system. This would have had a larger effect in quarter 4 2023/24 when the Customer Services Team was busier. The team has reported that from observation customers are choosing to use the call back system more frequently.

DEBTORS & CREDITORS

During quarter 4 2023/24 performance measures DCT 1 and DCT 3 have seen decreases in performance resulting in both measures performing below their allocated targets. The Debtors & Creditors Team has reported that the decrease in performance was as a result of a general increase in workload, which placed greater pressure on existing resource. In addition to the increased workload, there was a system issue with the Financial Management system which impacted on the ability to register and match invoices against purchase orders. This resulted in

additional manual work and difficulty in accessing the system, which continued for a period of several weeks. Unfortunately this has impacted on the performance of both measures. The team has reported that there is now a workaround for this from Agresso, which has reduced the manual input required, however, there still isn't a resolution to the actual issue at the time of writing this report.

DCT 1 – Percentage of invoices paid within 30 days

During the final quarter of 2023/24, 86.86% of invoices were paid within 30 days. This latest outturn was below the low target for the measure of 95% and was a decrease in performance of 9.56% when compared to the quarter 3 2023/24 outturn.

The outturn for this measure was calculated based on all supplier invoices and credit notes (not refunds or grants) paid between 1st January 2024 and 31st March 2024.

DCT 3 – Average number of days to pay invoices

In quarter 4 2023/24 the average number of days to pay invoices was 22. This latest outturn for 2023/24 was 2 days greater than the low target for the measure of 20 days and was an increase of 4 days when compared to the previous quarter's outturn.

It is important to note that figures are calculated on supplier invoices and credit notes paid between 1st January 2024 and 31st March 2024.

HOUSING BENEFITS ADMINISTRATION

BE 3 – Number of Housing Benefits / Council Tax support customers awaiting assessment

At the end of quarter 4 2023/24, the number of Housing Benefits / Council Tax support customers awaiting assessment was 2,274. This outturn was greater than the low target for the measure of 1,400 and was an increase of 482 customers awaiting assessment when compared to the quarter 4 2022/23 outturn of 1,792. Of the customers awaiting assessment at the end of quarter 4 2023/24, 1,944 were awaiting a first contact from the council. The Housing Benefits Administration Team has reported that the final quarter of the year always sees an increase in work being received, which is due to reports of annual changes in rent and income. The team continues to ensure cases are assessed as quickly as possible.

REVENUES ADMINISTRATION

REV 1 – Council Tax – in year collection rate for Lincoln (cumulative)

The council tax in year collection rate for Lincoln at the end of quarter 4 2023/24 was 94.04%. This final outturn for 2023/24 was 1.06% below the low target for the measure of 95.10% and was a decrease of 0.11% when compared to the year-end position in 2022/23. The Revenues Administration Team has reported the ongoing cost of living pressures have continued to impact on the collection rate as customers prioritise other debts over council tax – this appears to be a wider issue regionally and nationally and is not unique to Lincoln. Subsequently, council tax collection remains challenging and has not yet returned to pre-covid collection rates. Looking ahead to

2024/25, with bills continuing to increase, together with council tax increasing, meeting collection targets is expected to remain challenging.

REV 3 – Number of outstanding customer changes in the Revenues Team

At the end of quarter 4 2023/24 there were 1,745 outstanding customer changes for City of Lincoln Council customers within the Enterprise document management system. This latest outturn was greater than the low target for the measure of 1,000 (low is good) and was an increase of 269 documents when compared to the same quarter in 2023/24. It is important to note that the outturn includes some customers who had more than one document outstanding at the end of the quarter.

The Revenues Administration Team continue to work to ensure customer changes are processed as quickly as possible. To provide some context into the demands placed on the team, during 2023/24 the Revenues Administration Team received 110,970 pieces of correspondence and have taken 39,805 phone calls for City of Lincoln Council and North Kesteven District Council customers.

This measure has historically (and for 2023/24) included only items outstanding in the electronic Enterprise document management system. However, from quarter 1 2024/25, reporting of this measure is to include items in Enterprise, but also outstanding customer items from the Citizens Access Revenues online self-serve portal to give a more accurate reflection of overall outstanding correspondence in the Revenues Administration Team.



Quarterly Reported Measures

Service area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Quarter 4 2023/24 outturn	Status	
Affordable Housing	AH 1	Number of affordable homes delivered (cumulative)	Number	High is good	20.00	100.00	17	R	▼
Development Management (Planning)	DM 1	Number of applications in the quarter	Number	N/A	Volumetric	Volumetric	199	V	
Development Management (Planning)	DM 2	End to end time to determine a planning application (Days)	Days	Low is good	85.00	65.00	67.70	A	▲
Development Management (Planning)	DM 3	Number of live planning applications open	Number	Low is good	180	120	115	G	▬
Development Management (Planning)	DM 4	Percentage of applications approved	%	High is good	85.00	97.00	95.00	A	▲
Development Management (Planning)	DM 5	Percentage of total decisions made in the quarter that have subsequently been overturned at appeal	%	Low is good	10.00	5.00	0.69	G	▼
Development Management (Planning)	DM 5a	Number of decisions appealed in the quarter	Number	Low is good	5	1	5	A	▼
Development Management (Planning)	DM 5b	Number of appealed decisions in the quarter overturned by the inspectorate	Number	Low is good	5	1	1	G	▼
Development Management (Planning)	DM 6	Percentage of Non-Major Planning Applications determined within the government target (70% in 8 weeks) measured on a 2 year rolling basis (including extensions of time)	%	High is good	70.00	90.00	87.00	A	▲

Service area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Quarter 4 2023/24 outturn	Status	
Development Management (Planning)	DM 7	Percentage of Major Planning Applications determined within the government target (60% in 13 weeks) measured on a 2 year rolling basis (including extensions of time)	%	High is good	60.00	90.00	100.00	G	▲
Parking Services	PS 1	Overall percentage utilisation of all car parks	%	High is good	50.00	60.00	54.00	A	▼
Parking Services	PS 2	Sessional car parking income as a percentage of budget requirement	%	High is good	91.00	96.00	112.04	G	▼
Food and Health & Safety Enforcement	FHS 1	Percentage of premises fully or broadly compliant with Food Health & Safety inspection	%	High is good	95.00	97.00	99.99	G	▲
Food and Health & Safety Enforcement	FHS 2	Average time from actual date of inspection to achieving compliance	Days	Low is good	20.00	10.00	4.60	G	▲
Food and Health & Safety Enforcement	FHS 3	Percentage of food inspections that should have been completed and have been in that time period	%	High is good	85.00	97.00	99.52	G	▲
Licensing	LIC 1	Percentage of premises licences issued within 28 days of grant	%	High is good	80.00	100.00	100.00	G	▲
Licensing	LIC 2	Total number of active premises licences	Number	N/A	Volumetric	Volumetric	404	V	
Licensing	LIC 3	Total number of active private hire / hackney carriage licences (operators, vehicles and drivers)	Number	N/A	Volumetric	Volumetric	837	V	

Service area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Quarter 4 2023/24 outturn	Status	
Private Housing	PH 1	Average time in weeks from occupational therapy notification to completion of works on site for a DFG grant (all DFG's exc. extensions)	Weeks	Low is good	26.00	19.00	31.00	R	▲
Private Housing	PH 2	Average time from date of inspection of accommodation to removing a severe hazard to an acceptable level	Weeks	Low is good	20.00	12.00	20.50	R	▼
Private Housing	PH 3	Number of empty homes brought back into use (cumulative)	Number	High is good	15.00	30.00	42.00	G	▲
Public Protection and Anti-Social Behaviour Team	PPASB 1	Number of cases received in the quarter (ASB cases only)	Number	N/A	Volumetric	Volumetric	131	V	
Public Protection and Anti-Social Behaviour Team	PPASB 2	Number of cases closed in the quarter (across full PPASB service)	Number	N/A	Volumetric	Volumetric	1,014	V	
Public Protection and Anti-Social Behaviour Team	PPASB 3	Number of live cases open at the end of the quarter (across full PPASB service)	Number	Low is good	240	200	279	R	▼
Sport & Leisure	SP 1a	Quarterly visitor numbers to Birchwood Leisure Centre	Number	N/A	Volumetric	Volumetric	44,443	V	
Sport & Leisure	SP 1b	Quarterly visitor numbers to Yarborough Leisure Centre	Number	N/A	Volumetric	Volumetric	115,974	V	
Sport & Leisure	SP 2	Artificial Grass Pitch usage at Yarborough Leisure Centre & Birchwood Leisure Centre	Hours	High is good	520.00	700.00	825.50	G	▼

Service area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Quarter 4 2023/24 outturn	Status	
Sport & Leisure	SP 3a	Birchwood Leisure Centre - Number of net promoter score points above or below the average Net Promoter Score for England	Number	High is good	0	2	11	G	▲
Sport & Leisure	SP 3b	Yarborough Leisure Centre - Number of net promoter score points above or below the average Net Promoter Score for England	Number	High is good	0	2	16	G	▲
Allotments	AM 1	Percentage occupancy of allotment plots	%	High is good	86.00	94.00	94.00	G	▼
CCTV	CCTV 1	Total number of incidents handled by CCTV operators	Number	N/A	Volumetric	Volumetric	2,852	V	
Grounds Maintenance	GM 1	Contractor points recorded against target standards specified in contract - Grounds Maintenance	Number	Low is good	150	50	20	G	▲
Street Cleansing	SC 1	Contractor points recorded against target standards specified in contract - Street Cleansing	Number	Low is good	150	50	55	A	▲
Waste & Recycling	WM 1	Percentage of waste recycled or composted (seasonal)	%	High is good	30.50	35.00	29.43	R	▼
Waste & Recycling	WM 2	Contractor points recorded against target standards specified in contract - Waste Management	Number	Low is good	150	50	100	A	▼

DEVELOPMENT MANAGEMENT (PLANNING)

DM 3 - Number of live planning applications open

At the end of quarter 4 2023/24, the number of live planning applications open was 115. This latest outturn was the same as the previous quarter 3 2023/24 outturn also of 115 and continued to perform below the high target for this measure of 120 (low is good). The Development Management Team has reported this outturn is reflective of the number of applications received in the quarter remaining stable (performance measure DM 1).

DM 5 - Percentage of total decisions made in the quarter that have subsequently been overturned at appeal

The percentage of total decisions made in the quarter that have subsequently been overturned at appeal was 0.69%. This latest outturn was a slight increase on the previous quarter 3 2023/24 outturn of 0%, however still reported comfortably below the high target for this measure of 5% (low is good). The performance of this measure has been reassuringly low for some time, which reflects the high percentage of applications approved, together with the accuracy of decisions made by the Development Management Team.

DM 5b - Number of appealed decisions in the quarter overturned by the inspectorate

In quarter 4 2023/24 the number of appealed decisions overturned by the inspectorate was 1. This latest outturn was a small increase on the previous quarter 3 2023/24 outturn of 0, however met the high target for this measure of 1. The appealed decision during quarter 4 2023/24 was in relation to an advertisement totem pole at Valentine Retail Park. The quarterly outturns for this measure have remained very low throughout 2023/24, which shows the accuracy of the decisions made by the Development Management Team.

DM 7 - Percentage of Major Planning Applications determined within the government target (60% in 13 weeks) measured on a 2 year rolling basis (including extensions of time)

In quarter 4 2023/24 the percentage of major planning applications determined within the government target (60% in 13 weeks) measured on a 2 year rolling basis was 100%. This latest outturn was an increase in performance of 29.03% when compared to the previous quarter 3 2023/24 outturn of 70.97% and performed above the City of Lincoln Council's high target for this measure of 90%. The Development Management Team has reported that the significant increase in performance during quarter 4 has highlighted the team's emphasis on prioritising major applications, whilst is also reflective of the low numbers of major applications received.

PARKING SERVICES

PS 2 - Sessional car parking income as a percentage of budget requirement

Sessional car parking income as a percentage of budget requirement in quarter 4 2023/24 was 112.04%. This latest outturn was a slight decrease on the previous quarter 3 2023/24 outturn of 113.18%, however continued to perform comfortably above the high target for this measure of 96%. The final quarter of the year traditionally sees the lowest income due to the winter months, with the income for the quarter being £1,500,312.98 against a budget of £1,339,045.00.

At year end the annual budget of £5,937,189.00 was surpassed by £505,336.39, which shows strong performance for the year. Car parking income is received from cash, card and Pay By Phone payments.

FOOD AND HEALTH & SAFETY ENFORCEMENT

FHS 1 - Percentage of premises fully or broadly compliant with Food Health & Safety inspection

The percentage of premises fully or broadly compliant with Food Health & Safety Inspection in quarter 4 2023/24 was 99.99%. This latest outturn was a slight improvement on the previous quarter 3 2023/24 outturn of 98.78% and continued to report above the high target for this measure of 97%. The Food Health & Safety Team saw an increase in the number of non-compliant businesses in the city during the quarter. Of the 16 non-compliant businesses in quarter 4, the reasons for this included:

- Structural problems (such as no hot water leading to dirty premises / equipment and a lack of hand washing)
- Unsafe food for sale
- Poor hygiene practices
- Not well managed

The team is continuing to prioritise working with non-compliant businesses to ensure they are at a level where they are at least broadly compliant to protect the health of residents and visitors. The team is also continuing to work on prioritising new businesses to ensure they are also compliant. At the time of writing this report, the number of businesses registered in the city was 1,054 although this continues to fluctuate on a daily basis.

FHS 2 - Average time from actual date of inspection to achieving compliance

The average time from actual date of inspection to achieving compliance in quarter 4 2023/24 was 4.6 days. This latest outturn was an improvement on the previous quarter 3 2023/24 outturn of 6.2 days and continued to report below the high target for this measure of 10 days (low is good). In total there were 140 businesses inspected during the quarter. An agency worker has been employed by the Food Health & Safety Team to assist with covering the work of current vacancies.

FHS 3 - Percentage of food inspections that should have been completed and have been in that time period

In quarter 4 2023/24 the percentage of food inspections that should have been completed and were completed was 99.52%. This latest outturn was an improvement on the previous quarter 3 2023/24 outturn of 94.24% and reported above the high target for this measure of 97%. The Food Health & Safety Team worked hard during the quarter to ensure all outstanding inspections from when the Food Standards Agency Recovery Plan was in place were completed. Of these businesses, 9 were not inspected by the date they were due, however, in line with the Food Law Code of Practice, they could be inspected within 28 days of their due date. Of these 9 businesses, 7 were new businesses, 1 was an evening economy business and it is anticipated the remaining business is likely to be removed from the food register due to a change in ownership.

LICENSING

LIC 1 - Percentage of premises licences issued within 28 days of grant

The percentage of premises licences issued within 28 days of grant in quarter 4 2023/24 was 100%. This latest outturn was a 5.56% increase on the previous quarter 3 2023/24 outturn of 94.44% and reported on the high target for the measure of 100%. It is important to note the outturn includes any new applications, variations, transfers and other changes effecting the licences, which would subsequently lead to a new premises licence being produced physically. Depending on the application type there are different timeframes as to when the licence can be produced.

PRIVATE HOUSING

PH 3 - Number of empty homes brought back into use (cumulative)

The number of empty homes brought back into use in 2023/24 was 42. This year end outturn was an increase of 11 empty homes when compared to the same quarter in 2022/23 and reported above the high target for this measure of 30. The Private Housing Team has focused on prioritising long term problematic empty properties during 2023/24 and as a result all 42 properties brought back into use during 2023/24 had a positive effect on the city. A breakdown of the empty properties at the end of the year 2023/24 was as follows -

- Long term empty properties of 6 months or more increased by 30 to 496
- 2 year empty properties increased by 19 to 126
- 4 year empty properties increased by 2 to 61
- Sincil Bank empty properties decreased to 19
- 5 year empty properties remained at 35
- 10 year empty properties remained at 20

The Private Housing Team has also reported there has been a big drop in second homes in the city during the year to 786, of which most of these are university properties being re-let to new students in October.

SPORT & LEISURE

SP 2 - Artificial Grass Pitch usage at Yarborough Leisure Centre & Birchwood Leisure Centre

In quarter 4 2023/24 the combined Artificial Grass Pitch usage at Yarborough and Birchwood Leisure Centres was 825.5 hours. This accumulated to 572 hours being used at Birchwood Leisure Centre and 253.5 hours being used at Yarborough Leisure Centre. The latest outturn for this measure was a decrease on the previous quarter 3 2023/24 outturn of 858 hours used, however still reported comfortably above the high target of 700. Despite outperforming the target, the Sport & Leisure Team has reported this quarter's performance is likely to have been impacted by very wet and windy weather.

SP 3a - Birchwood Leisure Centre - Number of net promoter score points above or below the average Net Promoter Score for England

For quarter 4 2023/24 the net promoter score for Birchwood Leisure Centre was 48. This score was 11 points above the average national benchmarking score for the period of 37. This latest outturn reported comfortably above the high target for this measure of 2 points above the national average. Positive feedback received in the quarter related to staff in reception and the fitness instructors.

SP 3b - Yarborough Leisure Centre - Number of net promoter score points above or below the average Net Promoter Score for England

For quarter 4 2023/24 the net promoter score for Yarborough Leisure Centre was 53. This score was 16 points above the average national benchmarking score for the period of 37. This latest outturn also reported comfortably above the high target for this measure of 2 points above the national average. Positive feedback received in the quarter related to helpfulness of staff in the reception, fitness classes and swimming lessons.

ALLOTMENTS

AM 1 - Percentage occupancy of allotment plots

At the end of quarter 4 2023/24 the percentage occupancy of allotment plots was 94%. This latest outturn reported on the high target for this measure of 94%, however, was a slight decrease on the previous quarter 3 2023/24 outturn of 95%. During the quarter, 1,055 plots out of 1,125 current lettable plots were let. The remaining plots not let at quarter end were under offer to new tenants. The Community Services Team has reported there continues to be a good take up of plots with Melbourne Road currently having the largest waiting list. Of the 19 sites available, at the end of the quarter 9 sites did not have waiting lists, and as a result these were available to any resident in Lincoln without the need to wait. It is important to note the annual invoices for allotments were issued in February 2024. This team is currently assessing which plots are not required so they can make these available to prospective tenants.

GROUNDS MAINTENANCE

GM 1 - Contractor points recorded against target standards specified in contract - Grounds Maintenance

Contractor points recorded against target standards specified in the Grounds Maintenance contract in quarter 4 2023/24 was 20. This latest outturn was a significant improvement on the previous quarter 3 2023/24 outturn of 85 points and reported comfortably below the high target for this measure of 50 points (low is good). Of the 20 points recorded in the quarter, 0 points were recorded in January 2024, 10 points were recorded in February 2024 and 10 points were recorded in March 2024. The majority of points recorded in the quarter were recorded against the tree team.

Directorate for Communities and Environment measures performing below target

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AFFORDABLE HOUSING

AH 1 - Number of affordable homes delivered (cumulative)

There were no additional affordable homes delivered in quarter 4 2023/24, resulting in the number of affordable homes delivered in the year 2023/24 totalling 17. This year end outturn of 17 was a decrease on the previous 2022/23 outturn of 32 and reported below the low target for this measure of 20. The Development Management Team has reported that there continues to be a national slowdown in terms of homes being built as well as a slowdown for planning applications for new homes being submitted. It is anticipated that this will continue for the foreseeable future due to the cost of building materials and the introduction of the new biodiversity net gain requirements that are now required by law and supersede planning contributions. It is expected these new requirements will have a negative impact on the viability of affordable homes.

PRIVATE SECTOR HOUSING

PH 1 - Average time in weeks from occupational therapy notification to completion of works on site for a Disabled Facilities Grant (DFG) (all DFG's exc. extensions)

The average time in weeks from occupational therapy notification to completion of works on site for a DFG in quarter 4 2023/24 was 31 weeks. This latest outturn was a decrease of 5 weeks when compared to the quarter 3 2023/24 outturn of 36 weeks, however continued to report above the low target for this measure of 26 weeks (low is good). During the quarter 28 adaptations were completed, which was a very strong performance considering the Private Housing Team usually process around 80 adaptations in a full year. Throughout 2023/24 the team processed 95 mandatory adaptations.

In quarter 4 2023/24 the team continued to be tasked with reducing the backlog of cases. This included clearing a number of historical long standing cases, which had an impact on existing resource. To provide context, at the end of the quarter there were 26 cases awaiting allocation with

the oldest being less than 4 months. Additionally, the team also saw an increase in the number of DFG cases received during quarter 4 2023/24, which also impacted on resource.

It is important to note that once an application has reached the application approved stage, the contractor has been appointed and the price of works agreed, at the time of writing this report the time taken to complete the works was 12 weeks.

The team has reported that work is still ongoing to redesign the front end of the process, with an admin resource agreed in principle and it is anticipated this will commence from quarter 1 2024/25. The team is also still carrying a Technical Officer vacancy, which is being actively recruited to. There are a number of factors extending the DFG process that are out of the teams control. These include:

- clients being unsure that they want to proceed
- lack of response from clients
- contractors failing to respond to timescale targets
- amended referrals from the Occupational Therapists.

It is anticipated all these factors will hopefully be improved with the redesigned front end process.

PH 2 - Average time from date of inspection of accommodation to removing a severe hazard to an acceptable level

The average time from date of inspection of accommodation to removing a severe hazard to an acceptable level in quarter 4 2023/24 was 20.5 weeks. This latest outturn was a significant increase on the previous quarter 3 2023/24 outturn of 11 weeks and reported above the low target for the measure of 20 weeks (low is good). The Private Housing Team has reported that in quarter 4 2023/24, 48 cases were closed, however at year end there were 51 open cases of which 28 were awaiting allocation. The number of new cases received during the quarter was 33, which had a significant impact on performance. In addition, 6 red priority cases were received in the quarter, which required immediate attention by the team. Park and Abbey wards continue to have the highest number of properties that report complaints of disrepair.

PUBLIC PROTECTION AND ANTI-SOCIAL BEHAVIOUR TEAM (PPASB)

PPASB 3 - Number of live cases open at the end of the quarter (across full PPASB service)

The number of live cases open at the end of quarter 4 2023/24 across the full PPASB service was 279. This latest outturn was increase of 53 (23%) when compared to the previous quarter 3 2023/24 outturn of 226 and reported above the low target for this measure of 240 (low is good). The Public Protection and Anti-Social Behaviour Team has recruited two new officers during the quarter who are active in the city centre and now have their own case load. The two new Officers are dealing with complex cases within the City Centre, which in turn, has increased the amount of cases left open at the end of the quarter.

WASTE & RECYCLING

WM 1 - Percentage of waste recycled or composted (seasonal)

It is important to note that the outturn for this measure relates to quarter 3 2023/24 as the data provided by Lincolnshire County Council is lagged by one quarter. In quarter 3 2023/24 the percentage of waste recycled or composted was 29.43%. This latest outturn was a small decrease on the previous quarter and reported slightly below the low target for this measure of 30.5%. During quarter 3 2023/24, 15.98% of waste was recorded as being recycled and 13.45% of waste was recorded as being composted.

The Community Services Team has reported that in the last two years the total tonnage collected has dropped by 223 tonnes, which represents a 2.54 percentage drop. In the same period composting has dropped slightly, but recycling is responsible for the largest drop. One reason for the reduction in the recycling rates is an increase in contaminated bins. Subsequently, in response to requests from Lincolnshire County Council, City of Lincoln Council has tightened up enforcement / rejection of contaminated bins, which has resulted in a marginal reduction in contamination. Where a contaminated bin is present, the bulk of the recycling materials rejected now go for energy recovery rather than recycling.



Directorate for Housing and Investment

Quarterly Reported Measures

Service Area	Measure ID	Measure	Unit	High Or Low is Good	Low Target	High Target	Quarter 4 2023/24 outturn	Status	
Housing Investment	HI 1	Percentage of council properties that are not at the 'Decent Homes' standard (excluding refusals)	%	Low is good	1.20	1.00	0.24	G	▲
Housing Investment	HI 2	Number of properties 'not decent' as a result of tenants refusal to allow work (excluding referrals)	Number	N/A	Volumetric	Volumetric	221	V	
Housing Investment	HI 3	Percentage of dwellings with a valid gas safety certificate	%	High is good	98.60	99.00	98.66	A	▲
Housing Maintenance	HM 1a	Percentage of reactive repairs completed within target time (priority 1 day only)	%	High is good	98.50	99.50	99.84	G	▲
Housing Maintenance	HM 1b	Percentage of reactive repairs completed within target time (urgent 3 day repairs only)	%	High is good	95.00	97.50	88.76	R	▲
Housing Maintenance	HM 2	Percentage of repairs fixed first time (priority and urgent repairs) - HRS only	%	High is good	90.00	92.00	92.29	G	▼
Housing Maintenance	HM 3	Percentage of tenants satisfied with repairs and maintenance	%	N/A	Volumetric	Volumetric	72.04	V	
Housing Maintenance	HM 4	Appointments kept as a percentage of appointments made (priority and urgent repairs) - HRS only	%	High is good	95.00	97.00	97.71	G	▲
Control Centre	CC 1	Percentage of customers satisfied with their new Lincare Housing Assistance service connection to the control centre	%	High is good	90.00	95.00	96.30	G	▲
Control Centre	CC 2	Percentage of Lincare Housing Assistance calls answered within 60 seconds	%	High is good	97.50	98.00	98.32	G	▲
Housing Solutions	HS 1	The number of people currently on the Housing Register	Number	N/A	Volumetric	Volumetric	2,036	V	

Service Area	Measure ID	Measure	Unit	High Or Low is Good	Low Target	High Target	Quarter 4 2023/24 outturn	Status	
Housing Solutions	HS 2	The number of people approaching the council as homeless	Number	N/A	Volumetric	Volumetric	332	V	
Housing Solutions	HS 3	Successful preventions and relief of homelessness against total number of homelessness approaches	%	High is good	45.00	50.00	52.22	G	▲
Housing Voids	HV 1	Percentage of rent lost through dwelling being vacant	%	Low is good	1.10	1.00	1.14	R	▼
Housing Voids	HV 2	Average re-let time calendar days for all dwellings - standard re-lets	Days	Low is good	34.00	32.00	36.85	R	▲
Housing Voids	HV 3	Average re-let time calendar days for all dwellings (including major works)	Days	Low is good	40.00	38.00	43.46	R	▲
Rent Collection	RC 1	Rent collected as a proportion of rent owed	%	High is good	96.50	97.50	97.50	G	▼
Rent Collection	RC 2	Current tenant arrears as a percentage of the annual rent debit	%	Low is good	4.15	4.00	2.88	G	▼

HOUSING INVESTMENT

HI 1 – Percentage of council properties that are not at the 'Decent Homes' standard (excluding refusals)

The percentage of council properties that were not at the 'Decent Homes' standard (excluding refusals) in quarter 4 was 0.24%. This latest outturn performed better than the high target of 1% (low is good) and was an improvement of 0.62% when compared to the previous quarter. The team has reported that the majority of failures in the quarter were due to the service not being able to gain access to undertake cyclical electrical inspection tests. Failures at the end of the quarter were limited to 3 doors, 2 windows and 14 electrics.

HOUSING MAINTENANCE

HM 1a - Percentage of reactive repairs completed within target time (priority 1 day only)

During quarter 4 2023/24 the percentage of reactive priority repairs completed within target time was 99.84%. This latest outturn performed above the high target for the measure of 99.5% and was an increase of 0.8% when compared to the previous quarter's outturn of 99.04%.

The service has reported that performance has remained on target during quarter 4 2023/24 as the service has continued to maintain its response to priority repair issues as a result of recent storm events in October 2023 and January 2024. Subsequently, this has resulted in a drop in performance against measure HM1b, however this approach has enabled the service to respond to those priority repairs that have the greatest detrimental impact on council tenants.

HM 2 – Percentage of repairs fixed first time (priority and urgent repairs) – Housing Repairs Service only

In quarter 4 2023/24 the percentage of priority and urgent repairs fixed first time by the Housing Repairs Service was 92.29%. This latest outturn was above the high target for this measure of 92%, however was a slight decrease in performance on the quarter 3 2023/24 outturn of 94.32%. The service has reported throughout the quarter team leaders and planning have continued to work towards ensuring correct allocation of times and trades on repairs, enabling these to be completed first time. At the time of writing this report core stock levels remain good and the service currently has no concerns with the supply of materials.

HM 4 - Appointments kept as a percentage of appointments made (priority and urgent repairs) - HRS only

The percentage of appointments kept as a percentage of appointments made in quarter 4 2023/24 was 97.71%. This latest outturn was slightly above the high target for the measure of 97% and was

an increase in performance of 1.47% when compared to the previous quarter. During the quarter the service worked towards ensuring resources were ring fenced for priority and urgent repairs where this was possible. Additionally, the recruitment of an electrician in the quarter has also helped to improve service performance.

The service has reported there has been an increase of over 50% in the number of urgent and priority repair appointments since 2022/23. The service has therefore managed to maintain high performance in spite of these unprecedented service pressures.

CONTROL CENTRE

CC 1 – Percentage of customers satisfied with their new Lincare Housing Assistance service connection to the control centre

In quarter 4 2023/24, 51 surveys were distributed to customers to ask how satisfied they were with their new Lincare Housing Assistance connection to the control centre. 27 surveys were returned (52.9%) and of these 96.3% (26) respondents were satisfied with their connection. This latest outturn was above the high target for the measure of 95%.

For the year, 311 surveys were distributed to customers, with 118 completed surveys returned (38%). Of the 118 respondents, only 4 respondents were dissatisfied with their connection, equating to a satisfaction rate of 96.6%.

CC 2 - Percentage of Lincare Housing Assistance calls answered within 60 seconds

In quarter 4 2023/24, 98.32% of Lincare Housing Assistance calls were answered within 60 seconds. This latest outturn was above the high target for the measure of 98% and was an improvement in performance when compared to the previous quarter's outturn of 97.77%.

The service has reported that the quarter's positive performance was as a result of a significant improvement in call answering times in March 2024, where 99.28% of calls were answered within 60 seconds. This improvement in March 2024 was achieved by making better use of the council's partnership with CareLink. Subsequently, in this final month of the quarter there was improved communication across services, which resulted in both control centres informing each other if they were going to be away from their operating station. This contributed to ensuring calls were answered more efficiently. Additionally, this improved communication also allowed for each control centre to assist each other during peak times. Following the implementation of this improved partnership working, 100% of calls answered in March 2024 were answered within 180 seconds, which was above the service target of 99%.

HOUSING SOLUTIONS

HS 3 – Successful preventions and relief of homelessness against total number of homelessness approaches

Successful preventions and relief of homelessness against total number of homelessness approaches in quarter 4 2023/24 was 52.22%. This latest outturn was above the high target for this measure of 50% and was an improvement in performance when compared to the previous quarter outturn of 50.37%.

During quarter 3 2023/24 several changes were implemented by the service to further support residents to help prevent and relieve homelessness as far as possible. These changes included focusing some of the Housing Solutions Team to specifically work on preventions, introducing home visits for those being asked to leave by family or friends, and making amendments to the deposit guarantee / rent top up scheme to make this a more suitable option. With these changes implemented, the service is now seeing an increase in the number of homelessness applications prevented and relieved, with a noticeable increase of these into the private sector. Prevention and relief of homelessness continues to be extremely challenging for the service due to the current economic climate.

RENT COLLECTION

RC 1 - Rent collected as a proportion of rent owed

Rent collected as a proportion of rent owed in quarter 4 2023/24 was 97.5%. This latest outturn achieved the high target for the measure also of 97.5%. The service has reported that as per the previous quarter, the improved performance in quarter 4 2023/24 was due to the team proactively contacting tenants in rent arrears to encourage them to pay their rent on time. This resulted in the performance of this measure aligning with Housemark's upper quartile levels. The total rental income collected for the year was £32,507,018.63.

RC 2 - Current tenant arrears as a percentage of the annual rent debit

Current tenant arrears as a percentage of the annual rent debit at the end of quarter 4 2023/24 was 2.88%. This latest outturn was below the high target of 4% (low is good), however was a very slight decrease in performance when compared to the previous quarter's outturn of 2.86%. In monetary terms, at the end of the final quarter of 2023/24, total arrears stood at £1,009,950.64. This was a reduction of £21,098 when compared to the same quarter end position in 2022/23 where arrears stood at £1,031,048. The service has reported that during 2023/24, 20 households were evicted due to rent arrears.

HOUSING MAINTENANCE

HM 1b – Percentage of reactive repairs completed within target time (urgent 3 day repairs only)

The percentage of reactive repairs completed within target time (urgent 3-day repairs only) in quarter 4 2023/24 was 88.76%. This latest outturn was below the low target for the measure of 95%, however was an increase in performance of 5.48% when compared to the previous quarter's outturn of 83.28%.

Performance in Q3 and Q4 was significantly impacted by Storm Babet (October 2023) and Storm Henk (January 2024). The service area expects performance will be much improved in the next quarter, following recent process changes and a reshuffling of maintenance team leaders to reflect current demands on the service. The service area has reported that following the introduction of the Repairs Policy, this has helped to reduce the number of urgent 3-day repairs being inaccurately recorded. As a result performance of this measure in March 2024 was 99%, with only 4 repairs falling outside of the target time.

The service has also reported that there has been an increase of over 50% in the number of urgent and priority repairs since 2022/23, of which the service has allocated 11 operatives to respond to these. Comparatively, in 2016 only two operatives were needed to be allocated to these repair types. This demonstrates the extent of demand on this part of the repairs service. Initial categorisation of repairs remains an issue, however this is improving and recent process changes will ensure this continues.

HOUSING VOIDS

HV 1 - Percentage of rent lost through dwelling being vacant

The percentage of rent lost through a dwelling being vacant at the end of quarter 4 2023/24 was 1.14%. This latest outturn was greater than the low target for the measure of 1% (low is good) and was a slight decrease in performance when compared to the previous quarter outturn 1.07%.

The service area has commenced a whole directorate review of the voids process to identify where and how further improvements can be made regarding the re-letting process. It is important to note this measure encompasses all sources of rent loss including all temporary accommodation, sheltered accommodation, newbuilds and 'buy back' properties awaiting initial letting, as well as all void properties. Subsequently, this explains the slight increase in rent loss, whilst there has been further reductions in re-letting times for voids.

Despite the slight decrease in performance, the service remains in the top quartile nationally for this measure.

HV 2 – Average relet time in calendar days for all dwellings – standard re-lets

In quarter 4 2023/24 the average relet time in calendar days for all dwellings, focusing on standard re-lets, was 36.85 days. This latest outturn was greater than the low target of 34 days (low is good).

Despite being outside of the target, the outturn for this measure has seen an improving trend over the past 4 quarters, with the latest outturn being an improvement of 1.58 days when compared to the quarter 3 2023/24 outturn of 38.43 days. It is important to note performance in quarter 4 2023/24 was very close to the newly agreed low target for 2024/25, which is 36 days.

When focusing on the year to date position the latest outturn was an improvement of 4 calendar days when compared to the 2022/23 year end position.

The service is working with the Corporate Policy and Transformation Team to gather more detailed business intelligence on the key drivers that impact the voids process. This will help the service to identify more opportunities to further improve performance.

The service is also seeking to change the transfer process to improve the condition of properties prior to a transfer taking place.

HV 3 – Average relet time in calendar days for all dwellings (including major works)

The average relet time in calendar days for all dwellings including major works in quarter 4 2023/24 was 43.46 days. This latest outturn was greater than the low target of 40 days (low is good). Whilst remaining outside of the target, the latest outturn was an improvement in performance of 2.04 calendar days when compared to the previous quarter. It is also important to note performance in quarter 4 2023/24 was close to the newly agreed low target for 2024/25, which is 36 days.

When focusing on the year to date position the latest outturn was an improvement of 9 calendar days when compared to the 2022/23 year end position.

As detailed in measure HV 2, the service is working with the Corporate Policy and Transformation Team to develop an evidence-based approach to further improve voids performance, together with also focusing on improving the transfer process to improve the condition of properties prior to a transfer taking place.



Corporate Performance Measures

Resource Information

During quarter 4 2023/24 there were 15 leavers, which equated to a turnover figure of 2.4% (based upon employee headcount at the end of March 2024). This latest turnover figure was at a similar level to the previous quarter (2.5%).

The vacancy figure at the end of quarter 4 2023/24 stood at 70 FTE. Please note that any posts with less than 37 hours per week vacant have been removed when calculating this figure. As at the end of March 2024 the council was actively recruiting to 23 FTE vacancies, which were at different stages of the recruitment process.

Directorate	CX	DCE	DMD	DHI	Total (Excluding Apprentices)
Average number of FTE employees	180.47	126.66	18.58	212.87	538.58
Average number of apprentices (as at quarter end)	Authority Wide				8.38
Percentage of staff turnover	Authority Wide				2.3%
Active vacancies which are being recruited (FTE)	Authority Wide				23

Appraisals completed up to the end of quarter 4 2023/24 as recorded in ITrent

Directorate	Appraisals due in quarter 4 2023/24	Appraisals completed in quarter 4 2023/24	Percentage of appraisals completed	Appraisals completed over the last 12 months *
CX	34	5	14.7%	76
DCE	27	19	70.4%	73
DMD	4	0	0.0%	1
DHI	33	29	87.9%	70
Authority Wide	98	53	54.1%	220

*Please note, if an employee has had two appraisals within the past year, this has only been recorded as one.

The council has changed how appraisals are completed, whereby appraisals are no longer completed between April and June annually but are now completed on the anniversary of the employee's start date. This is to effectively spread more evenly the demand on staff time to prepare, undertake and write up appraisals, whilst still ensuring everyone gets an annual review.

During quarter 4 2023/24, 98 appraisals were due for completion. Of these 53 appraisals were recorded as being completed within the ITrent system (54.1%).

It should also be noted that the outturn above is based on those appraisals that have been formally recorded within the ITrent system. It is likely that additional appraisals were completed in the quarter, which had not formally been uploaded to the ITrent system at the time of writing this report.

Health & Wellbeing

During quarter 4 2023/24 a 'Know Your Numbers' event was also held at Hamilton House to follow up on a previous one held at City Hall during the previous quarter. GP referral trained coaches from Active Nation checked blood pressure, BMI and offered general health and dietary advice.

Further courses have been provided by Affinity Connect (on 'Financial Wellbeing' and 'Planning for Retirement') as part of financial education for staff at all stages of employment.

'Handling Difficult Situations' training to support resilience for frontline staff has commenced. Awareness raising and support information have been provided council wide to mark National No Smoking Day, Heart Health Month and Time to Talk Day.

The council's Health and Wellbeing pages on the Hub were redesigned and updated in the quarter to provide a digital version of the previous 'Our Health Matters' booklet. There are now dedicated pages for Mental Health, Women's Health, Men's Health, Financial Wellbeing, Being Active and Resilience.

Sickness Performance

During quarter 4 2023/24 the total sickness levels for the council stood at 2.44 days lost per FTE. When compared to the previous quarter, sickness levels have increased (quarter 3 2023/24 figure stood at 2.03 days lost per FTE). However, when compared to the same quarter last year sickness levels have reduced (the quarter 4 2022/23 figure was 2.82 days lost per FTE).

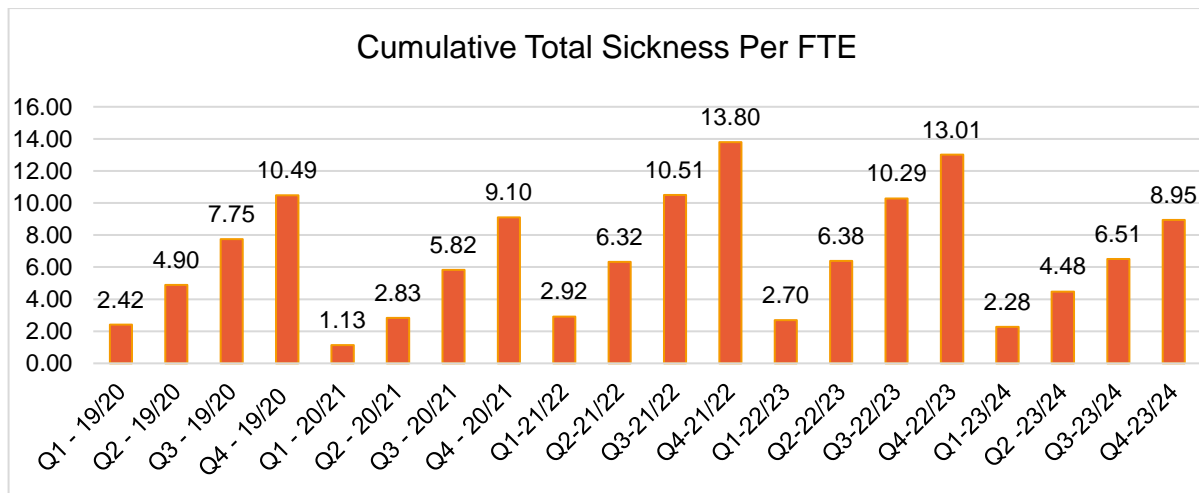
In addition, the cumulative days lost per FTE for the whole year (2023/24) was 8.95 days lost per FTE, which was significantly lower than recent years, with the figure for 2021/22 being 13.80 days lost per FTE and 2022/23 being 13.01 days lost per FTE.

During quarter 4 2023/24 the highest number of days lost due to short term absence was as a result of Covid-19 and the highest number of days lost due to long term absence was as a result of stress and depression.

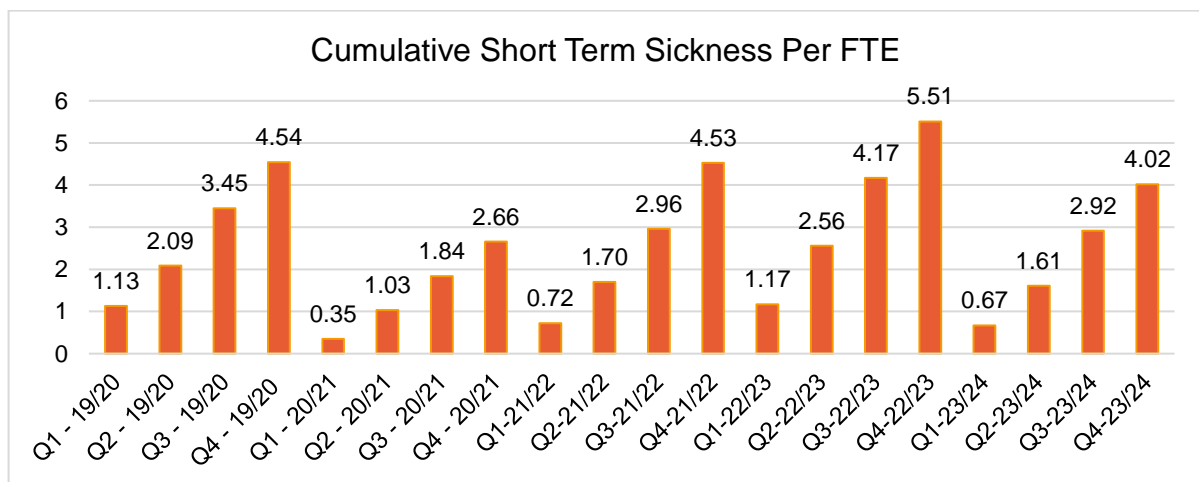
Quarter 4 2023/24 ONLY

	Short Term Days Lost	Long Term Days Lost	Total days lost	Number of FTE	Short Term Days lost per FTE	Long Term Days lost per FTE	Total Days lost per FTE
CX Excluding Apprentices	195	188	383	180.47	1.08	1.04	2.12
Apprentices	18	0	18	8.38	2.15	0.00	2.15
DCE	109	174.5	283.5	126.66	0.86	1.38	2.24
DMD	22	27	49	18.58	1.18	1.45	2.64
DHI	265.5	335.5	601	212.87	1.25	1.58	2.82
Total	609.5	725	1,334.5	546.96	1.11	1.33	2.44
Less Apprentices	591.5	725	1,316.5	538.58	1.10	1.35	2.44

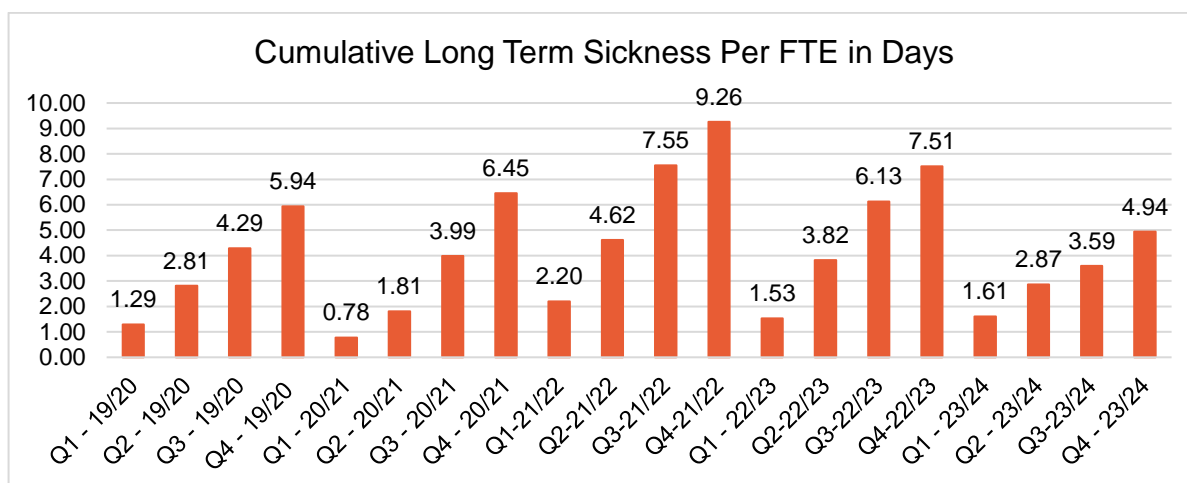
Cumulative total sickness per FTE in days (excluding apprentices)



Cumulative short-term sickness per FTE in days (excluding apprentices)



Cumulative long-term sickness per FTE in days (excluding apprentices)



Complaints Performance

In quarter 4 2023/24 there were **98** complaints dealt with across the council.

It is important to note that the timeframe for providing a response to Stage 1 and Stage 2 complaints is as follows –

- Stage 1 - to be completed within 10 days.
- Stage 2 - to be completed within 20 days.

At the end of the quarter the percentage of formal complaints, which were responded to within their target time across all directorates year to date, was 67% (279). In quarter 4 2023/24, there were 0 Local Government Ombudsman (LGO) complaints decided and 2 Local Housing Ombudsman (LHO) complaints decided.

Quarter 4 2023/24

	CX	DCE	DHI	DMD	TOTAL
Number of formal complaints dealt with this quarter (Q4)	3	26	65	4	98
Number of formal complaints upheld this quarter (Q4)	2 (67%)	4 (15%)	50 (77%)	1 (25%)	57 (58%)
YTD total number of complaints investigated	28	134	249	7	418
YTD number of formal complaints Upheld	15 (54%)	42 (31%)	150 (60%)	4 (57%)	211 (50%)
No / % of responses within target time this quarter (Q4)	3 (100%)	26 (100%)	30 (46%)	3 (75%)	62 (63%)
No / % of responses within target time YTD	27 (96%)	130 (97%)	116 (47%)	6 (86%)	279 (67%)
LGO complaints decided (Q4)	0	0	0	0	0
LHO complaints decided (Q4)	0	0	2	0	2

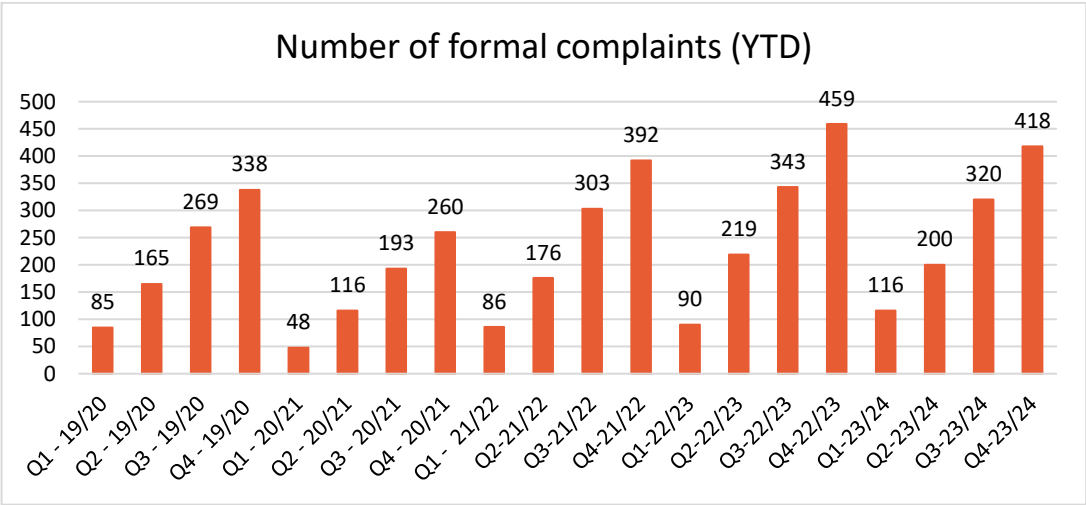
To summarise, over the full year there has been a small decrease in the number of complaints. During 2023/24 the total was 418, whereas during 2022/23 there were 459. This represents a reduction of almost 10%.

Complaints to DHI during 2023/24 have decreased by over 100 when compared to the previous year, however, there has been an increase in complaints to DCE, mainly in relation to parking, in particular resident parking areas.

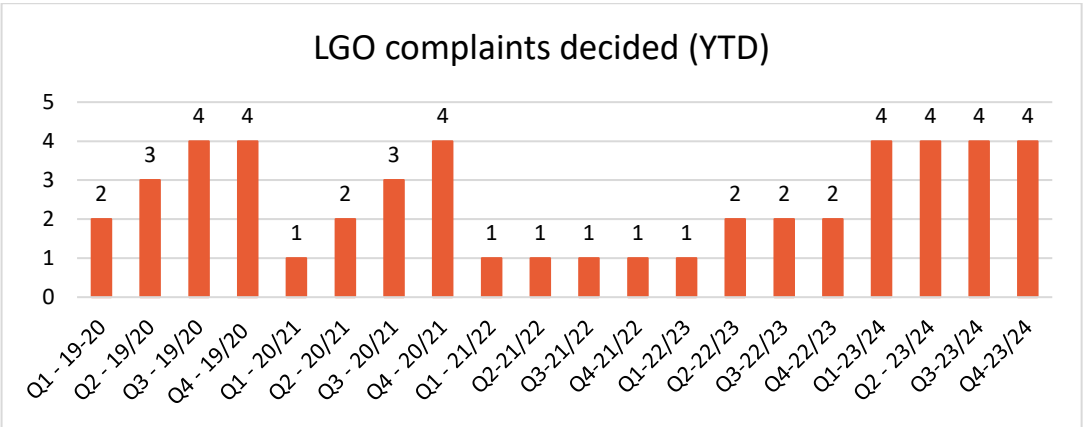
Unusually there were also 7 complaints to DMD during 2023/24, with these mainly being in relation to the Western Growth corridor.

The overall complaint response time during 2023/24 has remained similar to the previous year with 67% of complaints being responded to on time.

Number of formal complaints decided (YTD)



Local Government Ombudsman complaints decided (YTD)



Update on the New Joint Complaint Handling Code

The new code was formally put in place from 1st April 2024. To support the implementation of the new code, the council’s Corporate Complaints Policy has been refreshed to bring it into line with the statutory requirements of the Housing Ombudsman Service (HOS). While the Local Government Ombudsman does not have the same powers as the HOS, they have issued guidance which is closely aligned to the HOS code and we are following accepted best practice.

The main requirements of the code are designed to make it easier for residents to complain and to ensure that where complaints are upheld, we learn and improve our practices to help prevent future issues. The main changes are:

- Customers can complain however they wish and all staff should be aware of the policy and how people can complain.
- All complaints are treated as formal and are processed through our two levels of investigation.
- Our learning from complaints must be recorded and reported to both members and the public, and annually to the HOS.
- We must complete a self-assessment against the code by 30 June 2024 and publish it.
- We should develop a formal Remedies Policy.
- We should have a robust policy for dealing with Unacceptable Complainant Behaviours.

Compliments Performance

In quarter 4 2023/24 there were **14** compliments recorded across the council through the formal compliment recording process.

	CX	DCE	DHI	DMD	TOTAL
Number of compliments received	4	3	7	0	14

The table below shows the key areas the compliments were in relation to during the quarter for each directorate.

CX	Help received from the Revenues and Benefits Team on more than one occasion, efficient complaint handling by the CX Business Management Team.
DCE	Regular feedback from visitors raising they are happy the council still takes cash in car parking machines, support from Parking Services with a complaint regarding damage to resident parking signs, support from Parking Services with a customer vehicle registration change for a parking permit.
DHI	Windows and door repair, plastering repair, support with housing application, support with housing allocation to a property.

For each compliment received a letter is sent to the individual to thank them for taking the time to make the compliment. Some examples of the compliments received in each directorate during the quarter are provided below:

CX

Help received from the Revenues and Benefits Team

'I just wanted to say thank you for all the help I have received from you and your team'.

Help received from the Revenues and Benefits Team

'Please pass on my thanks to your staff member, she was really helpful and supportive. Not enough people get credit for a good job well done. I have added her to my Christmas card list. You obviously are already at the top of it'.

DCE

Support from Parking Services with a customer vehicle registration change for a parking permit

'Fantastic, thank you very much for this, I will email as soon as the new registration is on the car. I am very happy with your customer service here, please pass this praise on to your supervisor'.

DHI

Window and door repair

'Thank you ever so much for sorting my windows and doors out. The men that came to do the job were absolutely brilliant and they have done a brilliant job.'

Plastering repair

'The plasterers that attended were brilliant and would like to say well done to them'.

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Performance measure outturns - Quarter 4 2023/24

Key

G

At or above target

A

Acceptable performance - results are within target boundaries

R

Below target

V

Volumetric/contextual measures that support targeted measures

Performance has improved since last quarter / year

Performance has stayed the same since last quarter / year

Performance has deteriorated since last quarter / year

Performance
Information
Management
System

Quarterly Measures

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status		Commentary
47	Carolyn Wheater – City Solicitor	Work Based Learning	WBL 1	Percentage of apprentices completing their qualification on time	%	High is good	95.00	100.00	Q3 - 23/24	50.00	67.00	R	▲	In Q4 23/24 the number of apprentices completing their apprenticeship on time was 67% (2 out of 3 apprentices). The individual not completing on time for this quarter left the authority in January. It is important to note that due to the low number of apprentices due to complete during the quarter, the impact on performance of one apprentice not completing on time was much larger.
		Work Based Learning	WBL 2	Percentage of apprentices moving into Education, Employment or Training	%	High is good	90.00	95.00	Q3 - 23/24	100.00	100.00	G	▬	In Q4 2023/24 100% (2 out of 2) of apprentices on programme moved into Employment, Education or Training. There were 5 new starters on the apprenticeship scheme during Q4 2023/24. In total there were 18 apprentices on the scheme as at the end of the quarter, which included a mix of corporate apprentices and staff on permanent contracts.
	Emily Holmes - Assistant Director Transformation & Strategic Development	Communications	COM 1	Percentage of media enquiries responded to within four working hours or within requested response time	%	High is good	78.00	90.00	Q3 - 23/24	67.00	81.00	A	▲	<p>A marked improvement on last quarter. This was due to a drop in the number of enquiries, measures put in place to ensure a quicker turnaround time and, where practicable, extending the response time in agreement with the reporter if the enquiry isn't urgent.</p> <p>There have been very few big news items this quarter. The imminent opening of the Cornhill Market was covered by most local news media, as was the widening of the parking bays at Broadgate car park. A media interview with the outgoing leader of the council gave us some coverage around the changes seen in the city over the past forty years.</p> <p>The media's interest in food hygiene ratings across the city continued and we have tried to use these to highlight the work we do to improve the practises of businesses who have received a low score.</p> <p>Towards the end of the quarter, as we entered into the pre-</p>

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status	Commentary
													election period, we received a larger-than-usual number of local, regional and national media enquiries about the upcoming elections. While it's doubtful that these enquiries were Lincoln-specific, it shows that the media spotlight will be on the local elections across the country on 2 May.
		Customer Services	CS 1	Number of face to face enquiries in customer services	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	9	10	V	There were 121 pre-booked appointments during the quarter. Welfare saw the most with 67 appointments, followed by Tenancy Services with 27. 10 face to face appointments were with Customer Service Advisors.
		Customer Services	CS 2	Number of telephone enquiries answered in Channel Shift Areas (Rev & Bens, Housing & Env. Services)	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	24,512	25,838	V	Similar to the same quarter last year. We have answered 3,202 refuse / environmental calls, 3,602 for housing solutions / homelessness calls, 11,857 housing calls and 7,177 council tax / benefit calls. Housing calls have dropped slightly from the previous period. All other areas have increased, with council tax / benefit calls having the biggest increase as expected, as annual bills and benefit letters have been sent out. We answered 125 other calls - 62 for garden waste and 63 for elections. We also received during this quarter 17,963 calls at switchboard.
		Customer Services	CS 3	Average time taken to answer a call to customer services	Seconds	Low is good	600	300	Q3 - 23/24	471	607	R	<p>The average time to answer a call to customer services has increased since the last quarter for contact centre calls, excluding switchboard. If switchboard is included the average wait was 374 seconds. The longest a customer waited before being answered in the quarter was 4,624 seconds and the longest wait before a customer hung up without being answered was 3,319 seconds. Customers have the option to hold or to request a call back.</p> <p>Quarter 4 is almost always the busiest quarter for the Customer Services Team. This as a result of bills, Housing Benefit letters, rent increase letters and rent Direct Debit letters being sent out to residents in March. The team also saw an increase in the number of follow up calls for housing repairs in quarter 4, which has impacted on call wait times. Additionally, there has also been a vacancy in the team during the quarter and also a member of the team on long term sick, which is likely to have had a slight impact on the call answering time as well.</p> <p>It is also important to note the average answer rate has gone up in general, as the new system measures the average wait differently to the previous system. This would have had a larger effect in quarter 4 when the team were busier, as more customers would have used the call back system. From observation customers are choosing to use the call back system more frequently.</p>
		Customer Services	CS 4	Average customer feedback score (telephone, face	%	High is good	75.00	90.00	Q3 - 23/24	83.60	83.28	A	<p>We had 87 responses from customers. The comments ranged from –</p> <p>"Very quick & helpful response. Thank you", "Very simple</p>

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status	Commentary
49				to face and e-mail enquiries)									to use, incredibly quickly response, and matter sorted without any other contact needed. Thank you". to "I prefer to talk about my issue over the phone but phone waiting times was too long".
		IT	ICT 1	Number of calls logged to IT helpdesk	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	907	1,230	V	Q4 is usually higher volumes. Current trends are from the age and capacity required from hardware and some applications generating more calls from users. This is being reviewed.
		IT	ICT 2	Percentage of first time fixes	%	N/A	Volumetric	Volumetric	Q3 - 23/24	65.20	63.20	V	Linked to the trends above regarding infrastructure and applications, although first time fixes are taking place, these are taking a little longer to resolve in some cases. The ICT Team have provided significant customer support over the quarter.
	Jaclyn Gibson - Chief Finance Officer	Accountancy	ACC 1	Average return on investment portfolio	%	High is good	1.50	2.75	Q3 - 23/24	5.54	5.60	G	▲ Bank of England Base Rates remain at 5.25% - older fixed term investments ending leaving the higher paying newer ones, resulting in a further increase in the average yield for Q4.
		Accountancy	ACC 2	Average interest rate on external borrowing	%	Low is good	5.25	3.75	Q3 - 23/24	3.26	3.28	G	▼ Actual interest paid decreasing with repayment of loans - average interest rates remaining very similar to the previous quarter.
		Debtors & Creditors	DCT 1	Percentage of invoices paid within 30 days	%	High is good	95.00	97.00	Q3 - 23/24	96.42	86.86	R	▼ This measure has seen a decrease in performance in the final quarter of 2023/24. This was due to a general increase in workload during the quarter placing increased pressure on the existing resource. In addition to the increased workload, there was a system issue with the Financial Management system which impacted on the ability to register and match invoices against purchase orders. This resulted in additional manual work and difficulty in accessing the system, which continued for a period of several weeks. While there is now a workaround for this from Agresso, which has reduced the manual input required, there still isn't a resolution to the actual issue at this current time. It should be noted that figures are calculated on all supplier invoices and credit notes (not refunds or grants) paid 01/01/2024 - 31/03/2024. Figures are adjusted based on certain assumptions as below: - 1) No invoice collected for payment by supplier by direct debit or paid by standing order is assumed to be late. 2) No credit note taken by COLC outside of 30 days classified as late 3) 0.5% of those invoices paid over 30 days assumed to be in dispute at some point and hence paid late after dispute was resolved, therefore not classified as late 4) 1% of those invoices paid after 30 days assumed were held back from

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status	Commentary
50													payment because the overall balance with the supplier was in credit.
		Debtors & Creditors	DCT 2	Percentage of invoices that have a Purchase Order completed	%	High is good	60.00	70.00	Q3 - 23/24	78.00	77.00	G	<p>Based on supplier expenditure only (none supplier expenditure is excluded) i.e. all invoices and credit notes dated between 01/01/2024 and 31/03/2024.</p> <p>Starting figure: 4,028 invoices and credit notes</p> <p>Adjustments to above figure: -</p> <p>Utility bills where purchase orders are not required (565)</p> <p>Supplier invoices where a purchase order would be unsuitable for processing (378).</p> <p>Final number of invoices included - 3,085 of which 2,362 were linked to either an Agresso or Universal Housing order number and 723 were not.</p>
		Debtors & Creditors	DCT 3	Average number of days to pay invoices	Days	Low is good	20.00	15.00	Q3 - 23/24	18.00	22.00	R	<p>This measure has also seen a decrease in performance in the final quarter of 2023/24. As per measure DCT 1, this was due to a general increase in workload during the quarter placing increased pressure on the existing resource. In addition to the increased workload, there was a system issue with the Financial Management system which impacted on the ability to register and match invoices against purchase orders. This resulted in additional manual work and difficulty in accessing the system, which continued for a period of several weeks. While there is now a workaround for this from Agresso, which has reduced the manual input required, there still isn't a resolution to the actual issue at this current time. Figures calculated on supplier invoices and credit notes paid between 01/01/2024 - 31/03/2024.</p>
	Martin Walmsley - Assistant Director of Shared Revenues and Benefits	Housing Benefit Administration	BE 1	Average days to process new housing benefit claims from date received (cumulative)	Days	Low is good	18.00	16.00	Q4 - 22/23	15.85	14.32	G	<p>In the final quarter there has been a further decrease in the number of days to process new housing benefit claims from date received. During the year, with the extra pressure residents are feeling due to cost of living challenges we have been careful to monitor and prioritise new claims. Overtime has been offered to staff to ensure the level of outstanding work has been managed. Despite the number of customers awaiting assessment increasing during this quarter due to annual rent and income changes, new claims have been targeted to ensure they are assessed promptly.</p>
		Housing Benefit Administration	BE 2	Average days to process housing benefit claim changes of circumstances from date received (cumulative)	Days	Low is good	6.00	4.50	Q4 - 22/23	3.08	3.42	G	<p>In final quarter performance has improved due to the number of changes made in advance of the quarter end (these count as 1 day), as customers report increases in rent and income due to the new financial year.</p>

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status		Commentary
51		Housing Benefit Administration	BE 3	Number of Housing Benefits / Council Tax support customers awaiting assessment	Number	Low is good	1,400	1,300	Q4 - 22/23	1,792	2,274	R	▼	At the end of quarter 4, 2,274 customers were awaiting assessment. Of these customers 1,944 were awaiting a first contact. The final quarter of the year always sees an increase in work being received. This is due to reports of annual changes in rent and income.
		Housing Benefit Administration	BE 4	Percentage of risk-based quality checks made where benefit entitlement is correct (cumulative)	%	High is good	91.00	94.00	Q4 - 22/23	95.26	93.05	A	▼	Throughout quarter 4, the Benefit and Subsidy Team have carried out over 800 checks on Benefit Assessments. This is a larger figure than usual due to the end of the financial year. There has been more checks carried out on Homeless cases due to the Final Subsidy claim being carried out at the end of March. There have been more checks carried out this quarter and the percentage rate has increased. Performance has improved throughout the year.
		Housing Benefit Administration	BE 5	The number of new benefit claims year to date (Housing Benefits/Council Tax Support)	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	3,255	4,189	V		The total number of Housing Benefit new claims processed this year is 1,072. The total number of new Council Tax Reduction claims processed this year is 3,117.
		Revenues Administration	REV 1	Council Tax – in year collection rate for Lincoln (cumulative)	%	High is good	95.10	96.10	Q4 - 22/23	94.15	94.04	R	▼	Council tax collection continues to struggle and has not yet returned to pre-covid rates. Cost of living continues to impact on the collection figures as customers prioritise other debts over council tax. This appears to be a wider issue regionally and nationally. For 2024/25, council tax has increased by 4.99% with a number of other bills also on the increase.
		Revenues Administration	REV 2	Business Rates – in year collection rate for Lincoln (cumulative)	%	High is good	97.10	98.10	Q4 - 22/23	99.19	98.32	G	▼	The collection is down this year against previous year by 0.87%. Considering the current economic climate this is a reasonable collection rate. There are 70 accounts with outstanding 2023 debt where a liability order has been granted by the Magistrates Court. These total £270K approximately. Enforcement action will be taken on any ratepayers who fail to make and maintain a payment plan. There are 193 accounts which have not gone through the court process which have outstanding debts - these debts range from 1p to £39,295.30. Therefore the majority of these accounts should move through the court process imminently.
		Revenues Administration	REV 3	Number of outstanding customer changes in the Revenues Team	Number	Low is good	1,000	950	Q4 - 22/23	1,476	1,745	R	▼	This is the number of documents outstanding in the Enterprise system in respect of Lincoln customers - and includes some customers who have more than one document outstanding. In total for the full year 2023/24, across the shared service (both COLC and NKDC customers), the Council Tax Team and the Recovery Team have received 110,970 pieces of correspondence from our residents. They have also taken 39,805 phone

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status	Commentary
													calls. For 2024/25, the Citizens Access Revenues online self-serve system (CA-R) should be fully bedded in, and as contact with us via forms is becoming more popular, we will also be reporting the numbers of forms received and outstanding at the end of each quarter. (934 documents outstanding for NKDC).
		Revenues Administration	REV 4	Number of accounts created for the My Lincoln Accounts system (to date)	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	3,760	4,905	V	The number of customers who have registered on My Lincoln Accounts at 31.3.2024 was 4,905.
DCE	Kieron Manning - Assistant Director Development Management	Affordable Housing	AH 1	Number of affordable homes delivered (cumulative)	Number	High is good	20	100	Q4 - 22/23	32	17	R	There have been 0 affordable properties completed in quarter 4. There appears to be a continued national slowdown in the number of homes being built as well as a recognised slow in new planning applications being submitted for new housing. This is likely to continue in the foreseeable due to building costs and the new biodiversity net gain requirements that are now required by law and supersede planning contributions. This is likely to have a real knock on impact in viability.
		Development Management (Planning)	DM 1	Number of applications in the quarter	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	191	199	V	Number of applications in the quarter has remained fairly stable.
		Development Management (Planning)	DM 2	End to end time to determine a planning application (Days)	Days	Low is good	85.00	65.00	Q3 - 23/24	73.96	67.70	A	A reduction in timescale here for the second consecutive quarter which demonstrates how the resource in the team is aligning now with workloads and this should continue to improve incrementally each quarter over the next year or so.
		Development Management (Planning)	DM 3	Number of live planning applications open	Number	Low is good	180	120	Q3 - 23/24	115	115	G	This figure has remained constant from the previous quarter and is reflective of DM1.
		Development Management (Planning)	DM 4	Percentage of applications approved	%	High is good	85.00	97.00	Q3 - 23/24	93.00	95.00	A	A slight increase here but is representative of a continued performance above 90% on an ongoing basis and is due to the work of officers in negotiating good outcomes either prior to or during the application process.
		Development Management (Planning)	DM 5	Percentage of total decisions made in the quarter that have subsequently been overturned at appeal	%	Low is good	10.00	5.00	Q3 - 23/24	0.00	0.69	G	This figure is and has been reassuringly low for some time and is also connected to the high percentage of applications approved.
		Development Management (Planning)	DM 5a	Number of decisions appealed in the quarter	Number	Low is good	5	1	Q3 - 23/24	2	5	A	Whilst in the overall context this figure is still very low and therefore not of any real concern, it is higher than previous quarters but only refers to minor development and only

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status	Commentary
53													one had been determined (and dismissed) by the Inspectorate so far.
		Development Management (Planning)	DM 5b	Number of appealed decisions in the quarter overturned by the inspectorate	Number	Low is good	5	1	Q3 - 23/24	0	1	G	Again this figure is very low and is related to an advertisement totem pole at Valentine Retail Park.
		Development Management (Planning)	DM 6	Percentage of Non-Major Planning Applications determined within the government target (70% in 8 weeks) measured on a 2 year rolling basis (including extensions of time)	%	High is good	70.00	90.00	Q3 - 23/24	85.00	87.00	A	An increase here for the second consecutive quarter showing again how the resource level within the team is catching up with work volumes and this figure is now likely to stabilise in future quarters.
		Development Management (Planning)	DM 7	Percentage of Major Planning Applications determined within the government target (60% in 13 weeks) measured on a 2 year rolling basis (including extensions of time)	%	High is good	60.00	90.00	Q3 - 23/24	70.97	100.00	G	A significant increase this quarter highlighting both the emphasis on prioritising major applications but also is reflective of the fact that we haven't received huge volumes of major applications in the last year or so and therefore this figure can change with a higher margin each quarter but remains high and above the parameters that would be considered concerning.
		Parking Services	PS 1	Overall percentage utilisation of all car parks	%	High is good	50.00	60.00	Q3 - 23/24	56.00	54.00	A	A solid figure considering Q4 is considered one of the quieter quarters.
		Parking Services	PS 2	Sessional car parking income as a percentage of budget requirement	%	High is good	91.00	96.00	Q3 - 23/24	113.18	112.04	G	Income for the quarter is £1,500,312.98 against a budget of £1,339,045.00. The annual budget of £5,937,189.00 has been surpassed by £505,336.39 so a good year. Good result for Quarter 4 which is traditionally the slowest income quarter due to the Winter months. Income received is from cash, card and Pay By Phone.
	Simon Colburn - Assistant Director of Health & Environmental Services	Food and Health & Safety Enforcement	FHS 1	Percentage of premises fully or broadly compliant with Food Health & Safety inspection	%	High is good	95.00	97.00	Q3 - 23/24	98.78	99.99	G	The percentage of businesses that are Broadly or Fully Compliant with food safety requirements has increased slightly and remains at a high level. There has been however an increase again in the number of businesses that are non-compliant (16). We have found that these business have had various reasons for being non-compliant. Some had structural problems, such as no

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status	Commentary
													<p>hot water leading to dirty premises and equipment and a lack of hand washing. Some have also had unsafe food for sale as well as having poor hygiene practices and are not well managed.</p> <p>We would like to assure you that we prioritise working with non-compliant businesses to get them to a level where they are at least broadly compliant and so protecting the health of our residents and visitors. We also prioritise new businesses to make sure that they are compliant.</p> <p>The number of businesses that are registered in the city is 1,054 although this fluctuates daily.</p>
		Food and Health & Safety Enforcement	FHS 2	Average time from actual date of inspection to achieving compliance	Days	Low is good	20.00	10.00	Q3 - 23/24	6.20	4.60	G	<p>▲ The time taken for businesses to comply with food safety requirements from the date of inspection has improved in this quarter and has been steadily improving in the last year. There were 140 businesses inspected during quarter 4.</p> <p>An agency worker was employed during this quarter to cover current vacancies.</p>
		Food and Health & Safety Enforcement	FHS 3	Percentage of food inspections that should have been completed and have been in that time period	%	High is good	85.00	97.00	Q3 - 23/24	94.24	99.52	G	<p>▲ There has been a further improvement in the percentage of inspections undertaken during this quarter with the team working hard to catch up with those inspections that weren't undertaken during the time when the FSA Recovery Plan was in place.</p> <p>I can report that we have now inspected all those business as described above.</p> <p>Although there were 9 businesses not inspected by the day that they were due, in accordance with the Food Law Code of Practice they can be inspected within 28 days of that date.</p> <p>7 were new businesses within 28 days of the due date and of the remaining 2, 1 was an evening economy business, again within 28 days of the due date and the other business is likely to be removed from the food register, due to changing ownership.</p>
		Licensing	LIC 1	Percentage of premises licences issued within 28 days of grant	%	High is good	80.00	100.00	Q3 - 23/24	94.44	100.00	G	<p>▲ All licences issued were within the selected timeframe during this quarter. The figure for the current outturn includes any new applications, variations, transfers and other changes affecting the licences which would lead to a new premises licence being produced (physically). Depending on the type of application there are different timeframes as to when the licence can be produced.</p>
		Licensing	LIC 2	Total number of active premises licences	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	405	404	V	<p>The total number of 'active' premises licences at end of quarter 4 was 404. This was a slight decrease from previous quarter due to more licences being surrendered/lapsing than new ones granted.</p>

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status	Commentary
		Licensing	LIC 3	Total number of active private hire / hackney carriage licences (operators, vehicles and drivers)	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	828	837	V	The total number of active private hire/hackney carriage licences at the end of the quarter was 837. The breakdown was as follows: Private Hire Drivers - 441 Private Hire Vehicles - 310 Private Hire Operators - 20 Hackney Carriage Drivers - 35 Hackney Carriage Vehicles - 31.
		Private Housing	PH 1	Average time in weeks from occupational therapy notification to completion of works on site for a DFG grant (all DFG's exc. extensions)	Weeks	Low is good	26	19	Q3 - 23/24	36	31	R	<p>28 adaptations were completed from between January and March 2024. This was a very good output especially as the team usually process around 80 adaptations within a full year. During the year 23/24 the team processed 95 mandatory adaptations.</p> <p>In quarter 4 2023/24 the team was tasked with reducing the backlog of cases, which had an impact on the existing resource within the team. Reducing the backlog included clearing a number of long standing historical cases. The team also saw an increase in DFG cases coming in during quarter 4. At the end of the quarter we had 26 cases awaiting to be allocated and the oldest case was less than 4 months.</p> <p>To give some context on the work, once the application has reached the application approved stage (contractor appointed and price of works agreed) the time taken to complete the works is currently 12 weeks. The team is looking to redesign the front end of the process, which will require an additional admin resource, which has been approved in principle. It is intended that this process will commence in the early part of Q1 2024/25.</p> <p>The team is still operating at a reduced capacity with a Technical Officer vacancy, which we are actively recruiting to. There are a number of factors that are extending the time scale that are out of the teams control. These include - clients being unsure on if they want to proceed, lack of response from clients, contractors failing to respond to timescale targets and amended referrals from the occupational therapists. All these will hopefully be improved with the redesigned front end process that is to be implemented.</p>
		Private Housing	PH 2	Average time from date of inspection of accommodation to removing a severe hazard to an acceptable level	Weeks	Low is good	20.00	12.00	Q3 - 23/24	11.00	20.50	R	48 cases were closed during this quarter. However, there are 51 open cases of which 28 are awaiting to be allocated. Park and Abbey wards continues to have the highest number of properties that report complaints of disrepair. The number of new cases received during the quarter was 33, which contributed to the drop in performance of this measure in quarter 4. In addition 6 straight red priority cases were received within Q4 which required immediate attention.

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status	Commentary
		Private Housing	PH 3	Number of empty homes brought back into use (cumulative)	Number	High is good	15	30	Q4 - 22/23	31	42	G	<p>The number of empty homes brought back into use during 2023/24 was 42. The team have focused on the long term problematic empty properties during the year. Consequently all 42 properties brought back into use have had a positive effect on the City.</p> <p>In summary, long term empty properties 6 months+ has increased by 30 to 496. 2yr empties increased by 19 to 126 and 4yr empties up by 2 to 61. Sincil Bank has reduced to 19. 5yrs and 10yrs remain the same at 35 and 20. Big drop in 2nd homes (786) - mostly university properties being re-let to new students who started in October so 745 remain.</p>
		Public Protection and Anti-Social Behaviour Team	PPASB 1	Number of cases received in the quarter (ASB cases only)	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	111	131	V	This is a 13% increase when compared with Q4 of 22/23. It is an increase of 18% when compared with Q3 23/24.
		Public Protection and Anti-Social Behaviour Team	PPASB 2	Number of cases closed in the quarter (across full PPASB service)	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	1,006	1,014	V	This outturn is stable when compared to Q3 23/24. It is a 22% increase when compared with Q4 of 22/23.
		Public Protection and Anti-Social Behaviour Team	PPASB 3	Number of live cases open at the end of the quarter (across full PPASB service)	Number	Low is good	240	200	Q3 - 23/24	226	279	R	This is a 23% increase when compared to Q3 23/24. The team has increased in size by two Officers during this quarter. The two new Officers are dealing with complex cases within the City Centre, which in turn has increased the amount of cases left open at the end of the quarter.
		Sport & Leisure	SP 1a	Quarterly visitor numbers to Birchwood Leisure Centre	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	38,687	44,443	V	In quarter 4 2023/24 there were 44,443 visits to Birchwood Leisure Centre. This number is still lower than pre-pandemic levels for Q4 2019/20 of 58,451 visits, however visits are steadily increasing year on year since the pandemic. The economic climate is still challenging for most households and utilities are still high but the rise is slowing.
		Sport & Leisure	SP 1b	Quarterly visitor numbers to Yarborough Leisure Centre	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	98,617	115,974	V	In quarter 4 2023/24 there were 115,974 visits to Yarborough Leisure Centre. This is still down on the quarter 4 2019/20 pre-pandemic level, which was 172,858 visits. Visitor numbers are steadily rising year on year but household budgets are still stretched and utility costs, although slowing, remain high - this is having an impact on usage numbers.
		Sport & Leisure	SP 2	Artificial Grass Pitch usage at Yarborough Leisure Centre & Birchwood Leisure Centre	Hours	High is good	520.00	700.00	Q3 - 23/24	858.00	825.50	G	Quarter 4 2023/24 saw usage of the AGP's at: Birchwood Leisure Centre 572 hours used. Yarborough Leisure Centre 253.5 hours used. For each hour of usage, there are four smaller 5-a-side pitches, not all these smaller pitches may be in use at one time leading to a fraction (0.25,0.5,0.75). Weather in quarter 4 has been very wet and windy which may have had an impact on play.

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status	Commentary
57		Sport & Leisure	SP 3a	Birchwood Leisure Centre - Number of net promoter score points above or below the average Net Promoter Score for England	Number	High is good	0.00	2.00	Q3 - 23/24	11.00	11.00	G	For Quarter 4 2023/24, Birchwood Leisure Centre had an average net promotor score of 48 p/m, which was above the national average benchmarking score of 37 p/m. Positive feedback received during this quarter from users was in relation organisation of staff in reception and fitness instructors.
		Sport & Leisure	SP 3b	Yarborough Leisure Centre - Number of net promoter score points above or below the average Net Promoter Score for England	Number	High is good	0.00	2.00	Q3 - 23/24	5.30	16.00	G	For Quarter 4 2023/24, Yarborough Leisure Centre's average net promotor score was 53 p/m. This was above the national average benchmarking score of 37 p/m. Positive feedback received during the quarter from users was in relation to the helpfulness of staff in the reception, fitness classes and swimming lessons.
	Steve Bird - Assistant Director of Communities and Street Scene	Allotments	AM 1	Percentage occupancy of allotment plots	%	High is good	86.00	94.00	Q3 - 23/24	95.00	94.00	G	As at the end of March 2024, 1,055 plots of a total 1,181 plots were let. Of the 1,181 total plots, 1,125 are currently lettable. 1,055 occupied plots equates to 94% occupancy rate, with the remaining being under offer to new tenants at the time of the review. There continues to be a good take up of plots with Melbourne Rd having the largest waiting list. Of the 19 sites, 9 sites do not currently have waiting lists and plots on those sites are available to any resident in Lincoln who wishes to have one without the need for waiting. The other 10 sites do have waiting lists - the site with the largest waiting list is Melbourne Road (with 20 people waiting for a plot). As the annual invoices were issued in February, we are now in the process of assessing which plots are no longer required so they can be made available to prospective tenants.
		CCTV	CCTV 1	Total number of incidents handled by CCTV operators	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	2,887	2,852	V	Incidents numbers are at the same level as the previous quarter. Arrests rose 10%, there was a 33% increase in Mental Health incidents, and Burglary/Theft increased by 43%. January and February were slow as is the usual case, but the number of incidents rose by 36% between February and March. There was also a 24% rise in evidence discs produced for the Police over the quarter. We now have four new members of staff, all progressing well. This is reflected in that proactive arrests were up 39%.
		Grounds Maintenance	GM 1	Contractor points recorded against target standards specified in contract - Grounds Maintenance	Number	Low is good	150	50	Q3 - 23/24	85	20	G	The collective points for the quarter totalled 20. This has been broken down into 0 in January 2024, 10 in February 2024 and 10 in March 2024. The majority of points in the quarter were recorded against the tree team.

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status		Commentary
		Street Cleansing	SC 1	Contractor points recorded against target standards specified in contract - Street Cleansing	Number	Low is good	150	50	Q3 - 23/24	60	55	A	▲	55 points were awarded against the contractor in quarter 3. Of these points, 50 were awarded in January 2024, 0 were awarded in February 2024, and 5 were awarded March 2024. The majority of points in the quarter were recorded for full dog/litter bins.
		Waste & Recycling	WM 1	Percentage of waste recycled or composted (seasonal)	%	High is good	30.50	35.00	Q4 - 22/23	30.76	29.43	R	▼	This figure relates to quarter 3 (October 2023 - December 2023) as data received from Lincolnshire County Council is lagged. 15.98% has been recorded as waste being recycled, whereas 13.45% was recorded as waste being composted, equating to 29.43% being composted or recycled. In the last two years the total tonnage collected has dropped by 223 tonnes, which represents a 2.54 percentage drop. In the same period composting has dropped slightly, but recycling is responsible for the largest drop. In response to requests from LCC we have tightened up enforcement/rejection of contaminated bins, which means that whilst we are reducing contamination marginally, the bulk of the recycling materials rejected now go for energy recovery rather than recycling.
		Waste & Recycling	WM 2	Contractor points recorded against target standards specified in contract - Waste Management	Number	Low is good	150	50	Q3 - 23/24	40	100	A	▼	100 points were recorded against the contractor during the quarter. Of these points, 40 were recorded in January 2024, 30 were recorded in February 2024 and 30 were recorded in March 2024. The majority of points in the quarter were recorded for missed refuse collections.
DHI	Matt Hillman - Assistant Director Assets	Housing Investment	HI 1	Percentage of council properties that are not at the 'Decent Homes' standard (excluding refusals)	%	Low is good	1.20	1.00	Q3 - 23/24	0.86	0.24	G	▲	Continued progress was made again this quarter, and the majority of failures are once again linked to gaining access to undertake cyclical Electrical inspection tests. Failures are now due to 3 doors, 2 windows and 14 electrics
		Housing Investment	HI 2	Number of properties 'not decent' as a result of tenants refusal to allow work (excluding referrals)	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	232	221	V		The level of refusals is recorded but cannot be controlled by the council. We have had a decrease of 11 since the end of quarter 3.
		Housing Investment	HI 3	Percentage of dwellings with a valid gas safety certificate	%	High is good	98.60	99.00	Q3 - 23/24	97.83	98.66	A	▲	YTD – 98.38% Our annual gas servicing programme runs 12 months a year. In quarter 4 we have seen a slight decrease in the number of tenants who did not allow access to the gas engineer prior to the deadline date of the service. The monthly number of failed access cases has been between

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status	Commentary
59													<p>6 and 9 addresses. We continue to work hard to resolve these access issues and currently have 18 properties that do not have a valid gas certificate.</p> <p>This measure is calculated on a rolling basis on the anniversary date of each gas safety certificate. The recently introduced Tenant Satisfaction Measure (TSM) for gas safety compliance is required to be calculated based on the proportion of gas safety certificates issued during each reporting year (2023/24) and has achieved a compliance rate of 99.71%. For clarity and consistency measure HI 3 will, from Q1 of 2024/25 onwards, be calculated to mirror this TSM.</p>
		Housing Maintenance	HM 1a	Percentage of reactive repairs completed within target time (priority 1 day only)	%	High is good	98.50	99.50	Q3 - 23/24	99.04	99.84	G	<p>YTD – 99.55%</p> <p>We have recently seen an improvement in performance and are still above the high target.</p> <p>Performance against this measure has remained on target due to the service continuing to maintain its response to priority repair issues during recent storm events in October 2023 and January 2024. This has resulted in a drop in performance against measure HM1b, however the approach enabled us to respond to those priority repairs that have the greatest detrimental impact on our tenants.</p>
		Housing Maintenance	HM 1b	Percentage of reactive repairs completed within target time (urgent 3 day repairs only)	%	High is good	95.00	97.50	Q3 - 23/24	83.28	88.76	R	<p>YTD – 89.29%</p> <p>We have seen positive improvements since introducing the repair policy, which clarifies what are 3 day repairs. This has helped to reduce the number of 3-day repairs in the system, slightly improving capacity within the repairs team to allow us to continue to improve performance.</p> <p>Performance in Q3 and Q4 has been significantly impacted by Storm Babet (October 2023) and Storm Henk (2024). It is expected that performance in the next quarter will be much improved, following recent process changes and a reshuffling of maintenance team leaders to reflect current demands on the service. Early signs suggest this is working well, with performance in March being 99% and there having been only 4 repairs completed outside of target.</p> <p>There has been an increase of over 50% in the number of urgent and priority repairs since 2022/23. This year we have allocated 11 operatives to respond to these. In stark contrast, in 2016 only two operatives were needed to be allocated to these repair types. This demonstrates the extent of demand on this part of the repairs service. Initial categorisation of repairs remains an issue, however this is improving and recent process changes will ensure this continues.</p>

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status	Commentary
		Housing Maintenance	HM 2	Percentage of repairs fixed first time (priority and urgent repairs) - HRS only	%	High is good	90.00	92.00	Q3 - 23/24	94.32	92.29	G	<p>YTD - 93.08%</p> <p>Team leaders and the planning team are working hard to ensure correct allocation of times and trades on repairs to enable these to be completed first time. JPS stock levels remain good for core stock items and there are no current concerns with material supplies.</p>
		Housing Maintenance	HM 3	Percentage of tenants satisfied with repairs and maintenance	%	N/A	Volumetric	Volumetric	Q3 - 23/24	83.95	72.04	V	<p>YTD – 75.72%</p> <p>Satisfaction with repairs is below the level we would like to see. We hope that by scrutinising the complaints we receive and taking key learnings from these, we can improve this satisfaction level with the service.</p> <p>Data for this measure has been taken from our recent Tenant Satisfaction Measure survey (TSM), responded to by 318 tenants in Q4. The methodology for HM3 and this TSM are the same, and therefore the TSM figure has been substituted for this measure and will continue to be used in future reporting.</p>
		Housing Maintenance	HM 4	Appointments kept as a percentage of appointments made (priority and urgent repairs) - HRS only	%	High is good	95.00	97.00	Q3 - 23/24	96.24	97.71	G	<p>YTD – 97.65%</p> <p>We have worked to ensure resource is ring fenced for priority and urgent repairs where possible and recent recruitment of electrician is now helping us to achieve improved service in these areas.</p> <p>As set out in measure HM1b, there has been an increase of more than 50% year-on-year in the number of urgent and priority repair appointments. We have therefore managed to maintain high performance in spite of these unprecedented service pressures.</p>
	Paula Burton - Assistant Director of Housing Management	Control Centre	CC 1	Percentage of customers satisfied with their new Lincare Housing Assistance service connection to the control centre	%	High is good	90.00	95.00	Q3 - 23/24	95.92	96.30	G	<p>YTD - 96.61% - In Quarter 4 we received 27 surveys, with 26 being very or fairly satisfied.</p> <p>For the year we received 118 completed surveys with only 4 responses being dissatisfied, equating to a satisfaction rate of 96.6%.</p>
		Control Centre	CC 2	Percentage of Lincare Housing Assistance calls answered within 60 seconds	%	High is good	97.50	98.00	Q3 - 23/24	97.77	98.32	G	<p>YTD - 97.75% - The calls answered within 60 seconds has shown` a great improvement for quarter 4 going up to 98.32%. This is mainly due to a huge improvement in March with 99.28% of calls answered within 60 seconds.</p> <p>This has been achieved by making better use of our partnership with CareLink staff. Staff now communicate better with each other letting the other control room know if they are going to be away from their operating station. This</p>

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status	Commentary
61													allows CareLink to assist if it gets busy. This is a reciprocal arrangement which is working really well for both partners and reflects in our call handling statistics - in March 100% of calls were answered within 180 seconds where the target is 99%.
		Housing Solutions	HS 1	The number of people currently on the Housing Register	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	1,998	2,036	V	Numbers on the housing register are continuing to increase slowly. We are still awaiting our IT provider to complete an upgrade which is restricting us from completing annual reviews. Numbers will likely fall once we have this in place and those not actively looking for accommodation are removed from the register.
		Housing Solutions	HS 2	The number of people approaching the council as homeless	Number	N/A	Volumetric	Volumetric	Q3 - 23/24	334	332	V	YTD - 1,409 – The number of approaches is consistent with the previous quarter and there continues to be a high demand for the service.
		Housing Solutions	HS 3	Successful preventions and relief of homelessness against total number of homelessness approaches	%	High is good	45.00	50.00	Q3 - 23/24	50.37	52.22	G	<p>YTD – 40.37% - There has been a substantial increase in performance since the beginning of the year, and we are continuing to see improvements in performance due to recent service changes. These include changing the focus for a few officers to work specifically on preventions; introducing home visits for those being asked to leave by family/friends; and amending the deposit guarantee/rent top up scheme to make this a more suitable option.</p> <p>Collectively, this has enabled us to increase the number of homelessness applications prevented and relieved.</p>
		Housing Voids	HV 1	Percentage of rent lost through dwelling being vacant	%	Low is good	1.10	1.00	Q3 - 23/24	1.07	1.14	R	<p>YTD – 1.18%</p> <p>This area has seen slight decrease in performance for Q4. We have commenced a whole directorate review of the voids process, to identify where and how further improvements can be made to the reletting process.</p> <p>This measure relates to all sources of rent loss, not just void properties and includes all temporary accommodation, sheltered accommodation, and newbuilds and 'buy back' properties awaiting initial letting. This explains why there has been a small increase in rent loss, against further reductions in re-letting times for voids.</p> <p>Despite the slight decrease in performance this quarter, the service remains in the top quartile nationally for rent loss.</p>
		Housing Voids	HV 2	Average re-let time calendar days for all dwellings - standard re-lets	Days	Low is good	34.00	32.00	Q3 - 23/24	38.43	36.85	R	<p>YTD – 39.87</p> <p>Q4 has again seen a further reduction in relet times, bringing us closer to the low target. Whilst performance against this measure remains below target, since Q4 of</p>

	Assistant Director	Service Area	Measure ID	Measure	Unit	High or low is good	Low target	High target	Previous data period	Previous outturn	Quarter 4 2023/24 outturn	Status	Commentary
													<p>2022/23 re-let times have improved by 4 days. The number of voids in the system had been reducing in Q2 and Q3, however we have seen a significant increase in void properties between Q3 and Q4.</p> <p>Performance in Q4 was very close to the newly agreed low target for 2024/25, which is 36 days.</p> <p>The Directorate is working with the Corporate Policy and Transformation team to gather more detailed business intelligence on the key drivers that impact the voids process. This will help us to identify more opportunities to further improve performance.</p> <p>We are also seeking to change the transfer process to improve the condition of properties prior to a transfer taking place.</p>
		Housing Voids	HV 3	Average re-let time calendar days for all dwellings (including major works)	Days	Low is good	40.00	38.00	Q3 - 23/24	45.50	43.46	R	<p>YTD – 46.59</p> <p>Whilst still below target, performance against this measure has substantially improved since Q4 of 2022/23, with a reduction in the average re-let period of 9 days.</p> <p>Performance in Q4 was close to the newly agreed low target for 2024/25, which is 36 days. Linked to measure HV2, we are working with the Corporate Policy and Transformation Team to develop an evidence-based approach to further improve voids performance, and we are focusing on improving the transfer process.</p>
		Rent Collection	RC 1	Rent collected as a proportion of rent owed	%	High is good	96.50	97.50	Q3 - 23/24	108.05	97.50	G	<p>YTD - 99.69%.</p> <p>Rent collected as a proportion of rent owed in quarter 4 2023/24 was 97.5%. This latest outturn achieved the high target for the measure, with the yearly performance at 99.69%, a positive performance of 2.19% above the high target of 97.5% for the year.</p> <p>As during the previous quarter, improving performance was as a result of the team proactively contacting tenants in rent arrears to encourage them to pay their rent on time, resulting in performance in line with Housemark's upper quartile levels. Rental income collected for the year was £32,507,018.63.</p>
		Rent Collection	RC 2	Current tenant arrears as a percentage of the annual rent debit	%	Low is good	4.15	4.00	Q3 - 23/24	2.86	2.88	G	<p>We ended the year well below our low target with the total arrears at £1,009,950.64. 20 households were evicted over the year due to rent arrears.</p>

EXECUTIVE

3 JUNE 2024

SUBJECT:	FINANCIAL PERFORMANCE – OUTTURN 2023/24
REPORT BY:	CHIEF EXECUTIVE & TOWN CLERK
LEAD OFFICER:	LAURA SHIPLEY, FINANCIAL SERVICES MANAGER

1. Purpose of Report

- 1.1. To present to Executive the provisional 2023/24 financial outturn position on the Council's revenue and capital budgets, including:
- General Fund
 - Housing Revenue Account
 - Housing Repairs Service
 - Capital Programmes
- 1.2. This report will provide the Executive with a summary of actual income and expenditure compared to revised budget and how any surpluses have been allocated/are proposed to be allocated to reserves.
- 1.3. The Executive should note that the financial outturn is still subject to Audit by KPMG, the Council's external auditors.

2. Executive Summary

- 2.1. This report covers the General Fund Revenue, Housing Revenue Account budgets and Investment Programmes for the current financial year and sets out the provisional financial outturn position.
- 2.2. During the last quarter of 2023/24, the position on the General Fund, Housing Revenue Account and Housing Repairs Service has remained positive with budget surpluses achieved across both the General Fund and HRA at the end of the financial year.
- 2.3. Despite this positive outturn position the Council continues to face escalating cost pressures, above those already factored into the MTFS. The positive outturn in 2023/24 has been largely driven by investment income with interest rates continuing above the levels assumed within the MTFS, with other overachieved income in the General Fund. This will not be the case in 2024/25 with budgets adjusted to reflect the base rate forecast, as such strong financial discipline and delivery of the significant savings targets underpinning the MTFS will remain critical in ensuring the Council maintains a sustainable financial position in the medium term.
- 2.4. The table below sets out a summary of the financial position of the Council for the financial year 2023/24, based on the provisional outturn:

Revenue Accounts	2023/24		
	Budget £'000	Actual £'000	Variance £'000
General Fund – Contribution (to)/from balances	191	175	(16)
Housing Revenue Account – Contribution (to)/from balances	59	53	(6)
Housing Repairs Service – (surplus)/deficit	0	289	289*

*any HRS variance is repatriated to the HRA and as such included within the HRA balances above

Capital Programmes	2023/24		
	Budget following Q3 Report £'000	Revised Outturn Budget £'000	Movement £'000
General Investment Programme	15,334	11,632	(3,702)
Housing Investment Programme	16,120	14,732	(1,388)

Balances	2023/24		
	Budgeted Balance @ 31/03/24 £'000	Actual Balance @ 31/03/24 £'000	Movement £'000
General Fund Balances	(2,229)	(2,245)	(16)
Housing Revenue Account Balances	(1,125)	(1,131)	(6)
Housing Repairs Service Balances	0	0	0

Reserves	2023/24		
	Opening Balance @ 01/04/23 £'000	Actual Balance @ 31/03/24 £'000	Movement £'000
General Fund Earmarked Reserves	(7,040)	(8,234)	(1,194)
HRA Earmarked Reserves	(3,510)	(4,507)	(997)

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

3. General Fund Revenue Account

- 3.1. For 2023/24 the Council's net General Fund revenue budget was set at £14,402,660 including a planned contribution from balances of £191,110 resulting in an estimated level of general balances at the year-end of £2,228,739 (after allowing for the 2022/23 outturn position).

- 3.2. The financial performance quarterly monitoring report for the 3rd quarter predicted an underspend against the revised budget of £476,652 (before additional transfers to earmarked reserves and carry forwards requests). The provisional outturn for 2023/24 now indicates an improvement of £383,314 (before additional transfers to earmarked reserves and carry forwards requests). Based on this position, additional transfers to earmarked reserves, and carry forward requests, totalling £843,547 have been proposed resulting in an overall budget underspend of £16,419. This represents a variance against the revised budget of 1%.
- 3.3. There are a number of variations in income and expenditure against the approved budget, full details of the main variances are provided in Appendix B while the table below sets out the key variances:

General Fund Year-end key variances:	Outturn £'000
Additional transfers to Earmarked reserves (see para 3.7 & 3.8)	844
Increased non-recoverable temporary accommodation costs, increased non recoverable supported accommodation costs and a reduction in Housing Benefits overpayments	835
National pay award settlement	440
Building Regulations, Land Charges & Development Control income pressures	217
Less:	
Investment Interest	(575)
Net Car Parking Income surplus (gross surplus £626k)	(359)
Lincoln Properties - tenant profit share arising from arrangements related to CVA agreed during Covid-19 pandemic, along with in year rent reviews.	(171)
Additional New Burdens grants	(166)
Additional government grants in relation to retained business rates and business rates levy/safety net retention	(144)
Additional Government grant for Land Drainage Levies	(142)
Net other variances	(795)
Overall deficit/(surplus)	(16)

- 3.4. The key variances are predominately driven by the impact of external economic factors e.g. inflation and interest rates, which far exceeded the assumptions underpinning the MTFs, along with fluctuating service demands.
- 3.5. The main variances, both positive and negative cover:
- Pay award inflation pressure - the 2023/24 pay settlement, negotiated between the National Employers for Local Government Services and the Trade Unions agreed the higher of either, a flat rate increase of £1,925, or 3.5-3.8% to all employees, equivalent to a 9.4% increase for the lowest paid members of staff and with the majority of officers receiving pay rises above 5% for a second

consecutive year. This was significantly above the assumption of 3% built into the 2023/24 budget.

- Investment income – as a result of the rising Bank of England Base Rate, which has maintained at 5.25% during quarter four, the level of interest earned on the Council's cash balances has increased significantly. At present there has been a limited consequential impact on the cost of borrowing as all debt is at fixed rates and no new borrowing has been undertaken (one loan has been re-financed in year, but this was at a lower interest rate).
- Unrecoverable Housing Benefit - increased demand for temporary accommodation, coupled with a shortage in suitable accommodation, has increased the use of bed and breakfasts. Regardless of the actual cost of the accommodation the amount that can be reclaimed through the housing subsidy process is limited to the local housing allowance rate of £91.15 per week. Despite this rate being increased in the Autumn Budget, this does not apply to housing benefit so has no impact on the Council's costs. In addition, there has also been a significant increase in the level of claims in relation to supported accommodation, which do not attract 100% subsidy, increasing the cost borne by the Council.
- Reduced fees and charges income – 2023/24 continues to see a reduction in income from planning applications, land charges and building control, and whilst the position at year end has improved due to a small number of larger applications received in the final quarter, the outturn position remains lower than budgeted as a result of pressures in the construction and housing market as the ongoing economic climate and cost-of-living crisis continue to impact on development within the city.
- Increased fees and charges income – the final half of the year has seen a significant increase in parking income against budgeted levels, particularly in the final quarter of the year when income (and associated budgets) are profiled to reduce following the busy festive period. Quarter 3 income levels exceeded budget by £232k (£132k of this in December alone), with income exceeding budget again by £188k in Quarter 4. The improved performance is driven by both the increased fees and charges agreed in the 23/24-27/28 MTFS, alongside increased visitors to the Council's car parks, supported by the new events programme scheduled throughout the year.

- 3.6. In response to the key cost pressures that have occurred in 2023/24; the additional staff costs arising as a result of the pay award were unavoidable, and the levels of income in relation to development in the city are primarily driven by economic factors, both of which have required the resetting of budgets for 2024/25 (this was taken into account in the latest MTFS). However, in relation to the increasing cost of housing benefits that the Council is bearing the Corporate Management Team have commissioned a range of responses, these will focus on both managing the demand for temporary accommodation as well as exploring options to increase the supply of suitable accommodation to reduce the reliance on costly bed and breakfast usage. In addition, careful review of all supported accommodation claims is in place to ensure the appropriate levels of housing benefit are awarded.

3.7. Carry Forward Requests

Financial Procedure Rules state that Assistant Directors are able to carry forward any budget provision not utilised during the financial year, to be used for the same purpose, in future years subject to their Directorate as a whole not being overspent. Following confirmation of the final cash limited outturn for each Directorate in 2023/24 a list of requests (which will be transferred from the surplus to earmarked reserves for drawdown in future years) is shown below totalling £281,227:

Directorate	Reason for Carry Forward	Amount £
CX-CITYSOL	Development needs identified in workforce planning, alongside ongoing recruitment, and retention plans.	20,700
CX-CITYSOL	Elections Act grant ringfenced for future expenditure.	17,500
DHI	Rising demand for temporary accommodation.	75,340
DMD	UK SPF temporary posts over and above grant funding.	63,780
DMD	Homes England - WGC grant ringfenced for future expenditure.	19,487
DCE-ADCOMSS	Tree works procured but undelivered in 23/24.	27,420
DCE-ADCOMSS	Inflation pressure on Grounds Maintenance contract – supplier billing error.	57,000
	Total carry forward requests:	281,227

All of the above carry forward requests are reflected in the provisional outturn of £16,419 budget underspend.

3.8. Transfers to Reserves

In addition to the above carry forward requests, a number of requests for additional transfers to reserves have been made, whereby Directorates have requested a transfer to a new, or existing, reserve for a number of underspent budgets, to be used for alternative purposes or to mitigate risks, in future years subject to their Directorate as a whole not being overspent. Following confirmation of the final cash limited outturn a list of requests is shown below totalling £562,320:

Directorate	Reason for Reserve Transfer	Amount £
CX-REVBEN	Benefits Community Support schemes.	28,730
CX-STRATDEV	IT Strategy and Transformation Agenda.	43,650
DMD	LUF Additional Capacity grant.	16,000
DMD	Central Market volatility reserve to support first year of operation.	57,290
DCE-ADPLAN	Income volatility reserve to support car parking and wider income pressures.	200,000
DCE-ADPLAN	Biodiversity Net Gain grant.	11,650
DCE-ADHENV	Consultancy support for YLC Swimming Pool capital project.	30,000
CORP	City Centre Masterplan	75,000
CORP	Vision 2030	100,000
	Total Reserve Transfers:	562,320

All of the above transfers to reserves are reflected in the provisional outturn of £16,419 budget underspend.

- 3.9. The remaining underspend of £16,419 will result in a contribution of £174,691 from balances (£119,110 budgeted), with balances as at 31st March 2024 of £2,245,158. This is £16,419 more than the balance assumed in the MTFS and is above prudent levels.
- 3.10. The level of each of the current earmarked reserves, as at 31st March 2023 is attached at Appendix G. The appendix takes account of the contributions to earmarked reserves and the drawdown of funding to cover expenditure as per budget approvals and the additional transfers set out in paragraph 3.7 and 3.8 above.
- 3.11. **Towards Financial Sustainability Programme**

The savings target included in the MTFS for 2023/24 was £185,210.

Progress against this target, based on the provisional outturn, shows that secured savings total £247,670 resulting in an over-achievement of £62,460 in year.

A summary of the specific reviews that have contributed to this delivery are shown in Appendix K.

4. Housing Revenue Account

- 4.1. For 2023/24 the Council's Housing Revenue Account (HRA) net revenue budget was set with a planned contribution from balances of £58,930, resulting in an estimated level of general balances at the year-end of £1,125,516 (after allowing for the 2022/23 outturn position).

- 4.2. The financial performance quarterly monitoring report for the 3rd quarter predicted an overspend of £13,787. The provisional outturn for 2023/24 now indicated an improvement of £19,515 resulting in an overall budget underspend of £5,728 (including additional transfers to earmarked reserves). This would result in HRA balances as at 31st March 2024 of £1,131,244.
- 4.3. There are a significant number of variations in income and expenditure against the approved budget, full details of the main variances are provided in the Appendix D, while the table below sets out the key variances:

Housing Revenue Account Year-end key variances:	Outturn £'000
National Pay Award Settlement	126
Less:	
Increased Investment Interest	(764)
HRA Repairs Account	(384)
Bad Debt Provision write back	(333)
Additional Rental Income	(283)
Plus:	
Net movement in Earmarked Reserves	1,016
<u>HRS Recharges:</u>	
Housing Repairs Service Overall Deficit Repatriation	289
HRS Repairs – increased Responsive, Aids & Adaptations, Cleansing jobs	795
HRS Repairs – reduced level of Voids jobs	(299)
Net Other Variances	(169)
Overall deficit/(surplus)	(6)

- 4.4. In line with the General Fund, some of the key variances are predominately driven by the impact of external economic factors, which far exceed the assumptions underpinning the MTFS. However, in addition, the HRA and HRS continue to experience a number of other variances due to demand pressures and the ongoing recruitment and retention challenges.
- 4.5. The main variances, both positive and negative, cover:
- Pay award inflation pressure - the 2023/24 pay offer, made by the National Employers for Local Government Services earlier this year, was accepted by the Trade Unions on 31st October and was paid in December. The award reflects the higher of either, a flat rate increase of £1,925, or 3.5-3.8% to all employees, equivalent to a 9.4% increase for the lowest paid members of staff and with the majority of officers receiving pay rises above 5% for a second consecutive year.

- Investment income – as a result of the rising Bank of England Base Rate, which has maintained at 5.25% during quarter four, the level of interest earned on the Council's cash balances has increased significantly. At present there has been a limited consequential impact on the cost of borrowing as all debt is at fixed rates and no new borrowing has been undertaken (one loan has been re-financed in year, but this was at a lower interest rate).
 - HRA Repairs Account – repairs and maintenance costs across various contracts are underspent as a result some of the work being undertaken as part of the voids works programme, alongside fluctuations due to the cyclical nature of some jobs.
 - Bad Debt Provision – as a result of the year end review of the provision for outstanding debtors, in line with the Credit Loss model (IFRS9 Financial Instruments), a one off write back to the provision was required.
 - Rental income – income levels are higher than anticipated due to a higher than budgeted opening Housing stock at the start of the financial year, coupled with higher than expected occupancy, and rent levels, at the new Rookery Lane development.
 - Housing Repairs Services (HRS) – the service has reported a forecast deficit, which is consequentially repatriated to the HRA, as a result of the issues set out in Section 5 below. In addition, demand for responsive housing repairs and aids and adaptations has significantly increased in year, though partially offset by a reduction in the level of voids repairs and cleansing works, resulting in a switch in the nature of HRS rechargeable works.
- 4.6. In response to the key cost pressures that have occurred in 2023/24; the additional staff costs arising as a result of the pay award were unavoidable and have required the resetting of budgets for 2024/25 (this was taken into account in the latest MTFS). In relation to the additional costs transferred from the HRS, the Housing Directorate Management Team are commissioning work to review the individual repairs service areas, i.e. Aids & Adaptations, Voids, Responsive Repairs etc, in order to identify a range of specific mitigations to manage demand and cost drivers. In addition, work continues within the HRS to address the recruitment and retention challenges, (this also forms part of a wider scope of work developing the Council's Workforce Development Strategy), which is already seeing some success with a reduction in level of vacancies at the end of the financial year.

4.7. **HRA Earmarked Reserves**

The provisional outturn of a £5,728 budget underspend includes a number of additional transfers to earmarked reserves, in addition to those transfers to/from earmarked reserves already approved and budgeted for. These further contributions to/from earmarked reserves are set out below:

Reason for Reserve Transfer	Amount £
30 Year HBP initiatives: High rise review and remediation, carbon reduction and home safety and further area reviews.	800,000
Regulator of Social Housing: Competency and conduct standard and inspection costs.	180,000
De Wint Court sinking fund additional outturn contribution.	92,500
HRS Social value contributions ringfenced for future schemes.	49,890
Total Reserve Transfers:	1,122,390

- 4.8. Following contributions to earmarked reserves the underspend of £5,728 would result in HRA general balance of £1,131,244 as at 31st March 2024, remaining within prudent levels.
- 4.9. The level of each of the current earmarked reserves, as at 31st March 2024 is attached at Appendix G. The appendix takes account of the contributions to earmarked reserves agreed as part of the revised budget and the drawdown of funding to cover expenditure and the additional transfers set out in para. 4.7 above.

5. Housing Repairs Service

- 5.1. For 2023/24 the Council's Housing Repairs Service net revenue budget was set at zero, reflecting its full cost recovery nature.
- 5.2. The provisional outturn for 2023/24 shows the HRS had a deficit of £288,844, an improvement of £263,218 since quarter three, which was repatriated to the HRA, Appendix E provides a forecast HRS Summary. Full details of the main variances are provided within Appendix F of this report, while the key variances are summarised below:

Housing Repairs Service Year-end key variances:	Outturn £'000
Increased use of sub-contractors and increases in sub-contractor prices	1,825
National Pay Award Settlement	125
Less:	
Staff vacancies due to recruitment and retention challenges	(651)
Transport Costs	(78)
Increased income for HRS jobs for increased works	(941)
Net other variances	9
Overall deficit/(surplus)	289

- 5.3. The main contributory factor to the deficit is the ongoing recruitment and retention challenges, which is being felt not just by the council but across the construction industry as a whole. This inability to attract and retain staff results in a greater reliance on the use of sub-contractors to ensure that service demands are met. The cost of using subcontractors is however more expensive than the HRS's own

workforce, due to the ongoing impact of inflationary factors, a reduced national workforce and a reduced pool of contractors from which to secure services. These additional costs are therefore not fully offset by the vacancy savings achieved by not carrying out the work internally.

- 5.4. As the increased subcontractor costs are not reflected in the service hourly rate and overhead recovery is not recouped on sub-contractors this results in an under recovery of full costs from the HRA.
- 5.5. Whilst last year high vacancy levels, and the use of sub-contractors rather than the Council's own workforce, resulted in an underspend on materials for the Council, this year higher than anticipated inflation levels, an industry wide issue, and an expected increase in repairs jobs has resulted in a very small underspend.
- 5.6. The deficit also includes the impact of the national pay award, which is significantly over and above the assumptions included within the MTFS as outlined in both the General Fund and HRA variances.
- 5.7. It should be noted that due to the interconnection of the HRS and HRA the consequential costs in the HRA are ordinarily reduced, and therefore offset any repatriated deficit. However, due to the increased usage of more expensive sub-contractors and materials, and an increased volume of works, this is not the case this financial year, as detailed above, and there is a significant additional cost for repairs and maintenance of the housing stock that is being incurred by the HRA. This additional cost is currently being offset against the overall HRA position as set out in section 4 above.

6. Earmarked Reserves

- 6.1. The Council holds a number of earmarked revenue reserves over both the General Fund and HRA. These reserves are sums set aside for specific purposes and to mitigate against potential future known or predicted liabilities. Key reserves include income volatility, business rates volatility, IT investment fund, asset sinking funds for future refurbishment etc. A number of these reserves are budgeted for use over the period of the MTFS.
- 6.2. The details of all the earmarked reserves and their balance as at 31st March 2024 are attached in Appendix G, with further details in the MTFS 2024-2029. In summary:

Earmarked Reserves	Opening Balance 01/04/23 £'000	Increase £'000	Decrease £'000	Closing Balance 31/03/24 £'000
General Fund	7,040	2,775	(1,581)	8,234
Housing Revenue Account	3,510	1,185	(188)	4,507

7. Capital Programme

7.1. General Investment Programme

- 7.2. The revised General Investment Programme for 2023/24 amounted to £15.334m following the quarter 3 report. At quarter 4 the programme has reduced by £3.702m to £11.632m, as shown below:

General Investment Programme	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Budget following Q3 report	15,334	17,526	7,563	1,052	1,052
Budget changes for approval – Quarter 4	(3,702)	5,625	0	0	0
Revised Budget	11,632	23,151	7,563	1,052	1,052

- 7.3. All changes over delegated limits require approval by the Executive. There are no changes over this limit in Quarter 4 of 2023/24.
- 7.4. All new projects are subject to Executive approval. There are no new projects that require Executive approval in Quarter 4 of 2023/24.
- 7.5. The following schemes have also been added to the GIP, having been approved at Executive during Quarter 4, (or in previous quarters).

Approved by the Executive	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Western Growth Corridor Phase 1a Shared Infrastructure (18/03/24)	0	21	0	0	0
Western Growth Corridor Phase 1b Bridges (Executive 18/03/24)	0	1,260	0	0	0
Towns Deal Sincil Bank – transfer to internally delivered scheme (Executive 15/01/24)	(73)	(501)	0	0	0
Towns Deal Sincil Bank Gateway & Greening – new scheme delivered by City of Lincoln Council (Executive 15/01/24)	73	501	0	0	0
Yarborough Leisure Centre – grant funded energy efficiency work (Executive 19/02/24)	0	614	0	0	0
Michaelgate – Executive on 13/12/21 approved match funding for Michaelgate/Harlequin subject to separate approval	0	75	0	0	0

of the specific split between the schemes.					
Total Schemes approved by the Executive	0	1,970	0	0	0

- 7.6. The Chief Finance Officer has delegated authority to approve financial changes up to an approved limit, or to reprofile the budget, as set out under Financial Procedure Rules. The following changes and reprofiles were approved during Quarter 4:

Changes approved by the Chief Finance Officer:	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Reprofiled Expenditure					
Central Markets - reprofiled	(2)	2	0	0	0
Western Growth Corridor Phase 1a Housing Delivery – reprofiled	(51)	51	0	0	0
Western Growth Corridor Phase1a Shared Infrastructure – reprofiled	95	(95)	0	0	0
Western Growth Corridor Phase1b Bridges - reprofiled	(1,095)	1,095	0	0	0
Western Growth Corridor Phase 2 – reprofile	(19)	19	0	0	0
Planned Capitalised Work – reprofiled	(30)	30	0	0	0
Lincoln Central Car Park Lifts – reprofile	(150)	150	0	0	0
Greyfriars – reprofiled	(290)	290	0	0	0
New Telephony system – reprofiled	(6)	6	0	0	0
Better Care Fund – reprofiled	278	(278)	0	0	0
Windmill View – Reprofiled	(17)	17	0	0	0
UKSPF General - reprofiled	(73)	73	0	0	0
Central Market – reprofiled	(284)	284	0	0	0
Towns Deal Lincoln Connected – reprofiled	(316)	316	0	0	0
Towns Deal Sincil Bank – reprofiled	73	(73)	0	0	0
Towns Deal Barbican Production & Maker Hub – reprofiled	(1,700)	1,700	0	0	0
Towns Deal Sincil Bank Gateway & Greening – reprofiled	(54)	54	0	0	0
Car Parking Software – reprofiled	(14)	14	0	0	0

Transfers between schemes					
Planned Capitalised Work – net movement	(28)	0	0	0	0
High Bridge Cafe – scheme complete, final costs were higher than anticipated - move from Planned Capitalised Work	17	0	0	0	0
Bud Robinson Community Centre – scheme complete, final costs were higher than anticipated - move from Planned Capitalised Work	1	0	0	0	0
The Grandstand Community Centre improvements – complete – funded 50% Planned Capitalised Work and 50% external contribution	21	0	0	0	0
UKSPF transfer from core pot to specific scheme	(50)	0	0	0	0
UKSPF Training Academy	50	0	0	0	0
Increased budget allocations					
Hope Wood – scheme complete, funded from additional grant.	8	0	0	0	0
HAZ St Mary's Guildhall – scheme complete, funded from additional grant.	4	0	0	0	0
HAZ Shopfronts scheme complete, funded from additional grant.	4	0	0	0	0
Towns Deal Programme Management – funded from DRF from revenue grant income	20	0	0	0	0
Reduced Budget Allocations					
Electric Vehicle Charge Points – scheme complete and budget reduced due to some sites not going ahead (grant funded)	(94)	0	0	0	0
Total Changes Approved by the CFO	(3,702)	3,655	0	0	0
Total GIP Delegated Approvals and Approvals by/for Executive	(3,702)	5,625	0	0	0

- 7.7. The table below provides a summary of the provisional outturn position for the General Investment Programme at 31st March 2024:

General Investment Programme - Outturn	2023/24			
	Budget Q3	Revised Budget Q4	Outturn	Variance to Q3 Budget
	£'000	£'000	£'000	£'000
Active Programme				
Housing and Investment	0	0	0	0
Communities and Environment	1,761	2,023	2,023	263
Chief Executive	710	245	245	(465)
Major Developments	9,631	8,148	8,148	(1,483)
Total Active Schemes	12,102	10,416	10,416	(1,686)
Schemes on Hold/ Contingencies	0	0	0	0
Externally Delivered Town Deal Schemes	3,232	1,216	1,216	(2,016)
Total Capital Programme	15,334	11,632	11,632	(3,702)

- 7.8. The overall spending on the General Investment Programme active schemes (excluding externally delivered schemes), for the final quarter of 23/24 is £10.4m, which is 86% of the budget. This is detailed further at Appendix I.

7.9. **Housing Investment Programme**

- 7.10. The revised Housing Investment Programme for 2023/24 amounted to £16.120m following the Quarter 3 position. At quarter 4 the programme has been decreased by £1.388m to £14.732m, as shown below:

Housing Investment Programme	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Revised Budget at Q3	16,120	21,043	15,955	14,834	14,855
Budget changes for approval – Quarter 4	(1,388)	1,720	523	(115)	(121)
Revised Budget	14,732	22,763	16,478	14,718	14,734

- 7.11. All changes over the approved limit require approval by the Executive. The following changes require Executive approval for Quarter 4:

Changes requiring Executive Approval:	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Budget Under/Overspends returned to available resources (major repairs reserves)					
Bathrooms & WC	(105)	0	0	0	0
Environmental Works	(137)	0	0	0	0
Stamp Duty Refunds	(328)	0	0	0	0

Transfers between schemes					
New Build Programme (Borrowing/DRF for 141 eligible following increase to 50% retention)	0	(100)	(100)	(100)	(100)
New Build Programme (141 eligible following increase to 50% retention)	0	100	100	100	100
Infrastructure Upgrade	(166)	0	0	0	0
Housing Support Services Computer Fund	166	0	0	0	0
Increased budget allocations					
Void Capitalised Works (funded from major repairs reserve)	214	0	0	0	0
New Build – Hermit Street (correction to agree budget to original Executive report)	138	0	0	0	0
New Build – Capital Salaries (funded from 1-4-1 and borrowing)	15	0	0	0	0
Property Acquisitions – this includes individual purchase and repair and LAHF acquisitions approved under officer delegations (funded from grant and 1-4-1 receipts with borrowing as match element).	279	724	0	0	0
Total changes requiring Executive Approval	76	724	0	0	0

- 7.12. All new projects are subject to Executive approval. The following schemes have been added to the HIP, and require approval by the Executive:

Changes requiring Executive approval	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Jasmin Green feasibility/development (funded through DRF).	0	50	0	0	0
Total changes requiring Executive Approval	0	50	0	0	0

- 7.13. The Chief Finance Officer has delegated authority to approve financial changes up to an approved limit as set out under Financial Procedure Rules. The following changes were approved during Quarter 4:

Changes approved by the Chief Finance Officer:	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Reprofiled Expenditure					
New Build – Hermit Street – reprofiled	(212)	212	0	0	0

Western Growth Corridor Phase 1a infrastructure – reprofiled	359	(359)	0	0	0
Fire Doors	0	(500)	500	0	0
Housing Support Services Computer Fund	(70)	306	0	(115)	(121)
DH Central Heating Upgrades	(23)	0	23	0	0
Thermal Comfort Works	(20)	20	0	0	0
Ermine Church Land	(350)	350	0	0	0
Lincoln Standard Window Replacement	(90)	90	0	0	0
Door Replacement	(129)	129	0	0	0
Replacement Door entry systems	(137)	137	0	0	0
Garages	(30)	30	0	0	0
Fire Compartment Works	(10)	10	0	0	0
HRA Buildings	(25)	25	0	0	0
Hiab and Mule	(122)	122	0	0	0
Telephony	(6)	6	0	0	0
Ermine Church Land	(350)	350	0	0	0
Property Acquisitions	(367)	367	0	0	0
Budget Under/Overspends returned to available resources (major repairs reserve and DRF)					
Kitchen Improvements	45	0	0	0	0
Rewiring	(12)	0	0	0	0
Re-roofing	(20)	0	0	0	0
Structural Defects	(10)	0	0	0	0
New Services	26	0	0	0	0
Renew Stair Structure	(40)	0	0	0	0
Communal Electrics	10	0	0	0	0
Communal TV Aerials	2	0	0	0	0
Fire Doors	(59)	0	0	0	0
Asbestos Removals	(87)	0	0	0	0
Asbestos Surveys	(69)	0	0	0	0
Operation Rose	(11)	0	0	0	0
Thurlby Crescent	(8)	0	0	0	0
Increased budget allocations					
New Build – De Wint Court (funded from DRF)	1	0	0	0	0
Total Changes Approved by the CFO	(1,449)	945	523	(115)	(121)
Total HIP Delegated Approvals and Approvals by/for Executive	(1,388)	1,720	523	(115)	(121)

- 7.14. The table below provides a summary of the projected outturn position for the Housing Investment Programme:

Housing Investment Programme - Outturn	2023/24			
	Budget Q3 £'000	Revised Budget Q4 £'000	Outturn £'000	Variance to Q3 Budget £'000
Decent Homes / Lincoln Standard	6,741	6,549	6,549	(192)
Health and Safety	673	339	339	(334)
Contingent Major Repairs / Works	0	0	0	0
New Build Programme	7,445	6,980	6,980	(465)
Other Schemes	755	446	446	(309)
Computer Fund / IT Schemes	506	419	419	(87)
Total Capital Programme	16,120	14,732	14,732	(1,388)

- 7.15. The overall expenditure on the Housing Investment Programme for the final quarter of 2023/24 was £14.732m, which is 91.3% of the budget. This is detailed further at Appendix J.

8. Strategic Priorities

- 8.1. The MTFS underpins this policy and financial planning framework and set out the overall framework on which the Council plans and manages its financial resources to ensure that they fit with, and support, the direction of the Council's vision and strategic priorities. Vision 2025 identifies the Council's strategic priorities, setting the vision and direction for the council and the city for the next five years. The proposals in this report allow the Council to achieve a balanced budget position for 2023/24 in order that it can continue to deliver services in support of Vision 2025.

9. Resource Implications

- 9.1. The financial implications are contained throughout the report.

Under the Local Government Act 2003 the Chief Finance Officer (S151 Officer) is required to give Council an opinion on the robustness of the budget estimates and the adequacy of reserves.

General Balances, on both the General Fund and HRA, are the only resource not ear-marked to a particular future need. The prudent minimum level of balance that should be maintained on the General Fund is between £1.5m-£2m and £1m-£1.5m on the HRA. Based on the provisional outturn the level of balances as at 31st March 2024 will be maintained within these ranges, with the General Fund slightly higher.

Although this report sets out the financial outturn, which for the General Fund and HRA has resulted in a positive position, this does not mean that the financial issues for the Council are resolved. Beyond 2023/24 the Council is set to face ongoing pressures as a result of increasing baseline costs due to inflationary impacts,

escalating service demands and income pressures arising from the cost-of-living crisis. The Council will continue to face further financial challenges as it responds to the impact of these issues and an increased need to deliver ongoing reductions in the net cost base, as set out in the MTFS 2024-2029.

9.2. Legal implications including Procurement Rules

There are no legal implications arising from this report.

9.3. Equality, Diversity and Human Rights

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

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

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

Due to the nature of the report, there are no direct equality, diversity, or human rights implications.

10. Risk Implications

A full financial risk assessment is included in the MTFS, this is continually reviewed in light of changes in the underlying financial assumptions. There are currently a significant number of critical risk factors to the budget and MTFS, with further details provided within the MTFS 2024-29.

11. Recommendations

The Executive are recommended to:

- 11.1. Note the provisional 2023/24 financial outturn for the General Fund, Housing Revenue Account, Housing Repairs Service and Capital Programmes as set out in sections 3 – 7, and in particular the reasons for any variances.
- 11.2. Approve the proposed General Fund carry forward requests, as detailed in paragraph 3.7.
- 11.3. Note the proposed transfer to General Fund and HRA earmarked reserves detailed in paragraph 3.8 and 4.7.
- 11.4. Note the changes to the General Investment Programme and Housing Investment Programme as approved by the Chief Finance Officer as detailed in paragraphs 7.6 and 7.13.

- 11.5. Approve the financial changes to the General Investment programme and the Housing Investment programme, that are above the limit delegated to the Chief Finance Officer, as detailed in paragraphs 7.5, 7.11 and 7.12.

Key Decision	No
Key Decision Reference No.	N/A
Do the exempt information categories apply?	No
Call in and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
Does the report contain appendices?	Yes
List of Background Papers:	Medium Term Financial Strategy 2023-2028 Medium Term Financial Strategy 2024-2029
Lead Officer:	Laura Shipley, Financial Services Manager Laura.shipley@lincoln.gov.uk

GENERAL FUND SUMMARY – OUTTURN 2023/24

Service Area	Ref	Revised Budget £'000	Projected Outturn £'000	Variance £'000
Strategic Development	A	2,100	2,057	(43)
Chief Finance Officer (S151)	B	(226)	(856)	(631)
City Solicitor	C	1,858	1,870	12
Revenues & Benefits	D	541	1,373	832
Housing	E	759	784	25
Director of Major Developments	F	(1,460)	(1,581)	(121)
Communities and Street Scene	G	6,451	6,367	(84)
Health and Environmental Services	H	1,157	1,134	(22)
Planning	I	(3201)	(3,119)	83
		7,979	8,029	50
Corporate Expenditure	J	1,088	1,047	(41)
TOTAL SERVICE EXPENDITURE		9,067	9,076	9
Revenue Capital Accounting Costs	K	5,497	5,583	87
Specific Grants	L	(700)	(743)	(43)
Contingencies	M	(102)	0	102
Savings Targets	N	62	0	(62)
Earmarked Reserves	O	1,222	1,194	(29)
Insurance Reserve	P	(453)	(423)	30
TOTAL EXPENDITURE		14,594	14,687	93
CONTRIBUTION FROM BALANCES		(191)	(175)	16
NET REQUIREMENT		14,403	14,512	109
Retained Business Rates Income	Q	6,125	6,234	(109)
Collection Fund Surplus/(Deficit)	R	546	546	0
Revenue Support Grant	S	175	175	0
Council Tax	T	7,556	7,556	0
TOTAL RESOURCES		14,403	14,512	(109)

General Fund Variances – Outturn 2023/24

Figures in brackets indicate an underspend of expenditure or additional income.

Ref		£	
	<u>Increased Expenditure</u>		
B	Repairs & Maintenance	53,850	Overspend on corporate repairs and maintenance expenditure due to increase in volume and cost of works required.
B	Industrial Estates	96,750	Backdated rent review in relation to leased in industrial units.
B	Property Services	25,250	Increased IT costs.
B	Property Services	17,870	Local Government as a whole is experiencing a recruitment and retention crisis, this is being felt within a number of service areas in the Council. In these instances, and where it is not possible to absorb/stop the work of the vacant posts, overtime or agency staff have been procured or work has been externalised. This has resulted in cost pressures due to a higher cost of 'buying in' services.
E	Control Centre	63,640	
H	Public Protection	21,940	
C	Legal Expenses	90,200	Increase in legal costs, offsets legal staffing saving below (net overspend £53k).
D	Housing Benefits	201,080	Backdated Universal Credit Discretionary Housing Payments.
E	Control Centre	76,650	Increase in equipment, annual maintenance contract, telephony and IT costs.
F	Central Market	43,010	Additional legal costs and website fees, net of utility savings.
G	Waste	58,420	Additional contract management, inflation and printing cost pressures over and above the MTFS assumptions, offset by reduced expenditure on Street Cleansing contract below (net saving £24k).
H	Yarborough Centre	Leisure 50,000	Required contribution under contract for profit/loss share.

Ref		£	
I	Car Parks	267,230	Additional card payment fees due to a system upgrade (£54k), additional maintenance works required at Lucy Tower & Broadgate (£51k), additional utilities pressures over and above MTFS assumptions (£55k), additional charges due to increased transactions through Pay by Phone (£18k) cost pressures relating to overtime (£16k), & various other such as increased security costs, cleaning materials (£73k), wholly offset by increased income below (net car parking surplus £359k).
M	Pay Award	440,370	Impact of National Employers pay award over and above budget assumptions.
M	Annual Vacancy Savings Target	177,670	Vacancy savings target, offset by savings in service areas.
N	Earmarked Reserves	854,550	Proposed carry forward & additional contributions to reserves, as outlined in paragraph 3.7 & 3.8.

Reduced Income

D	Housing Benefits	64,060	Un-recoverable housing benefit costs in relation to increased B&B costs, as a result of disparity between Local Housing Allowance rates and rising demand and costs of accommodation.
D	Housing Benefits	168,620	Un-recoverable housing benefit costs in relation to increased costs of supported accommodation
D	Housing Benefits	204,800	Reduction in overpayments funded through housing subsidy due to overall reduction in overpayments raised and improved collection of arrears.
D	Housing Benefits	142,200	Other un-recoverable housing benefit costs relating to non-subsidy areas.
H	Crematorium	179,570	Reduced income as a result of lower than budgeted cremation levels, offset by savings on utilities and business rate costs, (net overspend £51k).
I	Building Regulations	67,930	Reduced income as a result of current economic conditions and demand for service.
I	Land Charges	42,450	Reduced income as a result of current economic conditions and demand for service.
I	Development Control	106,550	Reduced income as a result of current economic conditions and demand for service.

Ref		£	
	<u>Reduced Expenditure</u>		
A	Business Development & IT Manager	(26,930)	Vacancy savings pending recruitment, offset against Corporate vacancy savings target.
A	Corporate Policy	(82,580)	Vacancy savings pending recruitment, offset against Corporate vacancy savings target.
B	City Hall	(64,970)	Reduced expenditure on utility costs and Repairs and Maintenance costs.
C	Legal Expenses	(36,970)	Vacancy savings pending recruitment, offset against agency costs and vacancy savings target.
D	Revenues & Benefits Shared Service	(46,720)	CoLC Share of Shared Service vacancy savings pending recruitment, offset against Corporate vacancy savings target.
E	Community Leadership & Sustainability	(60,420)	Vacancy savings pending recruitment, offset against agency costs and vacancy savings target.
F	Managed Workspaces	(25,950)	Vacancy savings pending recruitment, offset against agency costs and vacancy savings target.
F	Major Developments Team	(30,000)	Reduced expenditure on consultancy fees.
F	DMD Director	(58,990)	Vacancy savings pending recruitment, offset against Corporate vacancy savings target.
G	Street Cleansing	(48,350)	Reduction in contracted charges in relation to car parks and other minor underspends, offsets waste contract overspends above (net saving £24k).
G	Waste	(34,350)	Reduced expenditure on refuse collection services (purchase of bins), offsets waste contract overspends above (net saving £24k).
G	Grounds Maintenance	(57,000)	Underspend on corporate grounds maintenance budget.
H	Housing Regeneration	(84,560)	Vacancy savings pending recruitment, offset against Corporate vacancy savings target.
H	Crematorium	(127,710)	Forecast underspend on utilities and business rates as a result of transitional discounts, partially offset by reduced income above (net pressure £51k).
I	Development Control	(52,590)	Vacancy savings pending recruitment, offset against Corporate vacancy savings target.
J	Bad Debt Provision	(54,520)	Reduction in the required contribution to the bad debt provision for housing benefits and general fund debtor balances

Ref		£	
M	Savings Target	(62,460)	Overachievement of planned savings against annual savings target of £185k.
N	Earmarked Reserves	(43,630)	Release of CX Capacity reserve to offset increased expenditure as a result of vacancy pressures above.
<u>Increased Income</u>			
B	Lincoln Properties	(149,080)	Tenant profit share as agreed in arrangements related to CVA agreed during Covid-19 pandemic, along with in year rent reviews.
B	Other Interest	(575,110)	Increased investment income as a result of higher interest rates and additional dividend income.
E	Housing Solutions Management	(29,520)	New Burdens grant income relating to staff time attributable to work on the Ukrainian Resettlement.
E	Housing Solutions	(75,340)	Grant funding attributed to offsetting budgeted costs.
F	Managed Workspaces	(20,040)	Additional income as a result of increased occupancy at MWS.
F	Major Developments Team	(61,420)	Admin grant funding for administration of UKSPF project.
H	Community Centres	(57,920)	Increased income levels, predominantly driven by ongoing contract at the Grandstand.
I	Car Parks	(625,730)	Increase in season ticket income & forecast increase in pay and display income (net car parking surplus £359k).
J	Land Drainage Levies	(141,930)	Additional government grant received to offset the increased cost of Internal Drainage Board Levies.
L	Specific Grants	(31,988)	Additional government grant for Business Rate Levy/Safety Net Retention
Q	Retained Business Rates Income	(112,480)	Additional government grant received for Green Plant & Machinery, additional S31 grant for business rate reliefs, reduction in tariff following 2023 revaluation and additional pooling gain.

HOUSING REVENUE ACCOUNT FUND SUMMARY – OUTTURN 2023/24

	Ref	Revised Budget £'000	Outturn £'000	Variance £'000
Gross Rental Income	A	(32,643)	(32,937)	(294)
Charges for Services & Facilities	B	(554)	(650)	(96)
Contribution towards Expenditure	C	(50)	(11)	39
Repairs Account – Income	D1	0	(133)	(133)
Supervision & Management – General	D2	(664)	(813)	(149)
Supervision & Management – Special	D3	(66)	(82)	(16)
Repairs & Maintenance	E	10,834	10,947	113
Supervision & Management – General	F1	6,901	7,239	338
Supervision & Management – Special	F2	1,991	2,127	136
Rents, Rates and Other Premises	G	846	777	(69)
Increase in Bad Debt Provisions	H	250	(83)	(333)
Insurance Claims Contingency	I	174	282	108
Contingencies	J	149	0	(149)
Depreciation	K	7,750	8,199	449
Impairments	L	0	0	0
Debt Management Expenses	M	16	9	(7)
HRS Trading (Surplus) / Deficit	N	0	289	289
Net Cost of Service	O	(5,067)	(4,839)	228
Loan Charges Interest	P	2,356	2,317	(39)
Investment/Mortgage Interest	Q	(308)	(1,073)	(764)
Net Operating Inc/Exp	R	(3,020)	(3,595)	(575)
Major Repairs Reserve Adjustment	T	3,000	2,552	(447)
Transfers to/from reserves	U	79	1,096	1,016
(Surplus)/Deficit in Year	V	59	53	(6)

Housing Revenue Account Variances – Outturn 2023/24

The variances analysed in the table below exclude any technical adjustments and only cover the true under of overspends. Figures in brackets indicate an underspend of expenditure or additional income.

Ref		£	Reason for variance
	<u>Reduced Income</u>		
C	Court Costs	38,730	Reduction in recovered income from court costs as less cases in year than anticipated.
	<u>Increased Income</u>		
Q	Investment Interest	(764,430)	Increased investment income as a result of higher interest rates.
A	Gross Rental Income	(282,650)	Additional rental income as a result of reduced voids and higher rent levels at Rookery Lane development, plus higher than budgeted opening housing stock levels.
D1	Repairs Account	(132,550)	Additional income from rechargeable void works HRS social value contribution and in year profit share income
D2	Supervision & Management: General	(52,080)	Additional income from contractor admin fee and internal fees.
	<u>Reduced Expenditure</u>		
T	Major Repairs Reserve Adjustment/Direct Revenue Finance	(447,100)	Contribution from Major Repairs Reserve to offset the increase in depreciation costs following revaluations of properties in year.
H	Bad Debt Provision	(332,510)	Write back from provision for outstanding debts, following year-end review of ongoing requirements.
E	Repairs & Maintenance	(409,590)	Underspend on Repairs Account expenditure predominantly due to cyclical repair/replacement works.
F	Supervision & Management	(319,230)	Reduced expenditure on employee costs due to staff vacancies, offset by agency costs below (excl. Pay Award below).
E	Repairs & Maintenance - HRS	(298,780)	Reduced HRS expenditure on Voids, partially offsets increases on Responsive, Aids & Adaptations and Cleansing below (net overspend £497k).

Ref		£	Reason for variance
G/E	Rent, Rates & Other Premises	(127,980)	Underspend on Utility costs and Council Tax liability across the HRA (excluding De Wint Court).
P	Loan Charges Interest	(38,650)	Repayment of existing borrowing & re-borrowing at lower interest rate
	<u>Increased Expenditure</u>		
N	HRS Surplus/Deficit	288,840	HRS deficit position (refer to HRS variances – Appendix F).
E	Repairs & Maintenance - HRS	795,450	Increased HRS expenditure on Responsive Repairs (£335k), Aids & Adaptations (£446k) and Cleansing (£14k) partially offset by underspend above (net overspend £497k).
K	Depreciation	449,100	Increase in depreciation costs following revaluation of housing stock, offset in full by a Major Repairs reserve adjustment above.
F1	Supervision & Management – General	323,030	Cost of agency staff to cover staff vacancies within Supervision & Management, partially offset by Vacancy savings above.
F1	Supervision & Management – General	366,410	Increased expenditure due to consultancy costs on void work & garden/hedge/tree work costs (£205k), HRA Business Plan schemes (£99k), caretakers tipping (£46k), additional consultancy costs (£54k), housing needs survey (£25k), partially offset by increased call on reserves.
I	Insurance Claims Contingency	108,170	Increase in disrepair claims, offset by increased call on Insurance reserve.
F	Supervision & Management	126,000	Impact of National Employers pay award over and above budgeted assumptions.
U	Transfers To/(From) Reserves	1,016,420	Net additional contribution to reserves, over and above budgeted levels (as outlined in paragraph 4.7 and Appendix G).

HOUSING REPAIRS SERVICE SUMMARY – OUTTURN 2023/24

	Revised Budget	Forecast Outturn	Variance
	£'000	£'000	£'000
Employees	3,852	3,326	(526)
Premises	171	165	(6)
Transport	432	354	(78)
Materials	1,519	1,511	(8)
Sub-Contractors	2,154	3,979	1,825
Supplies & Services	333	381	49
Central Support Charges	586	559	(26)
Capital Charges	0	0	0
Total Expenditure	9,047	10,277	1,230
Income	(9,047)	(9,888)	(941)
(Surplus)/Deficit	0	289	289

Housing Repairs Service Variances – Outturn 2023/24

Many items of income and expenditure are demand led and difficult to predict. Consequently, judgement has been applied in order to provide the most realistic indication of the financial position at the year-end. Figures in brackets indicate an underspend of expenditure or additional income.

	£	Reason for Variance
<u>Reduced Expenditure</u>		
Employee Costs	(651,017)	Vacancies within the Operative staff.
Fleet Charges	(78,352)	Reduction in lease costs due to delay in receiving new vehicles from supplier.
Central Support Costs	(26,330)	Reduction in Corporate Support Service charges to the HRS.
<u>Increased Expenditure</u>		
Employee Costs	125,230	Impact of National Employers pay award over and above budgeted assumptions.
Sub-Contractors	1,825,033	Increased use of sub-contractors to meet increased demand and cover vacancies within the operative team.
<u>Increased Income</u>		
Income	(940,786)	Increased income as a result of increase in number of jobs, offset by increased costs of sub-contractor spend above.

EARMARKED RESERVES – OUTTURN 2023/24

	Revised Opening Balance	In Year Increase	In Year Decrease	Closing Balance
	01/04/2023 £'000	£'000	£'000	31/03/2024 £'000
General Fund				
Budget Carry Forwards	483	226	(140)	569
Grants & Contributions	1,445	248	(188)	1,505
Active Nation Bond	180	-	-	180
AGP Sinking Fund	52	50	-	102
Air Quality Initiatives	22	-	-	22
Birchwood Leisure Centre	86	20	-	106
Business Rates Volatility	234	1,163	(481)	916
Christmas Decorations	14	-	-	14
City Centre Masterplan	-	75	-	75
City Hall Improvement Works	50	-	-	50
City Hall Sinking Fund	60	-	-	60
Commons Parking	13	15	-	28
Corporate Maintenance	100	-	-	100
Corporate Training	60	21	(10)	71
Council Tax Hardship Fund	-	-	-	-
Covid19 Recovery	1,047	-	-	1,047
Covid19 Response	354	-	-	354
CX Capacity	100	-	(44)	56
Electric Van replacement	27	4	-	31
HiMO CPN Appeals	169	-	(58)	111
Income Volatility Reserve	320	200	-	520
Inflation Volatility Reserve	466	-	-	466
Invest to Save (GF)	237	200	(88)	349
IT Reserve	284	109	-	393
Lincoln Lottery	9	-	-	9
Mayoral Car	7	-	-	7
MSCP & Bus Station Sinking Fund	149	46	-	195
Private Sector Stock Condition Survey	51	48	(48)	51
Professional Trainee Scheme	90	-	-	90
Revenue & Benefits Community Fund	25	29	-	54
Section 106 Interest	32	-	-	32
Staff Wellbeing	28	-	-	28
Tank Memorial	10	-	-	10
Tree Risk Assessment	102	31	(47)	86
Unused DRF	199	141	(179)	161
Vision 2025/Vision 2030	533	150	(298)	386
	7,040	2,775	(1,581)	8,234

HRA

Capital Fees Equalisation	110	-	-	110
De Wint Court	73	-	-	73
De Wint Court Sinking Fund	10	103	-	113
Disrepairs Management	300	-	(13)	287
Housing Business Plan	177	800	(134)	842
Housing Repairs Service	76	-	-	76
HRA IT	135	35	-	170
HRA Repairs Account	1,351	-	-	1,351
Housing Strategic Priority	764	-	-	764
HRS Social Value	61	50	-	111
Invest to Save (HRA)	416	-	(41)	375
NSAP/RSAP Sinking Fund	9	9	-	18
Regulator of Social Housing	0	180	-	180
Strategic Growth Reserve	5	-	-	5
Tenant Satisfaction Survey	23	9	-	31
	3,510	1,185	(188)	4,507
Total Earmarked Reserves	10,550	3,960	(1,769)	12,741

CAPITAL RESOURCES – OUTTURN 2023/24

	Opening balance	Contributions	Used in financing	Closing balance 31/03/24
	£'000	£'000	£'000	£'000
Capital Grants/Contributions General Fund	0	5,406	(5,406)	0
Capital Grants/Contributions HRA	275	817	(817)	275
Capital receipts General Fund	13	1,650	0	1,663
Capital receipts HRA	2,660	900	(1,000)	2,560
Capital receipts 1-4-1	4,274	1,062	(1,557)	3,780
Major Repairs Reserve	22,631	10,749	(9,645)	23,735
GENF DRF	164	3,371	(3,394)	141
Total Capital Resources	30,017	23,955	(21,819)	32,154

Currently the HIP has schemes planned to facilitate use of all 1:4:1 receipts with no repayment required in 23/24.

General Investment Programme – Summary of Expenditure as at 31st March 2024

GENERAL INVESTMENT PROGRAMME	Budget 2023/24 - Reported at Q3	2023/24 Q4 Budget Increase / Decrease	2023/24 Year End Reprofiling	2023/24 Revised Budget	2023/24 Actual Spend	Variance to Q3 Approved Budget	% Spend to Q3 Revised Budget
<u>DCE - Health and Environmental Services</u>							
Better Care Fund (was Disabled Facilities Grant)	850,000		278,273	1,128,273	1,128,273	278,273	132.74%
DCE - Health and Environmental Services Total	850,000		278,273	1,128,273	1,128,273	278,273	132.74%
<u>DCE - Community Services</u>							
Boultham Park Lake Restoration	3,575		(1)	3,575	3,575	(1)	99.99%
Flood Alleviation Scheme - Hartsholme Park	4,530	0		4,530	4,530	0	100.00%
Hope Wood	35,553	(1,431)		34,122	34,122	(1,431)	95.98%
Hope Wood - new trees	0	9,569		9,569	9,569	9,569	0.00%
Safer Streets - CCTV Cameras	50,000	45		50,045	50,045	45	100.09%
DCE - Community Services Total	93,658	8,183	(1)	101,840	101,840	8,183	108.74%
<u>DCE - Planning & City services</u>							
Car Parking Software	34,850		(14,337)	20,513	20,513	(14,337)	58.86%
HAZ - Shopfronts on a Framework	115,415	4,052		119,467	119,467	4,052	103.51%
St Mary le Wigford (HAZ)	10,000	(190)		9,810	9,810	(190)	98.10%
St Mary's Guildhall (HAZ)	67,000	3,834		70,834	70,834	3,834	105.72%
Windmill View	589,339		(16,475)	572,864	572,864	(16,475)	97.20%
DCE - Planning & City services Total	816,604	7,695	(30,812)	793,487	793,487	(23,117)	97.17%
<u>Chief Executive Corporate Policy</u>							
New Telephony System	8,758		(5,558)	3,200	3,200	(5,558)	36.54%
Chief Executive Corporate Policy Total	8,758		(5,558)	3,200	3,200	(5,558)	36.54%
<u>Chief Executive Chief Finance Officer</u>							
Bud Robinson Community Centre	27,550	1,179		28,729	28,729	1,179	104.28%

GENERAL INVESTMENT PROGRAMME	Budget 2023/24 - Reported at Q3	2023/24 Q4 Budget Increase / Decrease	2023/24 Year End Reprofiling	2023/24 Revised Budget	2023/24 Actual Spend	Variance to Q3 Approved Budget	% Spend to Q3 Revised Budget
Crematorium Curtains	19,410	1		19,411	19,411	1	100.01%
Greyfriars - Phase 2 Delivery	380,740		(290,230)	90,510	90,510	(290,230)	23.77%
Guildhall Works	17,960	(0)		17,960	17,960	(0)	100.00%
High Bridge Café	50,000	16,897		66,897	66,897	16,897	133.79%
Lincoln Central Lifts	150,000		(150,000)	0	0	(150,000)	0.00%
Planned Capitalised Works	58,390	(28,435)	(29,955)	0	0	(58,390)	0.00%
Stamp End Demolition	(2,720)			(2,720)	(2,720)	0	100.00%
The Grandstand Carholme Road	0	20,719		20,719	20,719	20,719	0.00%
Chief Executive Chief Finance Officer Total	701,330	10,360	(470,185)	241,505	241,505	(459,825)	34.44%
Major Developments							
Central Markets	2,000		(2,000)	0	0	(2,000)	0.00%
Central Markets (All Funding Streams)	3,604,271		(283,583)	3,320,688	3,320,688	(283,583)	92.13%
Electric Vehicle Charge Points - Phase 2	237,000	(93,423)		143,577	143,577	(93,423)	60.58%
HUG - Home Upgrade Grant	15,242			15,242	15,242	0	100.00%
LAD 3 - Green Homes Grant Local Authority Delivery Scheme BEIS	580,803	(61)		580,742	580,742	(61)	99.99%
TD Sincil Bank Gateway & Greening Project	0	73,000	(54,062)	18,938	18,938	18,938	0.00%
Towns Deal Programme Management	75,260	20,288		95,548	95,548	20,288	126.96%
UKSPF (Shared Prosperity Fund)	122,801	(50,000)	(72,801)	0	0	(122,801)	0.00%
UKSPF Training Academy	0	50,000		50,000	50,000	50,000	0.00%
WGC Housing Delivery	278,095		(51,165)	226,930	226,930	(51,165)	81.60%
WGC Phase 1b Bridges	3,662,840		(1,095,359)	2,567,481	2,567,481	(1,095,359)	70.10%
WGC Phase 2	115,000		(19,487)	95,513	95,513	(19,487)	83.05%
WGC Shared Infrastructure	937,871		95,425	1,033,296	1,033,296	95,425	110.17%
Major Developments Total	9,631,184	(196)	(1,483,032)	8,147,956	8,147,956	(1,483,228)	84.60%
TOTAL CAPITAL PROGRAMME EXCLUDING EXTERNALLY DELIVERED SCHEMES	12,101,534	26,042	(1,711,314)	10,416,262	10,416,262	(1,685,272)	86.07%

GENERAL INVESTMENT PROGRAMME	Budget 2023/24 - Reported at Q3	2023/24 Q4 Budget Increase / Decrease	2023/24 Year End Reprofiling	2023/24 Revised Budget	2023/24 Actual Spend	Variance to Q3 Approved Budget	% Spend to Q3 Revised Budget
Externally Delivered Town's Deal Schemes							
TD Barbican Production & Maker Hub	1,700,000		(1,700,000)	0	0	(1,700,000)	0.00%
TD Hospitality & Events & Tourism Institute	209,954			209,954	209,954	0	100.00%
TD Lincoln City FC and Foundation	814,122			814,122	814,122	0	100.00%
TD Lincoln Connected	462,108		(316,200)	145,908	145,908	(316,200)	31.57%
TD Sincil Bank	39,290	(73,000)	73,000	39,290	39,290	0	100.00%
TD Wigford Way	6,792		0	6,792	6,792	0	100.00%
Externally Delivered Town's Deal Schemes Total	3,232,266	(73,000)	(1,943,200)	1,216,066	1,216,066	(2,016,200)	37.62%
Grand Total	15,333,800	(46,958)	(3,654,514)	11,632,328	11,632,328	(3,701,472)	75.86%

Housing Investment Programme – Summary of Expenditure as at 31st March 2024

<u>HOUSING INVESTMENT PROGRAMME</u>	Budget 2023/24 - Reported at Q3	Q4 Budget Increase / Decrease	Q4 Budget Reprofile	2023/24 Revised Budget	2023/24 Total Spend	2023/24 % Spend to Revised Budget
<u>Contingency Schemes</u>						
Contingency Reserve	0	0	0	0	0	0
Contingency Schemes Total	0	0	0	0	0	0
<u>Decent Homes</u>						
Bathrooms & WC's	300,000	(104,582)	0	195,418	195,418	100.00%
DH Central Heating Upgrades	2,253,948	0	(22,542)	2,231,406	2,231,406	100.00%
Door Replacement	900,000	0	(129,420)	770,580	770,580	100.00%
Fire Compartment works	10,000	0	(10,000)	0	0	0.00%
Fire Doors	60,000	(58,821)	0	1,179	1,179	100.00%
Kitchen Improvements	700,000	45,155	0	745,155	745,155	100.00%
Lincoln Standard Windows Replacement	789,732	0	(89,692)	700,040	700,040	100.00%
New services	76,774	26,246	0	103,020	103,020	100.00%
Re-roofing	20,000	(20,000)	0	0	0	0.00%
Rewiring	20,000	(12,272)	0	7,728	7,728	100.00%
Structural Defects	10,000	(10,000)	0	0	0	0.00%
Thermal Comfort Works	30,000	0	(19,858)	10,142	10,142	100.00%
Void Capitalised Works	1,570,320	213,534	0	1,783,854	1,783,854	100.00%
Decent Homes Total	6,740,774	79,260	(271,512)	6,548,522	6,548,522	100.00%
<u>Health and Safety</u>						
Asbestos Removal	190,000	(87,465)	0	102,535	102,535	100.00%
Asbestos Surveys	129,000	(69,440)	0	59,560	59,560	100.00%
Fire Alarms	0	0	0	0	0	0.00%

<u>HOUSING INVESTMENT PROGRAMME</u>	Budget 2023/24 - Reported at Q3	Q4 Budget Increase / Decrease	Q4 Budget Reprofile	2023/24 Revised Budget	2023/24 Total Spend	2023/24 % Spend to Revised Budget
Renew stair structure	40,000	(40,000)	0	0	0	0.00%
Replacement Door Entry Systems	313,757	0	(136,846)	176,911	176,911	100.00%
Health and Safety Total	672,757	(196,905)	(136,846)	339,006	339,006	100.00%
<u>IT/Infrastructure</u>						
Housing Support Services Computer Fund	319,743	166,383	(70,078)	416,048	416,048	100.00%
Infrastructure Upgrade	166,383	(166,383)	0	0	0	0.00%
Operation Rose	10,903	(10,903)	0	0	0	0.00%
Telephony	8,758	(5,558)	0	3,200	3,200	100.00%
IT/Infrastructure Total	505,786	(10,903)	(70,078)	419,248	419,248	100.00%
<u>Lincoln Standard</u>						
Over bath showers (10 year programme)	0	0	0	0	0	0.00%
Lincoln Standard Total	0	0	0	0	0	0.00%
<u>Other Current Developments</u>						
CCTV	0	0	0	0	0	0.00%
Communal Electrics	30,000	10,270	0	40,270	40,270	100.00%
Communal TV Aerials	3,000	2,351	0	5,351	5,351	100.00%
Environmental works	400,000	(137,232)	0	262,768	262,768	100.00%
Garages	30,000	0	(30,000)	0	0	0.00%
Eco Welfare Unit	24,729	0	0	24,729	24,729	100.00%
Hiab and Mule	122,330	0	(122,330)	0	0	0.00%
HRA Buildings	25,000	0	(25,000)	0	0	0.00%
Landscaping & Boundaries	0	0	0	0	0	0.00%
Thurlby Crescent	120,000	(7,607)	0	112,393	112,393	100.00%
Other Current Developments Total	755,059	(132,219)	(177,330)	445,510	445,510	100.00%
HOUSING INVESTMENT TOTAL	8,674,376	(260,767)	(661,324)	7,752,285	7,752,285	100.00%

<u>HOUSING INVESTMENT PROGRAMME</u>	Budget 2023/24 - Reported at Q3	Q4 Budget Increase / Decrease	Q4 Budget Reprofile	2023/24 Revised Budget	2023/24 Total Spend	2023/24 % Spend to Revised Budget
<u>HOUSING STRATEGY AND INVESTMENT</u>						
<u>New Build Programme</u>						
Property Acquisitions	3,483,328	279,287	(367,270)	3,395,344	3,395,344	100.00%
Ermine Church Land	350,000	0	(349,893)	107	107	100.00%
Stamp Duty Refunds	0	(327,800)	0	(327,800)	(327,800)	100.00%
New Build Capital Salaries	46,032	14,758	0	60,790	60,790	100.00%
New Build- De Wint Court	52,913	603	0	53,517	53,517	100.00%
New Build Programme	0	0	0	0	0	0.00%
New Build Programme (141 eligible)	0	0	0	0	0	0.00%
New Build Programme (Borrowing for 141 eligible)	0	0	0	0	0	0.00%
New Build Site – Hermit Street	1,412,640	138,316	(212,401)	1,346,557	1,346,557	100.00%
New Build Site - Queen Elizabeth Road	0	0	0	0	0	0.00%
New Build Site - Rookery Lane	123,768	0	0	123,768	123,768	100.00%
New Build Site - Searby Road	0	0	0	0	0	0.00%
Western Growth Corridor	1,968,678	0	358,982	2,327,660	2,327,660	100.00%
New Build Programme Total	7,445,362	105,164	(570,583)	6,979,944	6,979,944	100.00%
HOUSING STRATEGY AND INVESTMENT TOTAL	7,445,362	105,164	(570,583)	6,979,944	6,979,944	100.00%
TOTAL HOUSING INVESTMENT PROGRAMME	16,119,738	(155,603)	(1,231,907)	14,732,229	14,732,229	100.00%

TFS Phase7 programme: Provisional Outturn - 2023/2024

Service	Summary of project	Dir.	Total savings in 2023/24	GF savings in 2023/24	HRA savings in 2023/24	Comments
			£000's	£000's	£000's	
ACTIONS COMPLETED AS OF END Q4 2023/24						
Major Developments	Capitalisation of salaries for WGC	DMD	56	56	-	Exec 20/02/23
Waste/Street Cleansing	Waste/Street Cleansing Contract Savings	DCE	60	60	-	Complete
Sport Development	Cycle Grand Prix Grant	DCE	4	4	-	Complete
Community Centres	St Giles Community Centre	DCE	6	6	-	Exec 31/01/23
Major Developments	Deletion of Principal Small Business Support Officer	DMD	38	38	-	Complete
Major Developments	Maximise Towns Fund/Review of Workspaces	DMD	35	35	-	Complete
City Solicitor	Review of Work-based Learning	CX	83	48	35	Complete
TOTAL			283	248	35	

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SUBJECT:	TREASURY MANAGEMENT STEWARDSHIP AND ACTUAL PRUDENTIAL INDICATORS REPORT 2023/24 (OUTTURN)
DIRECTORATE:	CHIEF EXECUTIVE & TOWN CLERK
REPORT AUTHOR:	LAURA SHIPLEY – FINANCIAL SERVICES MANAGER

1. Purpose of Report

- 1.1 The annual Treasury Management stewardship report is a requirement of the Council's reporting procedures under regulations issued under the Local Government Act 2003. It covers the treasury management activities and the actual prudential and treasury indicators for 2023/24. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

2. Executive Summary

- 2.1 During 2023/24 the Council complied with its legislative and regulatory requirements. The key prudential indicators for the year, with comparators, are as follows:

Actual Prudential Indicators	2022/23 Actual £'000	2023/24 Actual £'000
Capital Expenditure		
General Fund	10,818	11,632
HRA	12,647	14,732
Total	23,465	26,364
Capital Financing Requirement (CFR)		
General Fund	68,881	70,846
HRA	77,222	78,935
Total CFR	146,103	149,781
Gross Borrowing		
Borrowing at 31st March	121,962	107,742
Investments		
Longer than 1 year*	0	0
Under 1 year	36,685	17,543
Total	36,685	17,543
Net Borrowing (borrowing less investments)		
Net Borrowing at 31st March	85,277	90,199

Other prudential and treasury indicators are to be found in Appendix A and B. The Chief Finance Officer also confirms that borrowing was only undertaken for a capital purpose and the statutory borrowing limit, (the authorised limit), was not breached.

3. Background

- 3.1 The Council has adopted the CIPFA Code of Practice for Treasury Management in the Public Sector and operates its treasury management service in compliance with this Code

and the above requirements. These require that the prime objective of treasury management activity is the effective management of risk, and that its borrowing activities are undertaken in a prudent, affordable and sustainable basis.

3.2 One of the requirements of the Prudential Code is to ensure adequate monitoring of the capital expenditure plans, prudential indicators (PIs) and treasury management response to these plans. This report fulfils that requirement and includes a review of compliance with Treasury and Prudential Limits in 2023/24 and shows the status of the Prudential Indicators at 31st March 2024. For the 2023/24 financial year the minimum reporting requirements were that members should receive the following reports:

- an annual Treasury Management Strategy in advance of the year (Council 28^h February 2023)
- a quarterly treasury update (Executive Q1 21st August 2023 & Q2 19th February 2024)
- a mid-year treasury update report (Executive 20th November 2023)
- an annual report following the year describing the activity compared to the strategy (this report)

3.3 The regulatory environment places a greater onus on members for the review and scrutiny of treasury management policy and activities than in previous years. This report is important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

3.4 In compliance with the Prudential Code treasury management reports are scrutinised by Performance Scrutiny Committee and reviewed by the Executive prior to reporting to Full Council if required. Member training for the Performance Scrutiny and Audit Committees was undertaken on 30th January 2024 in order to support their roles in scrutinising the treasury management strategy and policies.

4. Summary of Performance against Treasury Management Strategy 2023/24

4.1 The full details of transactions in the year and performance against the Prudential Indicators are included at Appendices A and B.

4.2 Key issues to note from activity during 2023/24:

- The Council's total debt (including leases and lease-type arrangements) at 31st March 2024 was £107.742m (Appendix A section 4.4) compared with the Capital Financing Requirement of £149.781m (Appendix A section 3.5). This represents an under-borrowing position of £42.039m, which is currently being supported by internal resources. Additional long-term borrowing will be taken in future years to bring levels up to the Capital Financing Requirement, subject to liquidity requirements, if preferential interest rates are available.
- The Council's Investments at the 31st March 2023 were £17.543m (Appendix A section 4.3), which is £19.142m lower than at 31st March 2023. Average investment balances for 2023/24 were £36.319m, which was higher than estimated balances of £12m in the Medium Term Financial Strategy 2023-28 due to higher than anticipated balances being made available through government grants. It should be noted that this refers to the principal amounts of investments held, whereas the investment values included in the balance sheet are based on fair value. In most cases, this will simply be equal to the principal invested, unless the investment has been impaired.

- Actual investment interest earned on balances was £1.781m compared to £475k estimated in the Medium Term Financial Strategy 2023-28 (Appendix A section 9.2).
- The interest rate achieved on investments was 5.11% (2.10% in 2022/23).

4.3 Risk Benchmarking

The following reports the outturn position against the security and liquidity and yield benchmarks in the Treasury Management Strategy.

Security

- The average security risk gives the estimated default rate on the investment counterparties which comprise the portfolio at 31st March 2024. The Council's actual average security risk for the portfolio as at 31st March 2024 is 0.007%, compared with the 0.012% for the budgeted portfolio. This reflects a very low risk portfolio and equates to a potential financial loss of £342 on the investment portfolio of £9m using individual risk of default percentages (£8.543m of our instruments do not have a counterparty credit rating).
- Specified Investments are high security sterling investments (i.e. high credit quality) with a maturity of no more than one year. Non-specified investments are all other investments representing a potentially greater risk; however, the risk is still minimal due to the stringent controls over counterparty credit quality contained within the Investment Strategy. The 2023/24 strategy set a maximum limit of 75% of the portfolio to be held in non-specified investments. At 31st March 2024, 100% of the investment portfolio was held in specified investments. The Chief Finance Officer can report that the investment portfolio was maintained within this limit throughout the year.

Liquidity

In respect of this area the Council set liquidity benchmarks to maintain:

- Liquid short term deposits of at least £5 million available with a week's notice.
- Weighted Average Life benchmark was expected to be 0.08 years (29 days).

The actual liquidity indicators at 31st March 2024 were as follows:

- Liquid short term deposits of £8.453 million as at 31st March 2024.
- Weighted Average Life of the investment portfolio was 0.098 years (36 days). This reflects the changing investment landscape with a balance between maintaining cash for liquidity purposes and "laddering" deposits on a rolling basis to lock in the increase in investment rates as duration was extended.

During Q3 there was a short period where liquid funds dipped slightly below the target £5m liquidity level, no short term borrowing was necessary as fixed term investments were due to mature to bring liquidity back to normal operating levels.

Yield

The Local measure of yield benchmark employed is -

- Investments – return above the SONIA o/n rate (local indicator 5)

The average SONIA o/n rate for the financial year was 4.96%, actual return on investments achieved during the year was 5.11%.

4.4 Benchmarking

Link Asset Services is the Council's treasury management advisors who offer a benchmarking club for their clients, which the Council participate in. This is organised on a regional group basis. The group to which City of Lincoln belongs has 14 members within the East Midlands region. The following summary shows performance against the group average, Not Metropolitan districts and the population as a whole, indicating a lower than average risk portfolio, with much lower levels of investment balances achieving a level of return in excess of similar authorities.

Investment Benchmarking	CoLC	Benchmarking Group Average	Non-Met Districts	Population Average
Principal at 31/3/24	£17,543,000	£89,857,259	£35,007,008	£74,437,675
Weighted Average rate of return at 31/3/24	5.47%	5.24%	5.19%	5.17%
Weighted average maturity at 31/3/24	36 days	87 days	70 days	56 days
Weighted average credit risk at 31/3/24	2.6	2.89	2.52	2.53

- 4.5 Financing costs as a percentage of net revenue stream have reduced in 2023/24 when compared with 2022/23, due to a reduction in total borrowing (the council is letting debt mature rather than refinancing while interest rates are high) in turn reducing interest expense. See Appendix A section 7.4.1.

The HRA financing costs to net revenue stream, while less than 22/23, are slightly higher than anticipated due to higher than budgeted level of depreciation charged in year.

- 4.6 The financial year 2023/24 continued the challenging environment of previous years with inflationary pressures placing a burden on budgets, increasing the cost of borrowing and making investing surplus cash and monitoring counterparty risk increasingly important.

5. Strategic Priorities

- 5.1 Through its Treasury Management Strategy, the Council seeks to reduce the amount of interest it pays on its external borrowing and maximise the interest it achieves on its investments in order to support the Medium Term Financial Strategy and the delivery of the Council's Vision 2025.

6. Organisational Impacts

6.1 Finance

The financial impacts are contained within the main body of the report and within appendices A and B.

6.2 Legal Implications including Procurement Rules

The powers for a local authority to borrow and invest are governed by the Local Government Act 2003 (LGA 2003) and associated Regulations. A local authority may borrow or invest for any purpose relevant to its functions, under any enactment, or for the purpose of the prudent management of its financial affairs. The Regulations also specify that authorities should have regard to the CIPFA Treasury Management Code and the DLUCH Investment Guidance when carrying out their treasury management functions.

6.3 Equality, Diversity and Human Rights

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

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

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

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

7. Risk Implications

- 7.1 The Local Government Act 2003, the Prudential Code and the Treasury Management Code of Practice include a key principal that an organisations appetite for risk is included in their annual Treasury Management Strategy and this should include any use of financial instruments for the prudent management of those risks, and should ensure that priority is given to security and liquidity when investing.

8. Recommendation

- 8.1 That Executive notes the actual prudential indicators contained within appendices A and B and recommends to Full Council for approval.
- 8.2 That Executive approves the annual treasury management report for 2023/24.

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?

Three

Appendix A – Annual TM Report
Appendix B – Local TM Indicators
Appendix C – Economic Background 23-24 report

List of Background Papers:

Medium Term Financial Strategy 2023-28 & 2024-29
Prudential Indicators 2023/24 & 2024-29
Treasury Management Strategy 2023/24 & 2024-29

Lead Officer:

Laura Shipley – Financial Services Manager
Laura.shipley@lincoln.gov.uk

Annual Report on the Treasury Management Service and Actual Prudential Indicators 2023/24

1. Introduction

1.1 The Council undertakes capital expenditure on long-term assets. These activities can be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

Capital expenditure activity is regulated by the CIPFA Prudential Code, which requires actual outturn to be reported in the following areas: -

- Capital expenditure;
- Capital Financing Requirement;
- Debt;
- Ratio of financing costs to net revenue stream.

The remaining prudential indicators are included to make the annual reporting comprehensive and to comply with the requirements of the Treasury Management Code.

1.2 Part of the Council's treasury activities is to address any borrowing need, either through borrowing from external bodies, or utilising temporary cash resources within the Council. The wider treasury activities also include managing the Council's cash flows, its previous borrowing activities and the investment of surplus funds. These activities are structured to manage risk foremost, and then optimise performance. This area of activity is regulated by the CIPFA Code of Practice on Treasury Management.

1.3 Wider information on the regulatory requirements is shown in section 11.

2. The Council's Capital Expenditure and Financing 2023/24

2.1 This forms one of the required prudential indicators and shows total capital expenditure for the year and how this was financed.

Indicators 1&2 - Capital Expenditure	2023/24 Actual £'000	2023/24 Revised Estimate £'000	2022/23 Actual £'000
General Fund capital expenditure	11,632	15,333	10,818
HRA capital expenditure	14,732	16,120	12,647
Total capital expenditure	26,364	31,453	23,465
Financed by:			
Capital receipts	2,557	2,379	1,934
Capital grants & contributions	6,223	12,606	10,330
Direct Revenue Financing	3,394	3,962	62
Major repairs reserve	9,645	6,886	7,465
Borrowing need	4,545	5,620	3,674
Total Financing	26,364	31,453	23,465

- 2.2 Further details on 2023/24 Capital Expenditure and Financing can be found in the Financial Performance Detailed Outturn 2023/24 report elsewhere on the agenda.

3. The Council's Overall Borrowing Need

- 3.1 The Council's underlying need to borrow is called the Capital Financing Requirement (CFR). This figure is a gauge for the Council's debt position and represents 2023/24 and prior years' net capital expenditure that has not yet been charged to revenue or other resources.
- 3.2 Part of the Council's treasury activities is to address this borrowing need, either through borrowing from external bodies, or utilising temporary cash resources within the Council.
- 3.3 The General Fund element of the CFR is reduced each year by a statutory revenue charge (called the Minimum Revenue Provision - MRP). The total CFR can also be reduced by:
- the application of additional capital resources (such as unapplied capital receipts); or
 - charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP) or depreciation.
- 3.4 The Council's MRP policy for 2023/24 was approved by Council on 28th February 2023 as part of the Prudential Indicators 2023/24 – 2025/26 and Treasury Management Strategy 2023/24
- 3.5 The Council's CFR for the year is shown below and represents a key prudential indicator. The CFR includes leasing schemes which increase the Council's borrowing need. No borrowing is actually required against these schemes as a borrowing facility is included in the contract.

Indicators 3 & 4 - Capital Financing Requirement (CFR)	31 March 2024 Actual £'000	31 March 2024 Revised Estimate £'000	31 March 2023 Actual £'000
CFR - General Fund			
Opening balance 1 April	68,881	68,881	68,407
Plus un-financed capital expenditure	2,832	3,447	1,298
Finance leases	-	-	-
Less MRP/VRP*	(867)	(867)	(824)
Other adjustment			
Use of capital receipts	-	-	-
Closing balance 31 March	70,846	71,461	68,881
CFR - Housing Revenue Account			
Opening balance 1 April	77,222	77,222	74,451
Plus un-financed capital expenditure	1,713	2,090	2,771
Closing balance 31 March	78,935	79,312	77,222
Total CFR 31 March	149,781	150,773	146,103

4. Treasury Position at 31st March 2024

- 4.1 Whilst the Council's gauge of its underlying need to borrow is the CFR, the Chief Finance Officer and the treasury team manage the Council's actual borrowing position by either:
- borrowing to the CFR,
 - choosing to temporarily utilise some flow funds instead of borrowing (under-borrowing)
 - borrowing for future increases in the CFR (borrowing in advance of need).
- 4.2 It should be noted that the figures in this report are based on the principal amounts borrowed and invested and so may differ from those in the final accounts by items such as accrued interest (outstanding interest due to be paid and received as at 31st March), or where the carrying amount is based on fair values.
- 4.3 During 2023/24 the Chief Finance Officer managed the borrowing position to £107.742 million. The treasury position at the 31st March 2024 compared with the previous year was:

Borrowing and Investment Position	31 March 2024		31 March 2023	
	Principal £'000	Average Rate (full year)	Principal £'000	Average Rate (full year)
Borrowing Position				
Fixed Interest Rate Debt	107,742	3.21%	121,962	3.02%
Variable Interest Rate Debt	-	N/A	-	N/A
Total Debt (borrowing) *	107,742	0	121,962	3.02%
Capital Financing Requirement (borrowing only)	149,781	N/A	146,103	N/A
Over/(under) borrowing	(42,039)	N/A	(24,141)	N/A
Investment Position				
Fixed Interest Investments	9,000	5.65%	22,000	2.17%
Variable Interest Investments	8,543	5.30%	14,685	2.01%
Total Investments **	17,543	5.47%	36,685	2.10%
Net Borrowing Position	90,199		85,277	

* Excludes local Bonds & Mortgages and other long-term liabilities (e.g. finance leases)

** The interest rate given differs from the interest rate given in Paragraph 4.6 of the main report because the rates above are for investments held at 31 March whereas the average rate of investment is for investments held during 2023/24.

- 4.4 The total debt position also includes other long term liabilities such as finance leases and embedded leases within service contracts. The total debt position at 31st March 2024 was £107.742 million as shown below:

Indicator 5 - External Borrowing	31 March 2024 Actual £'000	31 March 2024 Revised Estimate £'000	31 March 2023 Actual £'000
Gross borrowing	107,742	109,242	121,962
Other long term liabilities	0	0	0
Total External debt	107,742	109,242	121,962

The Council made the decision to repay a £1.5m LOBO loan in the final quarter of the year due to the lender demanding an increased interest rate which wasn't in line with market conditions. The council will seek to reborrow this amount in the new financial year when interest rates are forecast to decrease.

The borrowing portfolio at 31st March 2024 is shown below.

Borrowing Type	Lender	Outstanding Loans	No Of Loans	Ave Rate %
LA BORROWING	North Kesteven District Council	2,000,000	1	2.05
MARKET LOANS	BARCLAYS	10,000,000	4	4.24
PWLB	PWLB	95,742,569	32	3.55
Total / Ave Rate		107,742,569	37	3.59

4.5 The maturity structure of the debt portfolio was as follows:

Indicator 13 - Maturity Structure of fixed borrowing	31 March 2024 Actual £'000	31 March 2024 Actual %	31 March 2023 Actual £'000
Under 12 months	2,675	2%	12,500
12 months and within 24 months	1,578	1%	2,000
24 months and within 5 years	7,073	7%	3,397
5 years and within 10 years	15,433	14%	11,862
10 years and above	80,983	75%	92,203
Total	107,742	100%	121,962

4.6 The maturity structure of the investment portfolio was as follows:

Investment Maturity Structure	31 March 2024 Actual	31 March 2023 Actual £'000
Longer than 1 year	0	0
Under 1 year	17,543	36,685
Total	17,543	36,685

5. The Strategy for 2023/24

5.1 The Council's overall core borrowing objectives are:

- To reduce the revenue costs of debt in line with the targets set for the Chief Finance Officer by Council (see local indicators).
- To manage the Council's debt maturity profile, leaving no one future year with a high level of repayments that might cause problems in re-borrowing.
- To effect funding at the cheapest cost commensurate with future risk.
- To forecast average future interest rates and borrow accordingly i.e. short term/variable when rates are 'high', long term/fixed when rates are 'low'.
- To monitor and review the level of variable rate loans in order to take greater advantage of interest rate movements.
- To proactively reschedule debt in order to take advantage of potential savings as interest rates change. Each rescheduling exercise will be considered in terms of the effect of premiums and discounts on the General Fund and the Housing Revenue Account.

To manage the day-to-day cash flow of the Authority in order to, where possible, negate the need for short-term borrowing. However, short-term borrowing will be incurred, if it is deemed prudent to take advantage of good investment rates.

6. Actual Debt Management Activity during 2023/24

6.1 Borrowing

- 6.1.1 No additional borrowing was taken out during 2023/24; however, a LOBO loan of £4.5m was repaid following the request from the lender to increase the interest rate. This loan was replaced with a preferential borrowing rate from PWLB at a lower interest rate than the previous loan. In addition, £12.720m was repaid as planned during the financial year, plus the repayment of a further LOBO of £1.5m as set out in paragraph 4.4 (total reduction in borrowing of £14.220m)
- 6.1.2 The average rate achieved for borrowing (excluding finance and embedded leases) in 2023/24 was 3.21%, which compares favourably to the target of 3.4%. The average rate has remained low due to an increase in internal borrowing whilst interest rates are high.

Borrowing Interest	31 March 2024 Actual £'000	31 March 2023 Actual £'000
Interest Payable on Borrowing		
- General Fund	1,322	1,408
- HRA	2,317	2,432
Total Interest payable on borrowing	3,639	3,840
Interest payable on finance leases	0	0
- General Fund	0	0
- HRA	0	0
Total Interest Payable on Borrowing	0	0

6.2 Rescheduling

- 6.2.1 Two LOBO loans were repaid during the year due to the lenders requesting increased interest rates. One at £4.5m which had 42 years remaining to maturity which was replaced with a 10 year EIP loan from PWBL and the other £1.5m which will be replaced on a like for like basis in the new financial year.

7. Prudential Indicators and Compliance Issues

- 7.1 Some of the required prudential indicators provide either an overview or specific limits on treasury activity. These are shown in the following paragraphs.

7.2 External Borrowing and the CFR

- 7.2.1 In order to ensure that borrowing levels are prudent over the medium term the Council's external borrowing must only be for a capital purpose. This essentially means that the Council is not borrowing to support revenue expenditure. The Prudential code stated that gross external borrowing should not, except in the short term, exceeded the CFR for 2023/24 plus the expected changes to the CFR over 2023/24 and 2024/25 from financing the capital programme. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs. The table

below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

Indicator 6 - External Borrowing to Capital Financing Requirement	31 March 2024 Actual £'000	31 March 2024 Revised Estimate £'000	31 March 2023 Actual £'000
Debt as at 1 April	121,962	121,962	125,177
Change in debt	(14,220)	(12,720)	(3,215)
Actual Gross debt as at 31 March	107,742	109,242	121,962
Capital Financing Requirement	149,781	150,773	146,103
Under/(Over) Borrowing	42,039	41,531	24,141

7.3 The Authorised Limit and Operational Boundary

- 7.3.1 The Authorised Limit is the "Affordable Borrowing Limit" required by section 3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. The table below demonstrates that during 2023/24 the Council has maintained gross borrowing within its Authorised Limit.
- 7.3.2 The Operational Boundary is the expected borrowing position of the Council during the year, and periods where the actual position is either below or over the Boundary is acceptable subject to the Authorised Limit not being breached.
- 7.3.3 The table below shows the highest borrowing position reached in the year (including temporary borrowing and other long term liabilities) compared to the Authorised Limit and Operational Boundary.

Indicator 7 & 8 - Authorised Limit and Operational Boundary	2023/24 £'000
Authorised Limit (revised estimate)	122,647
Operational Boundary (revised estimate)	118,942
Maximum gross borrowing position during 2023/24	121,962
Average gross borrowing position during 2023/24	113,474
Minimum gross borrowing position during the year	104,743

7.4 Actual financing costs as a proportion of net revenue stream

- 7.4.1 This indicator identifies the trend in the cost of capital (borrowing and other long-term obligation costs net of investment income) against the net revenue stream.

Indicators 9 & 10 - Ratio Financing Costs to Net Revenue Stream	2023/24 Actual %	2023/24 Revised Estimate	2022/23 Actual %
General Fund	15.14%	14.80%	17.90%
HRA	30.44%	28.80%	33.50%

The reduction in financing costs as a % of net revenue stream in 2023/24 when compared with 2022/23, is due to the council letting debt mature rather than refinancing while interest rates are high, therefore carrying less debt and less interest paid.

The HRA financing costs to net revenue stream are slightly higher than anticipated due to higher than budgeted levels of depreciation charged in year.

8. Investment Position

8.1 The Council's investment policy is governed by DLUHC Guidance, which has been implemented in the Annual Investment Strategy approved by Council on 28th February 2023. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.). The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

8.2 The Council's longer-term cash balances comprise primarily revenue and capital resources, although these are influenced by cash flow considerations. The Council's core cash resources comprised as follows, and meet the expectations of the budget.

Balance Sheet Resources (draft)	31/03/2024 £'000	31/03/2023 £'000
General Fund		
Balances	2,376	2,420
Earmarked reserves	8,107	7,040
Provisions	730	1,985
Usable capital receipts	1,663	13
Total	12,876	11,458
HRA		
Balances	1,136	1,184
Earmarked reserves	4,507	3,509
Usable capital receipts	6,339	6,405
Total	11,982	11,098
Total General Fund & HRA	24,858	22,556

Please note that at the time of writing the year end position is yet to be finalised and the balance sheet resources are draft, subject to approval of recommendations made in the outturn report.

8.3 Investments during the year have been in-line with limits below -

	2023/24 Limits
Indicator 11 - Upper Limit for Fixed Interest Rates	100%
Indicator 12 - Upper Limit for Variable Interest Rates	75%
Indicator 14 - Maximum Principal Sums Invested for longer than 365 days	£7m

9. Investments Held by the Council

9.1 The Council does not have the expertise or resources to actively use a wide range of investment products and therefore performance tends to be more stable but lower over the longer term than for professionally managed funds (whose performance may

fluctuate more). The Council maintained an average balance of £36.319m and received an average return of 5.11%. A comparable performance indicator is SONIA overnight average rate (4.96%).

- 9.2 In 2023/24, £1.781m interest was earned on balances (£1.167m in 2022/23). This is £1.306m more than the £475k estimated in the Medium Term Financial Strategy 2023-28 primarily due to increases in the BoE base rate during the year and higher than anticipated levels of balances. The analysis of this result is shown in the table below.

	MTFS 2023-28 Budget £'000	Outturn 2023/24 £'000
Interest earned on Investments		
General fund	167	718
HRA	308	1,063
Total interest earned	475	1,781
Average balance invested in year	12,000	36,319
Average interest rate achieved	4.44%	5.11%

* The interest rate given differs from that given in Paragraph 4.3 of the main report because this is an average interest for the year whereas the interest rate given in paragraph 4.3 is a rate for balances at 31 March 2024.

- 9.3 The investment portfolio as at 31st March 2024 is shown below.

Investments	Principal £	Rate %	Investment Period (Days)
Babergh District Council	3,000,000	5.75	364
SMBC Bank International Plc	2,000,000	5.7	182
Lloyds Bank Corporate Market - NRFB	2,000,000	5.61	182
Close Brothers	2,000,000	5.55	183
Total Fixed Short term Investments	9,000,000		
BNP Paribas Insticash Sterling	1,543,000	5.3	Call
Federated Short-Term Sterling Prime Fund	7,000,000	5.26	Call
Total Money Market Fund Investments	8,543,000		
Total Investments / Average Rate	17,543,000	5.47	

- 9.4 The Economic Background for 2023/24 (Section 8) sets out the economic conditions during this period. Below is Link's forecast for interest rates at 25th March 2024.

Link Group Interest Rate View		25.03.24												
		Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
BANK RATE		5.25	5.25	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00
3 month ave earnings		5.30	5.30	4.80	4.30	3.80	3.30	3.00	3.00	3.00	3.00	3.00	3.00	3.00
6 month ave earnings		5.20	5.10	4.60	4.10	3.70	3.30	3.10	3.10	3.10	3.10	3.10	3.10	3.10
12 month ave earnings		5.00	4.90	4.40	3.90	3.60	3.20	3.10	3.10	3.10	3.10	3.10	3.20	3.20
5 yr PWLB		4.50	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.60	3.50	3.50	3.50
10 yr PWLB		4.70	4.50	4.40	4.30	4.20	4.10	4.00	3.90	3.80	3.70	3.70	3.70	3.70
25 yr PWLB		5.20	5.10	4.90	4.80	4.60	4.40	4.30	4.20	4.20	4.10	4.10	4.10	4.10
50 yr PWLB		5.00	4.90	4.70	4.60	4.40	4.20	4.10	4.00	4.00	3.90	3.90	3.90	3.90

10. Risk Benchmarking

- 10.1 The regulatory framework also requires the consideration and approval of security and liquidity benchmarks. Yield benchmarks are currently widely used to assess investment performance. Security and liquidity benchmarks are used to assess the level of risk in the investment portfolio and whether sufficient liquidity is being maintained.
- 10.2 The following reports the current position against the benchmarks originally approved in the 2023/24 Treasury Management Strategy.

Security

- The Council's security risk for the portfolio as at 31st March 2024 is 0.007%, which compares with the 0.012% for the budgeted portfolio. This equates to a potential financial loss of £342 on the investment portfolio of £9m - £8.543m of the portfolio is not subject to historic counterparty risk information.
- Specified Investments are high security sterling investments (i.e. high credit quality) with a maturity of no more than one year. Non-specified investments are all other investments representing a potentially greater risk however the risk is still minimal due to the stringent controls over counterparty credit quality contained within the Investment Strategy. The 2023/24 strategy set a maximum limit of 75% of the portfolio to be held in non-specified investments. At 31st March 2023, 100% of the investment portfolio was held in specified investments. The Chief Finance Officer can report that the investment portfolio was maintained within this limit throughout the year.

Liquidity

In respect of this area the Council set liquidity benchmarks to maintain:

- Liquid short term deposits of at least £5 million available with a week's notice.
- Weighted Average Life benchmark was expected to be 0.08 years (29 days).

The actual liquidity indicators at 31st March 2024 were as follows:

- Liquid short term deposits of £8.453 million as at 31st March 2023.
- Weighted Average Life of the investment portfolio was 0.098 years (36 days).

During Q3 there was a short period where liquid funds dipped slightly below the target £5m liquidity level, no short term borrowing was necessary as fixed term investments were due to mature to bring liquidity back to normal operating levels.

10.3 Performance Indicators set for 2023/24

The Code of Practice on Treasury Management requires the Council to set performance indicators to assess the adequacy of the treasury management function over the year. The Chief Finance Officer set 5 local indicators for 2023/24, which aim to add value and assist the understanding of the main prudential indicators. These indicators, detailed in Appendix B, are:

- Debt – Borrowing rate achieved against SONIA overnight average.
- Investments – Investment rate achieved against SONIA overnight average.

- Average rate of interest paid on the Councils Debt during the year – this will evaluate performance in managing the debt portfolio to release revenue savings.
- The amount of interest on debt as a percentage of gross revenue expenditure.
- The ratio of net income from commercial and service investments to net revenue stream.

11. Regulatory Framework, Risk and Performance

11.1 The Council's treasury management activities are regulated by a variety of professional codes, statutes and guidance:

- The Local Government Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on this activity;
- The Act permits the Secretary of State to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing which may be undertaken;
- Statutory Instrument (SI) 3146 2003, as amended, develops the controls and powers within the Act;
- The SI requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities;
- The SI also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services;
- Under the Act the ODPM has issued Investment Guidance to structure and regulate the Council's investment activities;

Under section 238(2) of the Local Government and Public Involvement in Health Act 2007 the Secretary of State has taken powers to issue guidance on accounting practices.

11.2 The Council has complied with all of the above relevant statutory and regulatory requirements, which limit the levels of risk associated with its treasury management activities. In particular its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means both that its capital expenditure is prudent, affordable and sustainable, and its treasury practices demonstrate a low risk approach.

11.3 The Council is aware of the risks of passive management of the treasury portfolio and, with the support of Link Asset Services, the Council's advisers, has proactively managed its treasury position over the year. The Council has complied with its internal and external procedural requirements. There is little risk of volatility of costs in the current debt portfolio as the interest rates are predominantly fixed, utilising long-term loans.

11.4 Shorter-term variable rates and likely future movements in these rates predominantly determine the Council's investment return. These returns can therefore be volatile and, whilst the risk of loss of principal is minimised through the annual investment strategy, accurately forecasting future returns can be difficult.

Local Treasury Management Indicators

Local Indicators	2023/24 Revised Estimate	2023/24 Actual	2022/23 Actual
1. Borrowing rate achieved (i.e. temporary borrowing of loans less than 1 year)	SONIA o/n rate (4.96%)	1.30%	0.55%
2. Investment rate achieved against the SONIA rate	SONIA o/n rate (4.96%)	5.11%	2.10%
3. Average rate of interest paid on Council debt during the year	3.40%	3.21%	3.02%
4. The amount of interest on debt as a percentage of gross revenue expenditure.	3.60%	3.16%	3.30%
5. Net Income from Commercial and Service Investments to Net Revenue Stream	11.14%	11.11%	11.05%

Economic Background for 2023/24

The following commentary on the economic conditions for 2023/24 is provided by Link Asset Services, the Council's treasury management advisers.

UK Economy

Against a backdrop of stubborn inflationary pressures, the Russian invasion of Ukraine, and war in the Middle East, UK interest rates have continued to be volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2023/24.

Markets have sought an end to central banks' on-going phase of keeping restrictive monetary policy in place on at least one occasion during 2023/24 but to date only the Swiss National Bank has cut rates and that was at the end of March 2024.

UK, EZ and US 10-year yields have all stayed stubbornly high throughout 2023/24. The table below provides a snapshot of the conundrum facing central banks: inflation is easing, albeit gradually, but labour markets remain very tight by historical comparisons, making it an issue of fine judgment as to when rates can be cut.

	UK	Eurozone	US
Bank Rate	5.25%	4%	5.25%-5.5%
GDP	-0.3%q/q Q4 (-0.2%y/y)	+0.0%q/q Q4 (0.1%y/y)	2.0% Q1 Annualised
Inflation	3.4%y/y (Feb)	2.4%y/y (Mar)	3.2%y/y (Feb)
Unemployment Rate	3.9% (Jan)	6.4% (Feb)	3.9% (Feb)

The Bank of England sprung no surprises in their March meeting, leaving interest rates at 5.25% for the fifth time in a row and, despite no MPC members no longer voting to raise interest rates, it retained its relatively hawkish guidance. The Bank's communications suggest the MPC is gaining confidence that inflation will fall sustainably back to the 2.0% target. However, although the MPC noted that "the restrictive stance of monetary policy is weighing on activity in the real economy, is leading to a looser labour market and is bearing down on inflationary pressures," conversely it noted that key indicators of inflation persistence remain elevated and policy will be "restrictive for sufficiently long" and "restrictive for an extended period."

Of course, the UK economy has started to perform a little better in Q1 2024 but is still recovering from a shallow recession through the second half of 2023. Indeed, Q4 2023 saw negative GDP growth of -0.3% while y/y growth was also negative at -0.2%.

But it was a strange recession. Unemployment is currently sub 4%, against a backdrop of still over 900k of job vacancies, and annual wage inflation is running at above 5%. With gas and electricity price caps falling in April 2024, the CPI measure of inflation - which peaked at 11.1% in October 2022 - is now due to slide below the 2% target rate in April and to remain below that Bank of England benchmark for the next couple of years, according to Capital Economics. The Bank of England still needs some convincing on that score, but upcoming inflation and employment releases will settle that argument shortly. It is noted that core CPI was still a heady 4.5% in February and, ideally, needs to fall further.

Shoppers largely shrugged off the unusually wet weather in February, whilst rising real household incomes should support retail activity throughout 2024. Furthermore, the impact of higher interest rates on household interest payments is getting close to its peak, even though fixed rate mortgage rates on new loans have shifted up a little since falling close to 4.5% in early 2024.

From a fiscal perspective, the further cuts to national insurance tax (from April) announced in the March Budget will boost real household disposable income by 0.5 - 1.0%. After real household disposable income rose by 1.9% in 2023, Capital Economics forecast it will rise by 1.7% in 2024 and by 2.4% in 2025. These rises in real household disposable income, combined with the earlier fading of the drag from previous rises in interest rates, means GDP growth of 0.5% is envisaged in 2024 and 1.5% in 2025. The Bank of England is less optimistic than that, seeing growth struggling to get near 1% over the next two to three years.

As for equity markets, the FTSE 100 has risen to nearly 8,000 and is now only 1% below the all-time high it reached in February 2023. The modest rise in UK equities in February was driven by strong performances in the cyclical industrials and consumer discretionary sectors, whilst communications and basic materials have fared poorly.

Despite its performance, the FTSE 100 is still lagging behind the S&P 500, which has been at an all-time high for several weeks.

USA Economy.

Despite the markets willing the FOMC to cut rates as soon as June 2024, the continued resilience of the economy, married to sticky inflation, is providing a significant headwind to a change in monetary policy. Markets currently anticipate three rate cuts this calendar year, but two or less would not be out of the question. Currently, policy remains flexible but primarily data driven.

In addition, the Fed will want to shrink its swollen \$16 trillion balance sheet at some point. Just because the \$ is the world's foremost reserve currency (China owns over \$1 trillion) does not mean the US can continually run a budget deficit. The mix of stubborn inflation and significant treasury issuance is keeping treasury yields high. The 10 year stands at 4.4%.

As for inflation, it is currently a little above 3%. The market is not expecting a recession, but whether rates staying high for longer is conducive to a soft landing for the economy is uncertain, hence why the consensus is for rate cuts this year and into 2025...but how many and when?

EZ Economy.

Although the Euro-zone inflation rate has fallen to 2.4%, the ECB will still be mindful that it has further work to do to dampen inflation expectations. However, with growth steadfastly in the slow lane (GDP flatlined in 2023), a June rate cut from the current 4% looks probable.

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SUBJECT: STRATEGIC RISK REGISTER – QUARTERLY REVIEW

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

REPORT AUTHOR: JACLYN GIBSON, CHIEF FINANCE OFFICER

1. Purpose of Report

- 1.1 To provide Members with a status report of the revised Strategic Risk Register as at the end of quarter 4 2023/24.

2. Background

- 2.1 An update of the Strategic Risk Register, developed under the risk management approach of 'risk appetite', was last presented Members in February 2024 and contained fourteen strategic risks.
- 2.2 Since reporting to Members in February, the Strategic Risk Register has been refreshed and updated by the Risk Owners and Corporate Management Team and has identified that there have been some positive movements in the Risk Register.
- 2.3 This updated register is contained with Part B of this agenda, it contains fourteen strategic risks which are listed below, along with details of relevant mitigations.

3. Strategic Risks

- 3.1 The Strategic Risk Register contains fourteen risks, as follows:
- 1) Failure to engage & influence effectively the Council's strategic partners, council staff and all stakeholders to deliver against e.g. Council's Vision 2025.
 - 2) Failure to deliver a sustainable Medium-Term Financial Strategy (that supports delivery of Vision 2025).
 - 3) Failure to deliver the Towards Financial Sustainability Programme whilst ensuring the resilience of the Council.
 - 4) Failure to ensure compliance with existing and new statutory duties/functions.
 - 5) Failure to protect the local authority's long term vision due to changing structures and relationships in local government and impact on size, scale and scope of the Council.
 - 6) Unable to meet the emerging changes required in the Council's culture, behaviour and skills to support the delivery of the council's vision, transformational journey to one Council approach and service delivery.

- 7) Insufficient levels of resilience, capability and capacity exist in order to deliver key strategic projects & services within the Council.
- 8) Decline in the economic prosperity within the City Centre.
- 9) Failure to deliver key strategic projects.
- 10) Failure of the Council's key contractors and partners to remain sustainable and continue to deliver value for money
- 11) Failure to protect the vulnerable in relation to the Council's PREVENT and compliance with safeguarding and domestic abuse duties.
- 12) Failure to mitigate against the risk of a successful cyber-attack against the council
- 13) Impacts of the uncertainty of Government's migration policy on the Council's service delivery, capacity and MTFS as well as the impacts for the City as a whole
- 14) Failure to deliver critical services in an emergency situation.

3.2 Each risk includes a number of control measures in order to avoid, seek, modify, transfer or retain the risks, these include actions already in place and further actions required with the relevant timescales for implementation. These control actions continue to be implemented and the risks managed accordingly.

3.3 Each risk is evaluated in terms of the level of assessed risk (likelihood and impact), taking into consideration any changes in control measures and the wider environment in which the Council operates. There have been some positive movements in terms of the implementation of control measures, which has resulted in a change to the assessed levels of likelihood and/or impact of one of the risks, as follows:

- Risk 4 has decreased from Amber: Probable/Major to Amber: Possible/Major

3.4 The assessed level of each of these fourteen risks is as follows:

Risk No.	Risk Rating	Likelihood	Impact
1.	Medium	Hardly Ever	Minor
2.	High	Almost Certain	Critical
3.	Medium	Probable	Major
4.	Medium	Possible	Major
5.	Medium	Possible	Major
6.	Medium	Possible	Major
7.	High	Almost Certain	Critical
8.	High	Almost Certain	Critical
9.	Medium	Probable	Major
10.	High	Almost Certain	Critical

11.	Medium	Possible	Critical
12.	High	Probable	Critical
13.	High	Almost Certain	Critical
14.	Medium	Probable	Major

3.5 The Strategic Risk Register is contained within Part B of this agenda.

4. Strategic Priorities

4.1 Sound risk management is one way in which the Council ensures that it discharges its functions in accordance with its expressed priorities, as set out in the Vision 2025, and that it does so in accordance with statutory requirements and within a balanced and sustainable budget and MTFS.

5. Organisational Impacts

5.1 Finance - There are no direct financial implications arising as a result of this report. The Council's Strategic Risk Register contains two specific risks in relation to the Medium Term Financial Strategy and the Towards Financial Sustainability Programme, the risk register that supports these are included within the Medium Term Financial Strategy and are reviewed as part of financial planning/management processes.

5.2 Legal Implications including Procurement Rules - The Council is required under the Accounts and Audit Regulations 2011 to have a sound system of Internal Control which facilitates the effective exercise of the Council's functions, and which includes arrangements for the management of risk. The maintenance of a Strategic Risk Register and the control actions which the Council undertakes are part of the way in which the Council fulfils this duty.

5.3 Equality, Diversity and Human Rights

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

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

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

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

6. Risk Implications

6.1 The Strategic Risk Register contains the key strategic risks to the delivery of the Council's medium and longer term priorities. A failure to monitor the action that is being taken to manage these risks would undermine the Council's governance arrangements.

7. Recommendation

- 7.1 Members are asked to note and comment on the Council's strategic risks as at the end quarter 4 2023/24.

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? None

List of Background Papers: None

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SUBJECT:	EXCLUSION OF THE PRESS AND PUBLIC
DIRECTORATE:	CHIEF EXECUTIVE & TOWN CLERK
REPORT AUTHOR:	CAROLYN WHEATER, MONITORING OFFICER

1. Purpose of Report

- 1.1 To advise members that any agenda items following this report are considered to contain exempt or confidential information for the reasons specified on the front page of the agenda for this meeting.

2. Recommendation

- 2.1 It is recommended that the press and public be excluded from the meeting at this point as it is likely that if members of the press or public were present there would be disclosure to them of exempt or confidential information.

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